



WEEKLY HANSARD

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E-mail: hansard@parliament.qld.gov.au

Phone: (07) 3406 7314 Fax: (07) 3210 0182

51ST PARLIAMENT

Subject

CONTENTS

Page

Thursday, 30 September 2004

PRIVILEGE	2547
Middle Park State School, Incident	2547
MEMBERS' DAILY TRAVELLING ALLOWANCE CLAIMS	2547
Report	2547
PETITIONS	2547
PAPERS	2547
MINISTERIAL STATEMENT	2548
Appointment of Public Service Commissioner	2548
MINISTERIAL STATEMENT	2548
Premier's Literary Awards	2548
MINISTERIAL STATEMENT	2549
Crime and Misconduct Commission; PCMC Report	2549
MINISTERIAL STATEMENT	2550
Roads, Funding	2550
MINISTERIAL STATEMENT	2551
Breaking the Unemployment Cycle	2551
MINISTERIAL STATEMENT	2552
Smart State Exporting Queensland	2552
MINISTERIAL STATEMENT	2553
Brisbane Writers Festival; Queensland Writing Strategy	2553
MINISTERIAL STATEMENT	2553
Housing Achievements	2553
MINISTERIAL STATEMENT	2555
Community Service	2555
MINISTERIAL STATEMENT	2555
South-East Queensland Travel Survey	2555
MINISTERIAL STATEMENT	2556
Australian Pesticides and Veterinary Medicines Authority	2556
MINISTERIAL STATEMENT	2557
Child Protection Support Services	2557
MINISTERIAL STATEMENT	2557

Table of Contents — Thursday, 30 September 2004

Care Independent Living Inc., Bribie Island	2557
MINISTERIAL STATEMENT	2558
Electrical Apprentices	2558
MINISTERIAL STATEMENT	2558
Black River Rural Fire Brigade, Death of Volunteer Rural Firefighter	2558
MINISTERIAL STATEMENT	2559
Cherbourg, Centenary Celebrations	2559
50TH COMMONWEALTH PARLIAMENTARY ASSOCIATION CONFERENCE	2559
Report	2559
PRIVATE MEMBERS' STATEMENTS	2559
Energex	2559
Queensland Parliamentary Diabetes Support Group	2560
Sunshine Coast Hospitals	2560
QUESTIONS WITHOUT NOTICE	2561
Energex; Transcripts of Interview	2561
Energex; Release of Documents	2562
Tree Clearing	2562
Energex; Labor Party Election Brochure	2563
2004 Paralympic Games	2564
Office of Energy	2564
Burnett River Dam	2565
Energex; Mr D. Nissen	2566
Agricultural Colleges	2566
IT Industry, Tenders	2567
Federal Election; Rural Queensland	2568
Hospital Waiting Lists	2568
Cairns International Airport	2569
WorkCover Board; Mr D. Nissen	2569
Valley Alcohol Management Partnership	2570
Horse Riding in State Forests	2570
Department of State Development	2571
MINISTERIAL STATEMENT	2571
Smart State Strategy	2571
PRIMARY INDUSTRIES AND FISHERIES LEGISLATION AMENDMENT BILL	2572
Consideration in Detail	2572
Third Reading	2576
RURAL ADJUSTMENT AUTHORITY AMENDMENT BILL	2577
Second Reading	2577
AUDITOR-GENERAL'S REPORT	2584
RURAL ADJUSTMENT AUTHORITY AMENDMENT BILL	2584
Second Reading	2584
Consideration in Detail	2608
Third Reading	2608
REVOCATION OF STATE FOREST AREAS	2609
PARTNERSHIP AND OTHER ACTS AMENDMENT BILL	2610
Second Reading	2610
Consideration in Detail	2617
Third Reading	2618
ADJOURNMENT	2618
Child Protection	2618
Athens Olympics—Bundaberg Competitors	2618
Festivals, Currumbin Electorate; Road Safety Awards	2619
Cairns Education Renewal Project	2620
Vacation Care Services	2620
Call to Prime Minister, <i>Rove Live!</i>	2621
Targinie, Property Buyback	2621
Banyo Returned and Services League	2622
Bundaberg and District Mental Health Service	2622
Liberal Party	2623

THURSDAY, 30 SEPTEMBER 2004

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

PRIVILEGE

Middle Park State School, Incident

Hon. A.M. BLIGH (South Brisbane—ALP) (Minister for Education and the Arts) (9.30 a.m.): I rise on a matter of privilege. In question time yesterday and again last night in an adjournment debate, the member for Burnett raised a very serious allegation about a five-year-old prep student at one of Queensland's prep trial schools being approached by a stranger on their way to the toilet.

I can advise the House that an allegation has been made by a student at Middle Park State School that a stranger approached them while the student was in the toilet block during school time. This is a very serious allegation. It was immediately reported to the police, who have conducted an investigation. The incident was reported by Channel 10 some weeks ago. I understand the police have now charged a 15-year-old with this matter. However, I regret to advise the House that the shadow minister has seriously misled the House in a number of respects. Firstly, Middle Park State School is not a prep trial site and is not offering a prep year. I can also confirm that the student involved was a 10-year-old girl, not a five-year-old child. As I said, this is a very serious incident, but it has nothing to do with the prep trial or any allocation of teacher aide hours.

Implementation of an initiative as significant and large scale as the introduction of a new year of schooling is bound to encounter its teething problems, but its implementation will not be helped by an opposition mounting a scare campaign that has no basis in fact. I look forward to an apology from the shadow minister to the dedicated staff in our prep trial schools who meet their duty of care for these young students every day.

MEMBERS' DAILY TRAVELLING ALLOWANCE CLAIMS

Report

Mr SPEAKER: Order! Honourable members, I lay upon the table of the House the annual report of daily travelling allowance claims by members of the Legislative Assembly for 2003-04.

PETITIONS

The following honourable members have lodged paper petitions for presentation—

Road Widening, Charleville-Quilpie

Mr Johnson from 1113 petitioners requesting the House to widen the section of the road between Charleville and Quilpie on the Diamantina Development Road (93A) toward the Ward River bridge to two full carriage ways suitable for road trains, including flat road batters, to prevent tipping over, and paint double white centre lines to improve the sight distance and manoeuvring distance on both approaches so that drivers can clearly see oncoming traffic and, to widen and raise the Ward River bridge, apply speed restrictions and put rubble strips on approaches before more people are killed or injured.

Water Management, Collinsville; Bowen River-Broken River Scheme

Mrs Menkens from 159 petitioners requesting the House to provide opportunity for the future development of water delivery to industry and the general community of Collinsville and that the established management plan for long term water infrastructure in the Bowen River-Broken River Scheme be given the highest priority.

State Forest Reserves, South East Queensland

Mr Wellington from 258 petitioners requesting the House to make provision in the proposed new tenure for Forest Reserves in South East Queensland State Forests to have the already existing fire trails and tracks set aside as Conservation Park Corridors.

PAPERS

MINISTERIAL PAPERS TABLED BY THE CLERK

The following ministerial papers were tabled by The Clerk—

Minister for Transport and Main Roads (Mr Lucas)—

- Response from the Minister for Transport and Main Roads (Mr Lucas) to an e petition sponsored by Mrs Croft from 2 petitioners and a paper petition presented by Mrs Croft from 200 petitioners regarding traffic concerns at Crescent Avenue-Broadwater Avenue intersection, Hope Island

Minister for Environment, Local Government, Planning and Women (Ms Boyle)—

- Response from the Minister for Environment, Local Government, Planning and Women (Ms Boyle) to two paper petitions presented by Mr Wellington from 202 petitioners and 138 petitioners regarding the loss of reasonable access by horse riders to the Mapleton Forest Reserve and the loss of reasonable access by horse riders to the South East Queensland State Forests

MINISTERIAL STATEMENT

Appointment of Public Service Commissioner

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.35 a.m.): I inform the House that the Governor in Council has approved the appointment of Mr George O'Farrell as Public Service Commissioner from 23 September 2004 on a contract basis. The Public Service Commissioner's functions, as established under the Public Service Act 1996, include the promotion of the practices and principles of Public Service management and employment; improving initiatives that monitor the performance of public sector units; supporting departmental initiatives to further enhance client service; and providing a best practice advisory role on Public Service management and work force practices.

The vacant role of Public Service Commissioner was advertised widely in the *Queensland Government Gazette* and in the Queensland and national press in June and July 2004. The selection committee which recommended Mr O'Farrell for the role consisted of Dr Leo Keliher, Director-General, Department of the Premier and Cabinet, who was the chair; Ms Rachel Hunter, Director-General, Department of Justice and Attorney-General; Mr Frank Rockett, Director-General, Department of Corrective Services; and Mr Peter Salway, Commissioner for Public Employment, Victoria.

Mr O'Farrell, who has been the acting Public Service Commissioner for approximately 11 months, was assessed by the committee as the most meritorious candidate for the role. Mr O'Farrell consistently demonstrated superior knowledge, skills and experience in relation to the role and demonstrated strong strategic leadership skills. Mr O'Farrell's candidature for the role was strongly supported by referees. I congratulate Mr O'Farrell on his appointment, and I look forward to the important contribution he will make to the Queensland Public Service as Public Service Commissioner and accountable officer for the Office of Public Service Merit and Equity.

MINISTERIAL STATEMENT

Premier's Literary Awards

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.38 a.m.): Last night was another great moment for the Smart State. I, along with the Minister for Education and the Arts and the Minister for State Development and Innovation, was on hand with a selection of gifted authors from across the state and the nation to announce the 2004 Queensland Premier's Literary Award winners. The awards—one of Australia's richest and most prestigious—include \$255,000 in prize money. I am committed to making Queensland the Smart State. This strategy involves supporting and promoting our thriving literary culture in Queensland and Australia with the Premier's Literary Awards.

It is important that in the Smart State we recognise many fields of endeavour, and it is right that the literary efforts of Queenslanders and indeed fellow Australians are among them. The decision making for the judging panels of the sixth annual awards was tough. There were, after all, more than 852 nominations from across the country, including 273 from Queenslanders. I was proud to announce that the 14 awards for published, unpublished or produced works were presented to a selection of the finest writers in this country. Our literary awards also offer a prize for an unpublished Queensland author. This year's winner, Steven Lang, has won \$20,000 plus a publishing contract with the University of Queensland Press for his manuscript *An Accidental Terrorist* to be published within the next 12 months.

I extend my congratulations to the winners of the 2004 Queensland Premier's Literary Awards and to all those who entered the awards for their tremendous talents. I seek leave to have the names of the winners and their prize money for each category of the 2004 Queensland Premier's Literary Awards incorporated in *Hansard*.

Leave granted.

The winners for each category in the 2004 Queensland Premier's Literary Awards and the prize money won are:

Best Non-Fiction Book—\$15,000

Peter Robb for *A Death in Brazil* (Duffy & Snellgrove—Publisher)

Best Children's Book—\$15,000

Carole Wilkinson for *Dragonkeeper* (Black Dog Books—Publisher)

Best Young Adult Book—\$15,000

Martine Murray for *How to Make a Bird* (Allen & Unwin—Publisher)

Best Manuscript of an Emerging Queensland Author—\$20,000 plus a publishing contract with the University of Queensland Press

Steven Lang for *An Accidental Terrorist*

David Unaipon Award for an Unpublished Indigenous Writer—\$15,000

Tara June Winch for *Dust on Waterglass*

Best Fiction Book—\$25,000

J. M Coetzee for *Elizabeth Costello* (Random House—Publisher)

Best Literary or Media Work Advancing Public Debate—the Harry Williams Award—\$15,000

Stuart Macintyre and Anna Clark for *The History Wars* (Melbourne University Press—Publisher)

Best History Book—\$15,000

Inga Clendinnen for *Dancing with Strangers* (Text Publishing)

Best Drama (Stage)—\$15,000

Alana Valentine for *Run Rabbit Run* (Company B, Belvoir—Theatre Company)

Best Television Script—\$15,000

Blake Ayshford for *The Cooks*—Ep 12. Series 1—*Honey and Wounds* (Chapman Pictures Pty Ltd—Production Company)

Best Film Script—the Pacific Film & Television Commission Award—\$15,000

Sarah Watt for *Look Both Ways* (Hibiscus Films Pty Ltd—Production Company)

Arts Queensland Steele Rudd Australian Short Story Award—\$15,000

Eva Sallis for *Mahjar* (Allen & Unwin—Publisher)

Arts Queensland Judith Wright Calanthe Award for Poetry—\$15,000

Judith Beveridge for *Wolf Notes* (Giramondo Publishing)

Science Writers Award—\$15,000

Sonya Pemberton for *Genius of Junk* (ABC TV)

I also table for the House a full-page advertisement that was run in both the *Australian* and the *Courier-Mail* today announcing to all Queenslanders the winners of those awards. I have done this to promote the awards, to recognise those who have won them and to also encourage others to enter in next year's awards. I have indicated that I will report on public advertising. I have now done so in relation to those two advertisements.

MINISTERIAL STATEMENT

Crime and Misconduct Commission; PCMC Report

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.39 a.m.): On 10 September the government tabled its response to the Parliamentary Crime and Misconduct Committee's March 2004 report on its first three-year review of the Crime and Misconduct Commission. We accepted the bulk of the 50 recommendations and have begun acting on them.

The PCMC is an important part of an extensive accountability network in Queensland, and the government treats its recommendations with deserved gravity and seriousness. This report will lead to further strengthening of accountability, because I will now table another annual report in this parliament. This will be a report on information provided to me by all directors-general, who will account to me annually on their departments' capacity and performance in preventing and dealing with misconduct. This system is about the wise use of taxpayer-funded agency resources. It makes sense for government agencies, especially smaller agencies, to work closely with the CMC to prevent and deal with misconduct. In this way they will give the targeted, specific information rather than general information in generic reports.

I seek leave to incorporate the rest of my ministerial statement in *Hansard* to report on our response to the PCMC report.

Leave granted.

The statutory scheme set up in 2001 is working, the CMC has not lost the ability to oversee government agencies.

Our response highlights the CMC's success in overseeing agencies, including:

- The CMC's high-quality survey work. This is evident in a series of CMC papers on capacity-building published since the Committee's report was finalised; and
- The CMC's extensive monitoring, compliance auditing and analysing of agencies' dealings with misconduct.

Transparency and accountability are enhanced when the independent watchdog itself does the reporting, as the CMC has done in its recent report: *Profiling the Queensland public sector*.

The Government will continue supporting the CMC as it helps agencies fight the risk of misconduct.

For example, on 30 August this year I wrote to Ministers about the CMC's Profiling report and I encouraged agencies to continue working with the CMC to strengthen misconduct prevention.

I will also inform the House on another topical issue covered in our response to the committee: telecommunications interception powers.

The Queensland Government has consistently insisted we will grant no interception powers unless and until they are covered by appropriate safeguards such as the Public Interest Monitor.

Constitutionally, the Commonwealth must first amend legislation.

We have been talking to the Commonwealth but obviously these talks are on hold during the caretaker period.

I asked the Minister for Police and Corrective Services to take to Cabinet a submission on telecommunications interception powers—which she has now done—and an interdepartmental committee including police and CMC representatives will look further at the matter.

Regarding the remainder of the Committee's 50 recommendations, the government:

- supports—to varying degrees—amendments recommended for the Witness Protection Act 2000;
- supports the recommended legislative change to enable presiding officers at CMC hearings to order the production of documents or things;
- supports the recommended legislative change to require the tabling of the annual reports of the Misconduct Tribunals;
- supports the various recommendations aimed at the CMC about improving its effectiveness, noting that the CMC itself has informed the Government it agrees with the recommendations; and
- supports a review of the whistleblowers' legislation. There will be a whole-of-government review of the experience of agencies in relation to the Act's operation, and the government will make any necessary changes to the Act.

As the government response notes, we have already substantially implemented recommendations for enhanced powers for the CMC and police to fight terrorism.

We responded in April by introducing the Terrorism (Community Safety) Amendment Bill, which is now in force.

At the time the Government was explicit about how the Bill implemented the committee recommendations and explained any divergence from the recommendations.

On a separate matter, the Committee recommended that the CMC should decide whether criminal charges should be laid when misconduct investigations are finalised in certain cases—rather than the Director of Public Prosecutions or, to a lesser extent, police.

The government has consulted the DPP and the CMC. They have been working together and will continue to do so, to address the issues on an administrative basis.

The government supports this administrative response rather than a legislative response, and we will continue to monitor the situation.

The Committee had also recommended that consideration be given to legislative amendment, at an appropriate time, to extending the misconduct jurisdiction of the CMC to private entities that exercise public functions and utilise public money.

The government supports the recommendation in principle and give it detailed consideration in future.

On another matter, a CMC acting chair has historically been approved by the Governor in Council as a standing arrangement.

By custom, the acting chair has been a senior part-time commissioner, whose initial appointment was made in consultation with the Committee.

Acting chair appointments exceeding 6 months occur only rarely. Effectively, the recommended consultation with the Committee on these appointments is already occurring.

MINISTERIAL STATEMENT

Roads, Funding

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.40 a.m.): The 2004-05 Queensland state roads budget provided a continuing commitment to regional development, to jobs and to improved road safety through significantly increasing investment in Queensland's road system over the next five years. I want to congratulate the Minister for Transport, Paul Lucas, for working closely with my department and government generally on this program.

Of the total \$1.368 billion available for Main Roads in 2004-05, more than \$1 billion is for regional roads infrastructure, maintenance and operations throughout Queensland. This investment supports more than 17,500 workers in roads and related industries. Importantly, since December 2003 the Queensland government has provided an extra \$1.06 billion for road infrastructure across the state over and above normal funding. This includes an extra \$186 million under the Smart State Building Fund over three years; an extra \$301 million in Beattie government election commitments over five years; and an extra \$571 million under the new arterial roads infrastructure package over four years. Rail and public transport have also benefited through a greater investment of \$1.04 billion under the Smart State Building Fund and the improved transport infrastructure program over a similar time frame.

Some examples of new and accelerated road projects include completion of the duplication of the Sunshine Motorway north to Pacific Paradise by 2008-09, including a second bridge over the Maroochy River; construction of the Linkfield connection road at Bald Hills next financial year; making the Tugun bypass a reality by 2008-09; completing a new Yeppoon bypass within the next three years; completing the first stage of the Townsville port access road—the Stuart bypass—in 2006-07; and building the new

Centenary Highway extension from Springfield to Ripley Road in 2007-08 at a total estimated cost of \$120 million. All election commitments have been funded and will be met.

The Smart State is growing at a rate of 1,580 people per week, according to the latest Australian Bureau of Statistics figures for the year to March 2004. While the growth is greatest in south-east Queensland, regional growth is also strong across the board and is and set to continue. Projections say our population will reach 6.5 million by 2051. The government recognises the challenges ahead for all levels of government in providing a safe and efficient road and public transport system to meet the demands of rapid growth in Queensland.

In stark contrast, since the coalition took over in Canberra in 1996-97 federal road funding for Queensland has been in reverse. The Queensland government is doing more than its fair share, and that is largely the case for local governments investing in local roads. In contrast, the federal budget and AusLink funding total for roads in Queensland in 2004-05 is only \$265 million. This is a matter the Minister for Transport, Paul Lucas, has been pursuing. That is just \$10 million more than Queensland received for national highways and roads of national importance in 2003-04. It falls well short of the \$600 million a year identified in Queensland's *National Highway Forward Strategy Report* submitted to Canberra in December 2003.

Under AusLink, the federal coalition government plans to walk away from a decades-long agreement to fully fund the National Highway system. To add to the insult, the federal coalition had already acknowledged that, unlike in other states, the National Highway system in Queensland is far from complete. If the proposed AusLink legislation is ultimately passed, it will divert existing National Highway funding to a broader road/rail network and create potential for only partial Commonwealth funding of National Highway upgrades. This in turn will result in the requirement for diversion of state funds from high-priority works on the state-controlled road network. It will distort state road priorities and reduce our government's flexibility in terms of road priorities and timing of road investment.

AusLink allows only \$573 million for Brisbane urban connectors over the next five years, with only \$36 million allocated in the first two years. Jointly agreed needs identified for the National Highway system and roads of national importance in south-east Queensland total \$1.8 billion over the next five years, leaving a federal funding shortfall of \$1.2 billion. There has been no provision for extension of the Pacific Motorway upgrade agreement in Queensland apart from the existing federal commitment of \$120 million for Tugun. In contrast, New South Wales is getting \$160 million per annum on a fifty-fifty basis over the next 10 years. Only \$210 million is initially provided over five years for upgrading the 1,650-kilometre Bruce Highway between Caboolture and Cairns, with priorities identified as Gympie safety works and overtaking lanes between Townsville and Cairns.

Jointly agreed needs of some \$720 million have been identified to upgrade this National Highway corridor to a reasonable standard. This leaves a tragic shortfall of \$510 million to address urgent flood immunity, overtaking lanes, widening and repairs, intersection upgrades and maintenance to improve traffic safety—if ultimately met. Subsequent coalition election commitments would still leave a significant shortfall of \$390 million.

Over the next five years the Queensland government will invest some \$6.2 billion in its road network. By comparison, under its revised AusLink allocation, the federal coalition government would contribute some \$1.6 billion over the same time frame—just 20 per cent of what the Queensland government is investing in roads. This reflects no growth in relative federal/state shares and no recognition of Queensland's National Highway backlog and the demands of population growth. Clearly, the federal coalition has no vision for the future of a sustainable roads network in Australia's fastest-growing state.

I have had discussions with the Treasurer and the Transport Minister, and as part of the urban management strategy for south-east Queensland we will obviously be looking for significant long-term visions and strategies in the road and transport corridors. We will have a lot more to say about that next year and as part of the budget process. We are working on that as the moment. That is a priority for both my government and myself. The reality is, however, that whoever wins this federal election needs to play more of a partnership role in assisting in the provision of roadworks in this state.

MINISTERIAL STATEMENT

Breaking the Unemployment Cycle

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.47 a.m.): Last week 15 Queenslanders from non-English speaking backgrounds graduated from one of my government's Breaking the Unemployment Cycle programs managed by the Multicultural Development Association. I think this is a great program. I wish to advise the House of this by seeking leave to incorporate the rest of that ministerial statement in *Hansard*.

Leave granted.

The Multicultural Community Jobs Plan successfully provided on-the-job training and work experience to 17 unemployed migrant and refugee jobseekers, but in the first month of the program two of the participants obtained full-time work.

Between 17th May and 3rd September this year, participants from 16 different countries worked with 13 different host organisations—the migrants and refugees came from Bosnia, Brazil, Colombia, Burma (Myanmar), Croatia, El Salvador, India, Kenya, Malaysia, Philippines, Sri Lanka, Sudan, Taiwan, Tonga, Venezuela and Vietnam.

So far, 11 of these participants have found jobs—with agencies as varied as the Queensland University of Technology, St. Luke's Nursing Service, the Department of Foreign Affairs and Trade, David Jones, the Queensland Working Women's Service, Nudgee College, the Ethnic Communities Council of Queensland, the Multicultural Development Association and AFS Projects and Logistics Company.

The Multicultural Development Association advises that the remaining participants are currently undertaking interviews with a high likelihood of gaining employment.

This is because one of the greatest barriers to migrants and refugees obtaining employment is their lack of local work experience. And that's what this program has provided—the chance to engage in Australian workplace culture, gain referees and network.

This program partnered employers, community organisations, government agencies and educational institutions with people who come to Queensland with a wide range of qualifications and a great degree of natural resilience and commitment.

Seven of the 11 employment outcomes were created by host organisations and the Multicultural Development Association.

It shows that migrant and refugee people have much to offer the community and employers and my government is fulfilling an important role in funding initiatives to overcome barriers to employment.

The Breaking the Unemployment Cycle initiative has helped to create more than 76,000 jobs across Queensland making our jobs, jobs, jobs mantra a reality.

This is all at a time of our lowest unemployment rate when Queensland, the Smart State, the engine room of Australia, has recorded a trend unemployment rate of 5.6 per cent for August.

This is the lowest rate since labour force figures began in their current format in 1978.

MINISTERIAL STATEMENT

Smart State Exporting Queensland

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.47 a.m.): Last week was Export Week in Queensland, and it was a very appropriate time to launch a new initiative called Smart State Exporting Queensland. This initiative will ensure that Queensland exporters and business advisers have access to a wealth of international business expertise and contracts through a network of peak business service organisations. This is an important strategy. I seek leave to incorporate the details in *Hansard*.

Leave granted.

Smart Exporting Queensland is all about making available sound international business advice and awareness of export opportunities to every Queensland company that exports or has export potential.

What we have done is bring together the smartest people in fields such as accounting, law, finance, logistics, marketing and Austrade to support over 30,000 business service providers and their clients in Queensland.

These professionals are able to tap into international business networks and identify major opportunities for Queensland companies, to assist our traditional industries to adopt Smart State solutions and to have more knowledge-intensive or 'smart' exports particularly in the global industries like professional services, biotechnology and information technology.

The inaugural chair of Smart Exporting Queensland is Glenn Ferguson, President of the Queensland Law Society. His firm, Ferguson Cannon Lawyers specialises in trade and export law.

We are fortunate to have Mr Ferguson on board with us because he is passionate about helping small to medium sized businesses export their goods and services and encouraging trade and investment in Queensland.

Smart Exporting Queensland associations will hold forums for their members and Queensland companies to discuss international trends and emerging opportunities.

They will also run programs on professional development for their members and promote smarter ways to access opportunities in overseas markets.

Smart Exporting Queensland follows on from the success to date of our aggressive export strategy, Export Solutions.

The Strategy aims to increase the number of Queensland exporters by 20 per cent by 2006.

We are firmly on track, having helped 315 businesses to become new exporters by August this year.

The latest official trade figures from the Australian Bureau of Statistics show that Queensland exported goods worth \$6.1 billion in the three months to July 2004.

This is a massive 24 per cent increase for the same period last year.

The peak bodies and associations that comprise Smart Exporting Queensland include:

Queensland Law Society, CPA Australia, Institute of Chartered Accountants in Australia, National Institute of Accountants, Australian Institute of Management, Institute of Management Consultants in Australia, Franchise Council of Australia, Australian Marketing Institute, Engineers Australia, Royal Australian Institute of Architects, Small Enterprise Association of Australia and New Zealand, Institute of Patent and Trade Mark Attorneys, Australian Institute of Export, Sea Freight Council of Queensland, Air Freight Council of Queensland, Customs Brokers and Forwarders Council of Australia.

MINISTERIAL STATEMENT

Brisbane Writers Festival; Queensland Writing Strategy

Hon. A.M. BLIGH (South Brisbane—ALP) (Minister for Education and the Arts) (9.48 a.m.): Later today I will be officially opening the 2004 Brisbane Writers Festival, a key event in Queensland's cultural calendar. Writing is core to so many creative works from books, poems and songs to film scripts, plays and even computer games. Words are at their foundation. Last night the celebration of the written word started with the presentation of the annual Queensland Premier's Literary Awards. I was very pleased to join the Premier and my colleague the Minister for State Development and Innovation to honour some of the Smart State's finest emerging and established writers.

The Brisbane Writers Festival offers something for everyone from writers of all forms to avid readers. The Brisbane Writers Festival is unique in both location and relaxed style, plus Queensland has a committed Writers Centre that mentors and supports our emerging writers. Members will no doubt be interested to know that the former Minister for Employment and Training and member for Yeerongpilly is now the new chair of the Queensland Writers Centre.

The writers festival also has a revolutionary print on demand centre at the University of Queensland Press.

The Queensland government through Arts Queensland has contributed more than \$141,000 to the festival in acknowledgment of the importance of writing to the Smart State. Writers and the written word empower us to decide, move us to act and instruct us in our learning and help us to make sense of the world.

By supporting the people who produce these works and helping them to develop networks, enhance their business skills and identify new markets the Queensland government is highlighting the value of writing as one of our most important cultural tools. The Brisbane Writers Festival is the leading literary event in Queensland and 90 per cent of its events are free.

Members may have noticed the marquees going up across the river. This is the festival hub in the cultural forecourt of the Queensland Performing Arts Centre. There are also many off-site venues, including the Brisbane Powerhouse, Customs House, the Judith Right Centre of Contemporary Arts, many council libraries and the La Boite Theatre. This year's theme is rebirth and re-imagination highlighting the importance of recognising past literary achievements and of focusing on the future of writing in Queensland. The 2004 program includes almost 200 local, national and international authors covering all aspects of writing. I congratulate the festival organisers for creating a rich and diverse program that has something for every writing enthusiast or avid reader.

Our government is committed to developing and supporting the writing sector and that is why today I will be launching the Creative Writers—Queensland Writing Strategy 2004-2006 which embodies the state government's recognition of the cultural and economic value of writing. This strategy is significant as it will encourage the development of new modes of writing for new markets such as the games, music and film industries. Our community of writers will be promoted and marketed into national and international contexts. We will build on our writing infrastructure to make sure it benefits all Queensland writers, providing specific opportunities for regional, rural and indigenous writers.

Creative writers will also promote strong partnerships between writers and schools, libraries and local communities. Since 2000 the state government, through Arts Queensland, has invested more than \$4 million in the writing sector. Over the next three years, under the creative writers strategy, we will add a further \$1.33 million to the government's commitment to writing. I encourage all members to visit this year's Brisbane Writers Festival.

MINISTERIAL STATEMENT

Public Housing

Hon. R.E. SCHWARTEN (Rockhampton—ALP) (Minister for Public Works, Housing and Racing) (9.51 a.m.): Over 365 days have now passed since the National Party shadow minister promised this parliament a policy on housing. We are still waiting. Amazingly, it is now over eight years since we have seen any semblance of a policy on housing from the federal Liberal-National government. It is indeed a fact that one would be hard pressed to find any housing policy coming from either the opposition here or the government in Canberra and I challenge any member of parliament sitting opposite to table any housing policy from any conservative party in any parliament in Australia.

But, of course, no-one should be surprised by this because Australian history proves that it has only ever been Labor governments in this country which have shown leadership to provide housing for those in need. Let any member opposite justify to me the Howard government's privatisation of public

housing in this state. I challenge each and every one of the members opposite to justify the expenditure of the \$3.8 billion which has come into this state and gone into the pockets of private landlords.

Mr Horan: Tell us about all the blocks of land and houses you've sold off? How many did you sell off in Toowoomba North? The people can't get a house because you sold them all.

Mr SCHWARTEN: I am coming to that. I am waiting for the bloke opposite to go outside and call that bloke a Labor pimp as he did in this place the other day. Haven't got much courage, mate, have you? During the past six years this government has pursued a very deliberate strategy in regards to housing. We have improved the quality of existing stock; disposed of inappropriate housing and created new ventures like transporting houses to the bush.

Mr Hopper interjected.

Mr SCHWARTEN: I note the lack of support coming from the shadow minister for that view. We have introduced joint ventures and developed new community housing laws. It is simply pitiful that the National Party is fixated with the public housing policies of the 1950s.

Opposition members interjected.

Mr SCHWARTEN: I am waiting for this bloke to have the courage to go outside and repeat what he said in this place the other day. We have just celebrated 50 years of public housing policy in Queensland and it is indeed a shame that the National Party shadow minister did not come along to those celebrations. Had the shadow minister made the effort he would understand that housing needs and housing policy have evolved over those years. The shadow minister of all people should know the stupidity of merely referring to public housing—

Mr Horan interjected.

Mr SCHWARTEN: Just listen to this: especially as there are new models of community housing in his own electorate which simply did not exist even six years ago. The shadow minister is very familiar with the community housing in his electorate that did not exist six years ago—that is very close to home. When I took over as Housing Minister I inherited 300 houses sitting idle in Inala. I remember the member for Inala, the now Minister for Primary Industries, taking me on a tour of those houses. He showed me that on the opposition's view any old house will do. There were 300 of them sitting idle because people did not want them. Since then we have spent \$83 million in the honourable member's electorate.

Mr Horan interjected.

Mr SCHWARTEN: There is now a waiting list for homes there because we have a product that people wish to live in. I am proud to be part of a government that has achieved that. We have spent \$1.1 billion on upgrading and maintaining our stock right across the state as part of that policy of improving existing stock. The government has allocated \$663 million for new stock in community, public and crisis housing. In other words, we have spent more than \$1.7 billion on providing homes for Queenslanders in need.

We have kicked off joint ventures with the new Kelvin Grove Urban Village and at the former Sir Lesley Wilson Home, where unique affordable housing outcomes have been produced. The Brisbane Housing Company is a further example of where this government has responded to the very changing demand for housing and the unnecessary privatisation of public housing by the Howard government. To date we have committed over \$70 million to this venture.

The Howard government has been able to sail through successive budgets without housing being mentioned once. It has also gone so far through this election process without one reference to public housing. The Howard government's blind faith in rental assistance is collapsing all over the state yet the coalition is ably supported by the fractured Tories in this parliament who follow like mice into a cheese factory.

It is only Labor and Latham in this federal election that is committed to getting public housing back on the agenda and only Labor, both state and federal, that has a policy to directly provide housing. Only a Labor government federally will create a Housing Minister and increase funding to public housing. The saddest fact of all is that the opposition here is represented by someone who knows that the private market is failing his constituents. The cap fits him too because there is no private rental market in any of their electorates and the only person on that side of parliament who stood up for it is the member for Gregory, Vaughan Johnson. The member knows full well that the policies of the federal government are geared towards the private rental market of which there is none in his electorate. I will believe that those on the other side of parliament are fair dinkum on housing when they come out and rubbish the policies of the federal government that are geared towards the private landlord who does not exist in their electorate.

MINISTERIAL STATEMENT

Community Service

Hon. J.C. SPENCE (Mount Gravatt—ALP) (Minister for Police and Corrective Services) (9.59 a.m.): I would like to set the record straight on the value and enforcement of community service, which is used as a sentencing option for courts across the country. The *Sunday Mail* printed a story on 19 September—the edition before last—which was both inaccurate and unbalanced. I wish to correct it in this House for the benefit of my opposite number, the member for Gregory, and the general public who were misled by a newspaper that has not published a correction, despite requests from my office.

The figures that were said to be obtained by the *Sunday Mail* were from the state budget papers. However, the reporter quoted the wrong figures, mistaking supervision orders—which include parole and probation—for reparation orders, which see offenders perform community service or work off their fines. This puts a whole new slant on the story.

There was not an average of 9,220 offenders given community service in 2003-04, but an average of 3,620 ordered to perform community service or fine options. And the successful completion rate was not 67 per cent, as reported. It was 73 per cent, compared with 74 per cent the previous year. According to the report on government services, Queensland's successful completion rate for reparation orders in 1996-97 was 65.6 per cent, and in 1997-98 it was 66.3 per cent. Need I point out that this was during the Borbidge years. Compliance has certainly improved under the Beattie government. In fact, figures from 2002-03 show Queensland's successful completion rate is in line with the national average.

I would like to point out that reasons for not completing all of the hours ordered can include someone deciding to pay out their fine instead of continuing to do their community service, or they may return to court on other charges and so the order is cancelled. The decision to give non-violent offenders community service is one for the courts, and I can assure members that those who fail to complete their order do not walk away scot-free. When an offender fails to report to community corrections as directed by the court, or when they fail to comply with supervision requirements including working at a community service project as directed, they are issued with a formal warning. If the non-compliance continues, they are returned to the court and it deals with them.

Community service is about ensuring offenders give something back to the community and it serves as a reminder to them of the consequence of their actions. More than 1,200 community service project sites have been established across Queensland and work performed ranges from cleaning, gardening and painting to engaging in activities with the aged and infirm. In 2003-04 alone, communities across Queensland benefited from 526,000 hours of community service performed as part of a community service or fine option order. Community organisations that benefit include the Queensland Ambulance Service, local councils, churches, sporting associations, primary and high schools, environmental groups, the RSPCA, cemeteries and welfare organisations such as Ozcare and the Salvation Army. A significant community service project is Rainbow House, run by Cystic Fibrosis Queensland. Established in September 2002, this community service project has workers sort through donated books, undertake cleaning duties and stack bookshelves.

This is the good news story the *Sunday Mail* chose not to run, instead printing unsubstantiated claims to which I was not given an opportunity to respond. Had I known the angle of the story and the way the reporter was misinterpreting the budget figures, I would have corrected them before the public was misled.

MINISTERIAL STATEMENT

South-East Queensland Travel Survey

Hon. P.T. LUCAS (Lytton—ALP) (Minister for Transport and Main Roads) (10.03 a.m.): Next week selected households on the Gold and Sunshine coasts will be asked to participate in the South-East Queensland Travel Survey. This important survey will be done in stages over eight weeks from October to December and will involve 5,500 households randomly selected across both coastal regions. We have already surveyed 6,500 households this year in south-east Queensland including Brisbane, Caboolture, Redcliffe, Pine Rivers, Ipswich, Logan and Redlands. Participants are assigned a specific week day and asked to detail their travel for 24 hours in the diary provided, which I now table.

The diaries and survey forms gather vital data about people's daily travel patterns such as why they need to travel, where they go, how long each trip takes them and whether they prefer to travel by car, bus, train, ferry or walk. We are not just focusing on public transport; we are looking at road issues as well. Responses are confidential and respondents cannot be identified. The results are crucial to help this government plan south-east Queensland's future transport needs in partnership with local councils, industry and other key stakeholders.

The last surveys of this type were done more than 10 years ago. We are all aware of the 'sea change phenomenon' in south-east Queensland and the impact it is having on essential services and infrastructure. By 2026, the Sunshine Coast's population is expected to double to almost half a million people while the Gold Coast will grow from 400,000 to more than 750,000 people.

The draft south-east Queensland regional plan is being finalised and the Deputy Premier and Treasurer will release it for public comment in late October. This plan will help us create the framework to manage such growth in a sustainable way while meeting the needs of the extra one million people who will be living here in 20 years. There is no doubt that the extra one million people will create substantial extra demand on our roads and public transport systems and infrastructure. That is why we need up-to-date and accurate information about south-east Queensland residents' travel behaviour. Understanding how and why people travel throughout south-east Queensland each day is critical to ensuring that we can meet future transport demands.

Ultimately, we are planning to provide south-east Queensland with an integrated transport system that supports efficient travel. The Beattie government has already made an excellent start to doing that under TransLink, which south-east Queensland residents have embraced since its 1 July introduction. An extra 10.7 per cent or 2.34 million passengers caught public transport in the first two months. We will have spent about \$1 million to gather and evaluate this critical data when the project finishes early 2005. This is an investment in the future, an investment in improving infrastructure and transport systems worth billions of dollars.

On the Sunshine Coast, the Beattie government is spending \$635 million over the next five years on roads. That is a 129 per cent increase or an extra \$358 million. I know that the shadow minister is delighted with our commitment there. We are spending a further \$158 million on public transport infrastructure over four years.

On the Gold Coast—and no doubt the member for Robina is delighted about this—we are spending \$543 million on roads over the next five years and \$183 million on public transport infrastructure over four years. The Gold and Sunshine coasts travel surveys are therefore essential. I urge those residents to embrace this survey if asked, and take time in filling out the form and diary which will help us provide them better services and facilities in coming years.

MINISTERIAL STATEMENT

Australian Pesticides and Veterinary Medicines Authority

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Fisheries) (10.08 a.m.): There is a potential financial crisis looming for the country's agricultural chemical and veterinary medicines regulator, the Australian Pesticides and Veterinary Medicines Authority, or APVMA. Soon after the federal election was called, the Commonwealth Department of Agriculture, Fisheries and Forestry Australia advised the states and territories of the position of the APVMA. The advice to the states and territories stated, 'It is important the cost recovery reforms are introduced before the start of the next financial year.' It further states—

The APVMA anticipates that if the new framework is not in place before 1 July 2005, the APVMA will, without substantial reductions in its core regulatory functions, drop into negative equity during the 2005-06 financial year.

This is an indictment on the management ability of the Howard government and Agriculture Minister Warren Truss.

The APVMA is an important regulator. It performs important functions. The authority is responsible for the assessment and registration of pesticides and veterinary medicines, and for their regulation up to and including the point of retail sale. The authority independently evaluates the safety and performance of chemical products intended for sale, making sure that the health and safety of people, animals and the environment are protected. The authority's web site reports—

To ensure that only products that meet APVMA requirements are actually supplied, we constantly monitor the market for compliance. The APVMA also reviews older chemicals to make that they continue to meet contemporary high standards.

Australia cannot afford the APVMA to drop its regulatory guard, and nor can Australia afford for such an important watchdog to have an uncertain financial future.

Whoever wins the 9 October federal election must rescue the APVMA, and do it quickly. There have been many times that I have crossed swords with the federal Agriculture Minister, Warren Truss. However, after the coalition was returned at the 2001 election I supported Warren Truss's retention of the Agriculture portfolio. I am sure that my support got him over the line. However, it is clear that if the coalition is re-elected and if Warren Truss retains his seat, he cannot be trusted to once again administer the Agriculture portfolio.

MINISTERIAL STATEMENT

Child Protection Support Services

Hon. M.F. REYNOLDS (Townsville—ALP) (Minister for Child Safety) (10.10 a.m.): Last week more than 1,000 child protection experts from 65 countries descended on Brisbane for the International Society for the Prevention of Child Abuse and Neglect's 15th international congress. It was an incredible success with a wide range of information shared and friendships formed. I am very proud to be able to say that a number of staff from my Department of Child Safety presented papers at the congress on research they are undertaking as part of the reforms to the child protection system in Queensland. Being invited to share our local research findings with an international delegation of child protection experts reinforces the high standard and quality of research being conducted by child protection professionals in Queensland. One of these papers outlined the results of a Queensland study into vicarious trauma or compassion fatigue in child safety workers, an area in which I am particularly eager to address as Minister for Child Safety. The presentation identified strategies and resources to help workers experiencing vicarious trauma. It resulted from research by Matthew Armstrong, Jude Harrison, Anita Thomas and Neville Eckersley from my department.

As everyone would be aware, enduring vicarious trauma is inevitable in child protection work. In the child protection field, workers empathise with vulnerable children and families every day of their working lives in order to fully understand the context of their situation. It is personally satisfying to make a difference in people's lives—sometimes at the worst time in their lives—but to be effective in providing support to someone who has experienced trauma or abuse child protection workers are often emotionally affected by the experiences of the people they are supporting. The research indicates that specific strategies can be applied to manage the ways in which workers respond to vicarious trauma and improve the emotional health of all people working in child protection environments.

The Department of Child Safety is implementing a range of measures to safeguard the emotional health of all of our staff. An integrated support program is being implemented that includes education in self-care and emotional wellbeing, an extensive network of trained peer support officers to provide counselling, an intervention model that supports personnel following critical incidents, and specialised external counsellors for indigenous officers. My director-general, Robin Sullivan, launched the first peer support program for child protection workers recently, with 80 staff expected to complete the course by November. Paul Scully, who created the successful Queensland Ambulance Service staff support program Priority One, has been seconded for six months to develop and implement the program and has been working closely with Child Safety staff. I thank the Minister for Emergency Services for allowing Paul to come across to my department.

Mr Cummins: We want him back!

Mr REYNOLDS: The member wants him back, and he will be back in a few months. The program is one element of a larger staff support program which includes post-incident briefing, Employee Assistance Scheme counselling, education, and recruit training and research. I am very proud of the work the department is doing in this area, and I take this opportunity to congratulate Paul and the research team who have been working towards ensuring that staff receive the support and care they need to carry out their very important work with vulnerable children and young people and their families and to build the best model of child protection services in Australia.

MINISTERIAL STATEMENT

Care Independent Living Association Inc., Bribie Island

Hon. F.W. PITT (Mulgrave—ALP) (Minister for Communities, Disability Services and Seniors) (10.14 a.m.): The circumstances surrounding Care Independent Living Association on Bribie Island represent an unfortunate chapter in Queensland's record in the provision of accommodation, support and services to people with a disability. That chapter has now closed. I am pleased to inform the House of successful negotiations involving the Care Independent Living Association and the Brain Injury Association of Queensland concerning the future operations of the Care Independent Living Association services on Bribie Island.

These negotiations will result in the following arrangements: Care Independent Living Association will voluntarily cease to operate its Bribie Island facility and services; the Brain Injury Association of Queensland will assume full responsibility for the provision of accommodation, support and services to the existing residents at Bribie Island; the assets of Care Independent Living Association will be transferred to the Brain Injury Association of Queensland; and the Brain Injury Association of Queensland will also accept full responsibility for administrative and management functions at the Bribie Island facility. This will include ensuring that the services meet my department's Queensland quality standards, and parents and guardians of residents at the facility will be invited to participate on a

committee of reference to advise the management committee. The new arrangements will be implemented from 1 November, 2004. They represent a very real opportunity for a positive future for the residents. I think all members of this House will agree with me when I say that this is a very positive outcome.

MINISTERIAL STATEMENT

Electrical Apprentices

Hon. R.J. MICKEL (Logan—ALP) (Minister for Energy) (10.15 a.m.): Upgrades to Queensland's electricity network means more contractors are required, bringing more opportunities for young apprentices. Nowhere is this more valuable than in regional Queensland. Ergon Energy is planning a major boost in regional employment with up to 200 new jobs to be created in the next six months. Recent advertisements ran in major newspapers for 75 apprentices for the 2005 intake. Ergon will be appointing up to 100 additional field staff, providing an opportunity for graduating apprentices. On top of this, it will be looking for around 20 specialist traineeships. This is a great opportunity as Ergon's supply territory covers 97 per cent of Queensland and includes 140,000 kilometres of powerlines, 1,000,000 power poles, 70,000 substations and more than 1,200 high-voltage powerlines. It also provides services to 580,000 customers. The distribution network is one of the largest in the Western world.

Queensland's network and energy assets have been constructed over a long period of time, and they continue to be exposed to a wide variation in climatic conditions which can affect performance. I hope to see a huge response from regional Queensland. This is a wonderful opportunity for young people in regional areas to get involved in on-the-job training in electrical and other trades. Why? Because the energy industry offers a range of opportunities for employment, particularly in specialist design and construction work. The best part of this is that we know these days that a university degree is not the be-all and end-all. We need more young people taking on apprenticeships. During the course of their four-year apprenticeships, these young Queenslanders will gain the skills to become powerline workers, designers and systems electricians in substations. More importantly, these apprenticeships are providing opportunities for young people in their own communities. This means that they will not have to leave their homes to find work and they can learn valuable skills in a good, solid trade.

As Queensland is Australia's fastest-growing state, the energy industry will continue to grow and require skilled workers in areas of specialist electrical and other trades. Forward estimates show Queensland's load growth in electricity usage is increasing at a rate of 4.5 per cent per year. Ergon Energy has committed a massive \$646.4 million to capital expenditure and maintenance, breaking last year's record with a budgeted increase of more than \$160 million for 2004-05. I ask all honourable members within Ergon's network to encourage young people to consider this great opportunity. I also encourage young people in regional Queensland to get on board and take advantage of this opportunity to gain skills in a trade.

MINISTERIAL STATEMENT

Death of Volunteer Rural Firefighter

Hon. C.P. CUMMINS (Kawana—ALP) (Minister for Emergency Services) (10.19 a.m.): Sadly, I must inform the House of the death of one of our volunteer rural firefighters last night. Our thoughts, prayers, and deepest sympathies go out to the family and friends of this well-respected Queenslanders. Late yesterday afternoon, members of the Black River Rural Fire Brigade responded to a grassfire near Church Road, Black River. Black River is just outside of Townsville and makes up part of the boundary between the electorates of Hinchinbrook and Thuringowa. While working to extinguish the blaze, one of our brave volunteers collapsed. The remaining rural firefighters commenced first aid and I am advised that the ambulance was on the scene within minutes of being dispatched. The rural firefighter was transported to Townsville Hospital, but tragically passed away. Counselling is available to all rural firefighters and family members impacted by this tragedy.

No-one expects that, when we leave for work, we may be saying goodbye to our families for the last time. This can, however, be the unfortunate reality for the state's 7,100 Emergency Services personnel and 88,000 volunteers. The valuable role played by our fires, ambos, and counterdisaster and rescue personnel places them all on the front line—protecting our lives and property while bravely risking their own.

Without pre-empting the investigation that will be held into this tragedy, I will again state that any arsonist in Queensland will face the full force of the law and we will leave no stone unturned in tracking down any pyromaniacs who threaten our property and lives. In closing, I have no doubt that every member of this House will again express their gratitude for the great work that all our Emergency Services personnel carry out every day.

MINISTERIAL STATEMENT

Centenary Celebrations, Cherbourg

Hon. E.A. CLARK (Clayfield—ALP) (Minister for Aboriginal and Torres Strait Islander Policy) (10.20 a.m.): Tomorrow, the community of Cherbourg will mark its centenary with nine days of celebrations. One hundred years is a significant milestone and one worthy of celebration—particularly because Cherbourg has grown from difficult beginnings to become such a vibrant community. I want to take this opportunity to place on the record my congratulations to all residents, past and present, for the contribution that they have made to the development of Cherbourg over many years.

An historic occasion like this provides an important focus for the pride of the entire community and a chance to look to the future. Eight months of celebrations will peak next week with activities including a centenary ball, a rodeo, a golf day and arts workshops. The wide range of events on offer reflects almost every aspect of life in the community and I look forward to joining local residents for some of them. The official opening of the celebrations on Monday will be attended by the new government champion for Cherbourg, Robin Sullivan.

The Queensland government contributed \$62,600 through the Community Development Program to help the Cherbourg Centenary Committee stage the celebrations. A highlight of the centenary celebrations will be the opening of the Cherbourg Museum. The old ration shed will come back to life as a museum chronicling the history of Barambah-Cherbourg from 1904, including a time line of the community and an historical photographic display. The original ration shed was built in 1921 to distribute food rations to local residents and, with the help of a donation for a makeover, including a new roof, windows and doors, it will form an important record of 100 years of history at Cherbourg.

It is wonderful to see how far this community has come. The centenary celebrations provide a perfect opportunity for Cherbourg to celebrate its achievements and look towards a strong future. I would like to take this opportunity to thank the staff from the personal histories branch of DATSIP and, of course, the most wonderful Lesley Williams—a Cherbourg girl from our south-east regional office—for their tireless work on the ration shed and the celebrations.

COMMONWEALTH PARLIAMENTARY ASSOCIATION CONFERENCE

Report

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (10.23 a.m.): It has been a privilege this year to be the Queensland delegate to the 50th Commonwealth Parliamentary Association conference held in Canada from 1 September to 9 September. The state was also ably represented by Mr Ken Hayward, the member for Kallangur, who attend as an observer.

I table a joint report on this trip. At the request of the Clerk, rather than tabling the accompanying documents, I will lodge these papers with the Parliamentary Library to allow access to them by any interested members.

PRIVATE MEMBERS' STATEMENTS

Energex

Mr SPRINGBORG (Southern Downs—NPA) (Leader of the Opposition) (10.23 a.m.): The Labor mates network is coming apart at the seams. This morning, there are wide media reports that the former Labor Party Treasurer in Queensland, Keith De Lacy, has been extraordinarily critical of Mr Beattie and the Labor Party's handling of Energex in Queensland and its handling of its former chairman, Don Nissen.

It is quite obvious when we look at the comments of Mr De Lacy that there are some serious rifts developing between him and senior members of the Labor Party in this state. A newspaper article states—

... Mr De Lacy, a former chairman of government owned power utility Ergon Energy and, since 1998, a director of the Government's Queensland Investment Corporation Ltd, described Mr Nissen as a highly respected and popular member of the Queensland business community.

...

'Don Nissen has been good for the (Beattie) Government because of his credibility among business people,' Mr De Lacy said.

'His departure in this manner can't do other than damage the Premier in his relations with business. It seems there's no loyalty these days.'

In the eyes of Mr De Lacy, there is no loyalty these days. It is also quite obvious that in the eyes of Mr De Lacy and many others in Queensland in the Labor Party and outside the Labor Party Mr Nissen

has been used largely as a scapegoat to quarantine and to shield the government from the negative fallout of Energex and of Greg Maddock's death. There can be nothing more obvious.

As I said yesterday, there are many unanswered questions. As we saw from the news reports last night, many of those questions must continue to be asked and many of those questions must be answered by this government, including the concerns that were raised by Mr Nissen when he was speaking with those Treasury investigators about the health of Mr Maddock. We have to ask the question: why was not something done at that stage? These are the questions that are being asked in the business community. These are the questions that are being asked by the likes of Mr De Lacy, a person who is a widely respected former Labor Party Treasurer and company director.

Time expired.

Queensland Parliamentary Diabetes Support Group

Mrs LAVARCH (Kurwongbah—ALP) (10.26 a.m.): While parliament is sitting this week, about 400 Queenslanders will be told that they have diabetes type II and that they will have to live with it for the rest of their lives. Another 400 have diabetes, but do not know it yet and are risking cardiovascular disease, kidney failure, blindness and limb amputation if they do not seek medical assistance soon. Tragically, they might not find out that they have diabetes until it is too late. I do not want to sound sensationalist, but diabetes is deadly, it does not discriminate, it does not take a day off and its prevalence is escalating at an alarming rate. In fact, the prevalence of diabetes has doubled over the past 20 years and will double again in the next 20 years.

But the good news is that research has shown that people can delay or prevent the onset of diabetes type II by adopting healthier eating habits and keeping physically active. In other words, it is important to increase awareness of this harmful condition. That is why I have promoted the establishment of a Queensland parliamentary diabetes support group. I believe that, as members of parliament and community leaders, we can use our networks and visibilities in our local communities to raise awareness about diabetes.

With the support of the Premier and the Minister for Health, Gordon Nuttall, and, of course, you, Mr Speaker, and together with Diabetes Australia—Queensland Branch and the Juvenile Diabetes Research Foundation, I am happy to advise that the Queensland parliamentary diabetes support group has now been established and has held its first meeting. I take this opportunity to thank all members for their very positive and overwhelming response to this initiative and, of course, for their support for the initiative by attending yesterday's meeting. I know that others will agree with me that this will be a very active and enthusiastic committee. I also thank the member for Cunningham, Stuart Copeland, for agreeing to co-chair this parliamentary committee with me. This is a unique opportunity for us to inform ourselves and to make a profound difference to the health and wellbeing of our constituents.

Time expired.

Sunshine Coast Hospitals

Mr McARDLE (Caloundra—Lib) (10.28 a.m.): Yesterday, the government had a perfect opportunity to join with my colleague the member for Moggill and put back into the health system \$130 million so badly needed because of the neglect of this state government. However, the government turned that motion into a sideshow by amending it to become a self-proclaiming exercise akin to what happened with the motion about electricity that was moved about two or three weeks ago. In essence, the government failed to take the issue seriously. In fact, it treated the whole issue as a joke.

Yesterday, Nambour Hospital went to code red and Caloundra Hospital went on bypass. That means that every public hospital on the Sunshine Coast has been on bypass over the past three to four weeks. In fact, Nambour has been on bypass twice.

I ask the Health Minister: was he aware of that taking place prior to the debate or during the debate last night? I certainly hope not. If he was not, then he should certainly have been aware of those facts. In addition, it is now a matter of record that the state members for Kawana and Noosa supported the self-proclaiming exercise by way of an amended motion last night, patting themselves on the back and saying, 'Well done.' They see no problems with Caloundra, Nambour and Noosa hospitals. This state government should hang its head in shame, and so should the members for Noosa and Kawana.

Mr Cummins interjected.

Mr SPEAKER: Order! Minister!

Mr McARDLE: It is about time they stood up for the people who voted for them and put forward the effort. They should not sit there and do nothing about it. They should stand up and be counted. They had a chance last night and they did not take it. They were not game enough to stand on their hind-quarters and vote for what people needed.

Miss Simpson interjected.

Mr SPEAKER: Order! That is a reflection on the chair. The member for Maroochydore will withdraw that.

Miss SIMPSON: Mr Speaker, I withdraw my comment about the—

Mr SPEAKER: Order! Just withdraw, thank you.

QUESTIONS WITHOUT NOTICE

Energex; Transcripts of Interview

Mr SPRINGBORG (10.30 a.m.): My question is addressed to the Premier. Given that former Energex director Sally Pitkin has now discredited the transcript of her statement provided to Treasury investigators, will the Premier now release a copy of the interview tapes which record the grilling of the former Energex CEO by Treasury investigators?

Mr BEATTIE: The answer to that is no. I will be really clear about that. It is no. Let me explain what happened here. When everyone hears the explanation, they will understand why the answer is no.

When an interview takes place a transcript is made. That transcript is then sent back to the person who has been interviewed to verify the accuracy of the transcript. What we saw was Sally Pitkin raising issues about whether, as I understand it, the transcript accurately reflected what was said. That is quite normal. It is the absolute process where people are given the natural justice opportunity—

Mr Springborg: How do we know any of this is accurate?

Mr SPEAKER: Order! You have asked the question.

Mr Horan: Bad enough to make her resign.

Mr SPEAKER: Order! The member for Toowoomba South will cease interjecting. That is my final warning.

Mr BEATTIE: They are given the opportunity to correct the record. Tragically, the former CEO is not in a position to do that, and there is no way in the world I am going to drag his name or his family's circumstances through this again, bearing in mind that it is impossible for him to verify that record. That is commonsense, rational, logical and fair.

Mr Schwarten: It is decent.

Mr BEATTIE: And it is decent. The other point I want to make is this: those aspects of the transcript that were used in the report were verified before they were used. I am talking about people like Don Nissen and others. I am not prepared to see Greg Maddock's name dragged through the mud because of some—

Mr Springborg: What about the conduct of the investigators?

Mr SPEAKER: Order! The Leader of the opposition has asked the question.

Mr BEATTIE:—political exercise being pursued by the Leader of the Opposition. I say to the Leader of the Opposition: for Heaven's sake, there has to be one day in your life when you understand common decency.

Mr Seeney: He'd be a great actor.

Mr SPEAKER: Order! The member for Callide!

Mr Schwarten: How about you putting pressure on people?

Mr SPEAKER: Order! Minister!

Mr SPRINGBORG: More cover-ups from the Premier. My second question—

Mr BEATTIE: I rise to a point of order. That is not only offensive, it is also untrue. It should be withdrawn. I ask for it to be withdrawn.

Mr SPEAKER: Order! The Leader of the Opposition will withdraw.

Mr Schwarten: What about the pressure you put on people?

Mr SPRINGBORG: If we did that we would cop a 123.

Mr SPEAKER: Order! That is a reflection on the chair also. I ask you to withdraw.

Mr SPRINGBORG: Mr Speaker, I simply make the observation that when the member for Caloundra was speaking there were a heap of members interjecting, including the member for Kawana.

Mr SPEAKER: Order! I have asked for a withdrawal.

Mr SPRINGBORG: I withdraw.

Mr SPEAKER: Order! Now the House will come to order.

Energex; Release of Documents

Mr SPRINGBORG: My question is addressed to the Premier. Yesterday the Premier released four pages of the 111 pages that he has blanked out regarding dividends stripped from power companies. In doing so, he further suggested that he did not want to make a habit of being accountable. In view of the relevance of these documents to the ongoing electricity saga and the death of Greg Maddock, will the Premier now provide the remaining 107 blanked out documents to this parliament, or what is he hiding?

Mr BEATTIE: I have provided to this parliament—I did it yesterday—one of the documents that was asked for specifically by the Leader of the Opposition yesterday. I did so not only in terms of being accountable but also to highlight that there was nothing in that document that in any way contributed to advancing this debate, in my humble view, or that had not already been released or canvassed publicly.

Mr Springborg: You didn't read the media today, did you?

Mr SPEAKER: Order! I have warned the Leader of the Opposition before about this. I will hear the Premier's answer to your question. Otherwise I shall ask you to remove yourself from the chamber. I now call the Premier.

Mr BEATTIE: The FOI laws are there to not only provide openness and accountability. Also, there are exemptions to them that have been in the act. They were put in the act during the Goss years. They were supported during the Borbidge years. They relate to commercial-in-confidence material. I indicated to the House yesterday that I would study that document that was referred to by the Leader of the Opposition and that if I believed it would not damage the commercial reality of Energex then I would release it, which I have done.

I have tabled in this parliament every relevant document. The Opposition Leader continues to pursue this, and pursue it simply for political purposes. This answer is: if there are any particular issues that the Leader of the Opposition wants to identify, instead of some broadbrush ambit claim, which is what we repeatedly get under his FOI applications—

Mr Springborg: We don't know what is in there.

Mr BEATTIE: I highlighted yesterday by tabling the document what was in there. I believe that we have behaved appropriately. I believe that we have behaved fully.

Let me come back to what the Leader of the Opposition said earlier to give him a more complete answer. In relation to the interviews—the interviews were recorded for the purpose of the investigation team gaining contemporary notes. As a courtesy, transcripts of the tapes were provided to each interviewee to confirm that the document reasonably reflected the discourse during the interview. I can go on at great length, but it is therefore inappropriate from a natural justice perspective to release the transcripts in their unconfirmed states.

I also make reference to comments the Leader of the Opposition made in relation to Keith De Lacy. I make it really clear: there are no mates rates in my government, and I am not going to allow a position whereby inappropriate behaviour that was found by the Crown Solicitor and found by an independent report is allowed to continue. I am not prepared to allow the breach of guidelines that occurred in this case. We acted appropriately here. Of course there is always some damage when you do the right thing. Of course there is always some damage when you are honest. I make it clear to Keith De Lacy, as I make it clear to everyone else: we are an honest government and I will not under any circumstances allow any behaviour which is contrary to those standards. I am not prepared to vary it for Keith De Lacy or anyone else.

Tree Clearing

Mr WELLS: My question is addressed to the Premier. I refer the Premier to the fact that he leads a government and a state political party that honours itself on keeping its commitments, the cornerstone of good government and the ultimate act of respect for those who put us in office. Can the Premier detail whether the federal government has met its commitments when it comes to agreed commitments in relation to tree clearing in this state?

Mr BEATTIE: I thank the honourable member for Murrumba for his question. As a former minister for the environment he understands how important the protection of land and that sensitive relationship with vegetation, trees and water are.

A federal government claim that it has shown leadership on land clearing ignores the fact that it failed to provide a single cent of money it promised in a joint package with Queensland. The Queensland government has provided all the initiative, all the planning, all the money and all the action to stop broadscale remnant tree clearing in this state. I congratulate the state Minister for Environment on carrying out cabinet's wishes.

The federal Environment Minister, Senator Ian Campbell, is claiming that a World Wildlife Fund and Humane Society International study called 'Small Steps for Nature' is an endorsement of the

Howard government's leadership on land clearing. Senator Campbell's claim, in a nutshell, is the sort of rank dishonesty and hypocrisy which results in a proliferation in the sightings of flying pigs and in the public's distrust of politicians. The World Wildlife Fund also rejects the claim.

In May last year the federal government and the Queensland government agreed to a joint tree clearing adjustment assistance package of up to \$150 million with three key elements: \$130 million in financial incentives to assist with the transition or for exit assistance if necessary; \$12 million in incentives to improve the management of more valuable remnant vegetation; and \$8 million in incentives to develop best practice farm management plans.

The federal government failed to deliver on its promise, and Queensland has had to go it alone. The 'Small Steps for Nature' study includes details of Queensland's landmark tree clearing legislation. It also points out that Queensland is the only jurisdiction that aims, under the general clearing regulatory regime, to specifically protect ecosystems that are endangered originally according to the pre-1750 baseline.

I have to say that I was gob-smacked when I saw what Senator Campbell said. What he is basically trying to do is to get the green vote in Sydney, Melbourne and Brisbane on the back of the hard work of the Queensland government. Yet, on the other side, the National Party is trying to distance itself from not only what the federal government committed itself to initially but also what we have done.

I have to say—and I applaud the leadership of Bob Quinn on this matter—that at least the Liberal Party in this House voted for the legislation and supported it. At least he has some credibility on this issue. It would be really nice, though, if he got on the phone to Senator Ian Campbell and said, 'What about the \$75 million that was in the partnership deal with the Prime Minister?' If he were able to succeed in doing that, he would have not only credibility on this issue but also the respect of the government. I could not think of a higher accolade than to have the respect of the government. I say to Senator Ian Campbell: the \$75 million, please.

Mr SPEAKER: Order! Before calling the Deputy Leader of the Opposition, I welcome to the public gallery His Excellency Tamam Souliman, the Ambassador of the Syrian Arab Republic.

Energex; Labor Party Election Brochure

Mr SEENEY: My question without notice is directed to the Minister for Energy. I table for the benefit of the House a copy of a Labor Party election brochure, and I draw the attention of honourable members to the photograph that is included in that election brochure. The two people in that photograph look alarmingly like the former head of the Office of Energy, Loretta Bowman, and the current Director-General of the Department of Energy, Scott Flavell. Can the minister confirm that his senior staff posed for Labor Party election advertising material? Does that not indicate that his department is hopelessly politicised and top heavy with Labor Party cronies on mates rates?

Mr MICKEL: I have not seen the brochure to which the honourable member refers. Let me make this point because those opposite have never understood it. I have said in this House previously that I do not care what a person's political persuasion is. I do care, however, what their competency is. I do care whether they can deliver efficient services for the people of Queensland. When we asked Mr Dunning to become the new chair of Energex, the question I never asked him was what his politics were. I never asked for his politics at all.

I have no idea either what the politics of the new CEO of Energex, Mr Jardine, are either—no idea at all, and I do not care at all. What I care about is their professionalism and I care about their competence. This is something that the National Party will never understand. The National Party in the Bjelke-Petersen years used to trawl through the postal votes of people to find out how they had voted. That was the standard they imposed on the people of Queensland—that outrageous and miserable standard. Well, I do not do that. I have never asked for the politics of any of the public servants who faithfully serve this government.

We have seen the miserable standards of accountability that the Leader of the Opposition and the Deputy Leader of the Opposition would apply to the people of Queensland. When faced with the Auditor-General, what would they have done differently? They offered no explanation at all on what their approach would have been. Politics is a question of choice. We have no viable alternative from the laziest and best resourced opposition in Australia.

Mr SEENEY: Mr Speaker, I rise to a point of order. My question was pretty straightforward. We have had three minutes of rambling from the minister.

Mr SPEAKER: That is not a point of order.

Mr SEENEY: We will take his answer as a yes.

Mr SPEAKER: That is not a point of order. Resume your seat.

Mr MICKEL: Mr Speaker, in finishing my answer I would like to say this: what is the alternative in this place? When faced with the Auditor-General, what would they have done? They have never given an explanation to this House. No wonder they all interrupt the answer this morning.

2004 Paralympic Games

Mr REEVES: My question is directed to the Premier. Four years ago I had the pleasure of going to the Sydney Paralympic Games—in fact, I am wearing the Sydney Paralympic Games tie today. Just recently the Paralympic Games in Athens concluded. Australia has performed exceptionally well, coming fifth with 100 medals. Can the Premier detail how Queenslanders performed in that success?

Mr BEATTIE: I thank the honourable member for his question; I know he is very genuine in supporting the Paralympics. It was not just a coincidence that he wore the tie today; he is serious about it.

While Queensland teams put in a gallant effort in football this month, some of our top Queensland athletes have been flying the Aussie flag in Athens with great success. I am referring, of course, to our amazing Paralympians, who had their closing ceremony early yesterday morning. Australia has really been among the medals at the Paralympic Games and finished fifth in the overall tally. I am proud to say that Queenslanders have contributed, as we always do. We accounted for six of the 26 gold medals Australia has won, plus five silver and 10 bronze.

Our success on the bike at the Olympics appears to have translated to the Paralympics as well, with Queensland winning three gold medals. Two lads from Ipswich—a great sporting town—and Brisbane really set the track alight. Greg Ball, from Ipswich, picked up gold in the one-kilometre time trial and gold in the one-kilometre team sprint. Fellow cyclist Chris Scott, from Sunnybank, also won gold and set a new world record in the three-kilometre individual pursuit. He also won gold in the combined individual road race and time trial event.

In the pool, Chantel Wolfenden, of Bundaberg, has been a medal factory. Despite a hectic race schedule that would have made the great Ian Thorpe cringe, Chantel won gold in her fifth event—the 400-metre freestyle. She blitzed the field to win by five body lengths. The fact that Chantel can swim three seconds outside her world record time and win so convincingly highlights her dominance in the race. She also picked up silver in the 100-metre freestyle and bronze in four events—the 200-metre individual medley, 100-metre backstroke, 4x100-metre freestyle relay and 4x100-metre medley relay. That is an impressive medal haul.

In the track and field Brisbane boy Darren Thrupp has won three medals. He was a member of the gold-medal winning 4x100-metre relay team which also broke the world record. Darren also won bronze in the 100 metres and long jump.

Queenslanders won other medals in swimming, track and field, men's and women's basketball, powerlifting and shooting. Every Queensland Paralympian received a state government bonus grant of \$5,400 and 23 of our representatives also received further funding and support services from the state government through the Queensland Academy of Sport.

I know I speak on behalf of every member in this House when I pass on congratulations to every Queensland competitor at the games. Many of our Paralympians have overcome difficult challenges in their lives. Simply by representing their country on the world stage our athletes have achieved excellence. I am currently having discussions about an appropriate ceremony or function to welcome them back and to thank them for their contribution.

Office of Energy

Miss SIMPSON: My question is to the Minister for Energy. I refer to a media comment this morning referring to the Office of Energy as 'the dead letter office'. In view of the revelations that serious warnings about impending problems with the power system were allegedly never made known to responsible ministers, Queenslanders would like to know what changes the minister has made to ensure that such maladministration can never occur again, and what are they?

Mr MICKEL: What we have had from the opposition, in any question they have directed to me day after day, is a smear of people's character. It has been 30 days since they smeared Mark Bucknall. It has never offered an apology of any sort. Let me say that the task that I have been dedicated to do is to make sure that we have accountable government.

Mr Seeney interjected.

Mr MICKEL: When the Auditor-General came to me, I took these words—'he came to me about a problem that he had uncovered with Energex'. He told me that he was disturbed by the material that he had uncovered. He also told me that he knew of no precedence for such claims. That was in a meeting that I had asked to have with him on 7 September. My response I guess, if I listened to the Leader of the Opposition, should have been just to run away from that—do not say anything!

Mr Seeney interjected.

Mr MICKEL: Instead, what did we do? I met with the Deputy Premier immediately and said, 'We have to do something about it.'

Mr Springborg: Did she run the office that lost the letter?

Mr SPEAKER: Order!

Mr MICKEL: A day went by. We then met with the then chair of Energex to ascertain from him his version of the events.

Mr Seeney interjected.

Mr MICKEL: What happened after that was this: we then set in train a process of investigation.

Mr Seeney interjected.

Mr SPEAKER: Order! The member for Callide will cease interjecting. That is my final warning.

Mr MICKEL: What does the National Party say about that now? Oh, it's a witch-hunt. We are trying to scapegoat somebody! What we were trying to do on behalf of the people of Queensland was to ascertain what had occurred here; to ascertain whether—

Mr Johnson interjected.

Mr MICKEL:—there were precedents for such claims to use upon the words of the Auditor-General. That whole process went along without any interference from us.

Mr Johnson interjected.

Mr SPEAKER: Order! The member for Gregory will cease interjecting. This my final warning.

Mr MICKEL: What has been the Leader of the Opposition's response since day one? It has been to cast a slur upon the Clerk of the Parliament yesterday, and this morning on the Treasury officials who undertook that investigation. The opposition presents not a scintilla of evidence to back up any charge against the Treasury officials. The opposition does not go to the heart of what they would have done. All they seek to do is simply hold up a few newspaper clippings and say, 'Well, we've looked through the newspapers this morning. We've got no original ideas, no sense of accountability, and that would have been our response to it.'

Burnett River Dam

Mrs NITA CUNNINGHAM: My question is to the Minister for State Development and Innovation. Can the minister please update the House on the progress being made on the Burnett River dam?

Mr McGRADY: I thank the member for Bundaberg for the question. I think it was in July this year that the member for Capalaba, the member for Bundaberg and myself went and did a site inspection. As we were walking around the site the member for Bundaberg had this smile on her face because she had fought for and could see her vision and her dream coming true. I congratulate the member for the tenacity which she has displayed over many years. That is what this place is about—people having a vision, people fighting for what they want for their district, and then all of a sudden members can see this coming into place.

Whilst we were on this site, one of the candidates who is offering themselves for election next Saturday said that if she was elected she would stop all work on the dam. In fact, I have to say this—I said it then and I will say it again—the dam is going ahead. The dam is going ahead because this 300,000 megalitre, \$200 million Burnett River dam remains firmly on track for completion by late next year. I can also relay to the House that this massive project is going to provide huge benefits for that local community. Can members can understand why she smiles?

While visiting the site we witnessed the pouring of concrete for the foundation of the dam wall. In the two months since, the dam's foundation works in the riverbed and on the right bank have been successfully completed. Over 700,000 tonnes of concrete aggregate has now been produced and stockpiled to feed into a purpose-built concrete conveyor. This 600-metre, \$2.2 million conveyor is capable of placing a massive 400 cubic metres of concrete per hour. This will enable the rapid placement of concrete of the dam's slipway in the lead-up to the summer wet season.

The Burnett River dam is creating hundreds of jobs within the region. The construction work force on the dam has now reached 438—and still the member smiles—and a third of the workers are local residents. Whenever possible, preference is being given to local Queensland companies. Almost nine out of 10 suppliers have been Queenslanders, and more than four out of 10 have come from within the Wide Bay area. On top of this, direct suppliers and local businesses are also coming up trumps. Real estate agents, hotels and cafes are all benefiting from the business created by this growing team of workers at the dam. I could go on with the good news stories but time prevents me.

Energex; Mr D. Nissen

Mr QUINN: My question is directed to the Premier. I refer the Premier to the Crown Law advice that indicated that the corporate governance failures of Mr Nissen could be referred to the Australian Securities and Investments Commission for investigation but in its opinion would be better left to the government, in particular the shareholding ministers, to deal with. I ask: given that the Treasurer, Mr Mackenroth, is not only a shareholding minister and Deputy Premier but also a good mate of Don Nissen, how can Queenslanders be ensured that Mr Mackenroth will act impartially in this matter, and would it not be more open and accountable for this matter to be referred to the Australian Securities and Investments Commission?

Mr BEATTIE: I thank the honourable member for his question. In the report or in my letter to the Auditor-General, I forget which—I think it was the letter to the Auditor-General which I drafted—there is a paragraph where I paraphrase what the Crown Solicitor has said. I have reduced it to the down three lines. The actual Crown Law advice is six lines—it is twice as long. In it there is an explanation as to why he has reached that view. I have asked my staff to provide me with that. What it basically says is this—

It is necessary to consider what action, if any, can or should be taken. Shareholding ministers could ask ASIC to examine the circumstances ...

That is what I have paraphrased in the three lines. It goes on and says this—

... but I have no experience to indicate whether ASIC would think the case justified an investigation, let alone any civil action against Mr Nissen. I rather suspect that ASIC would be inclined to think that the matter would be better left to the government, in particular the shareholding ministers, to deal with.

The full context of the quote basically says that in his view ASIC would not regard it beyond a civil matter or would give it priority as a serious issue. That is totally different—let me make it really clear, and I have paraphrased again—from any breach of the guidelines set by the cabinet as to how contracts were to be enforced. As I indicated, the argument here was not just over what was in the contract itself; it was over an alleged oral contract that enabled the additional funds to be paid.

If the member looks at what I have quoted and at *Hansard* later on today he will see the broader context of the comment by the Crown Solicitor in relation to ASIC; he will understand why I have taken the view that that is the end of the matter. Anybody, if they want, can refer the matter to ASIC. This is actually a breach of guidelines. If members have a look at the full report they will see that there is no establishment of any criminal matters, that this was in fact a breach of the guidelines. It was an argument about what was in the contract and what was not in the contract. That is why, in terms of the former CEO, he argued that there was an oral contract and he believed certain things were within it. That oral contract had never been approved by the board in accordance with the guidelines—the guidelines that had been issued by the government. That is why the Crown Solicitor found what he did in relation to the former chairman of Energex.

That summarises it in a nutshell and puts it in the legal context as well as in the factual context. If the member wants more information I am quite happy to have those questions asked here. I know he takes these things seriously. I am happy for one of my staff to give a more detailed briefing. I will leave it in the member's hands to contact me.

Agricultural Colleges

Mr SHINE: My question is to the Minister for Employment, Training and Industrial Relations. Minister, in July this year you announced that the Department of Employment and Training would undertake a review in relation to performance issues impacting on Queensland's four agricultural colleges. Can you now update the House about this review?

Mr BARTON: I thank the honourable member for the question. The member takes a great deal of interest in training matters, particularly issues relating to the hinterland of his electorate in Toowoomba. I would like to take this opportunity to state the government's intentions in the clearest and most unequivocal terms. Since my statement in July some members of the Queensland National Party have continued to make some outlandish and mischievous statements about this review. Let me be clear: the Beattie government values and supports training for agricultural industries and people living in rural communities. We believe that the Queensland agricultural colleges are very important training facilities that should be delivering high-quality training to meet the current and future needs of all Queenslanders who are interested in working in rural industries.

The government believes that the significant levels of public funding provided to the colleges should be spent well and should be directed to those areas of training that will provide the greatest contribution to Queensland's economic growth. It is Queensland government funds.

I have been completely transparent about my reasons for ordering this review. I have outlined the continuing financial problems being experienced by the colleges. I have told this House of investigations being undertaken by the Crime and Misconduct Commission and I have previously indicated that one of the colleges is at risk of losing its registration as a training provider.

Some members of the National Party have reportedly described these concerns as trivial and have suggested that this review is ill-timed and misconceived. Let me assure them that this is not the case. Over the next month consultations, which began on Monday, will be held around the state with all parties with an interest in the future of the agricultural colleges. These consultations have already started. They will involve college boards, staff, student representatives, local governments, schools, industry groups and community representatives. I will honour my undertaking to also consult with the three members opposite in whose electorates the colleges reside.

On Monday I released a discussion paper which will be the basis of consultations with stakeholders. The discussion paper proposes three new governance options for the four agricultural colleges: a single agricultural college as a statutory authority with a number of campuses; a single rural TAFE with a number of campuses; or combining agricultural colleges with existing TAFEs.

I would urge any person who is truly interested in ensuring the sustainability and future growth of training throughout the Queensland agricultural colleges, including the members opposite, to get a copy of this paper and make a submission to the review team.

I stress I do not have a preconceived idea about the outcome of this review. The review itself, which is now well and truly under way, will determine what are the best options to enhance these colleges and ensure that they use Queensland taxpayers' funding appropriately to get the best bang for our buck for the training of people in the agricultural sector.

IT Industry, Tenders

Mr CHRIS FOLEY: My question without notice is to the Premier and Minister for Trade. Premier, I have been advised that there is an agreement that makes departments deal directly with companies such as IBM, Dell and HP, and excludes them from using their industry partners. It appears that the Queensland government excludes all but the largest companies from selling to its departments. This seems at odds with at least one of the company's usual way of doing business and results in the money going out of Queensland rather than staying here in our backyard. As the chief ambassador for Queensland, will the Premier direct his ministers to allow locals to tender and in doing so support the Queensland IT industry rather than lining the pockets of the New South Wales IT industry?

Mr BEATTIE: I thank the honourable member for Maryborough for the question. I recently addressed a major IT lunch in which I indicated that the government would be releasing an update of our vision for the IT industry for the next 10 years. Robert Schwarten and Tony McGrady, as the relevant ministers, are working on that in partnership with my department. That will be going to cabinet soon and will be released. At 11.30 I will be making a ministerial statement releasing an update of our Smart State strategy.

What the government is doing is updating its IT strategy and also its Smart State strategy. The vision is clear. We have had stage 1 of the strategy; we are now taking it to stage 2. Members will hear more about that at 11.30.

The same applies to IT. Members may have noticed yesterday that I incorporated a ministerial statement about ICT and access into the American market. The way it works is this: we have encouraged a number of companies to come here. I met with Red Hat in San Francisco or California a few years ago; their original headquarters are here. We have also got a number of other companies here. IBM has got major activities here. We have got Microsoft—I supported Microsoft not only in India but in South America. Oracle also has operations here, as does Sun. There are a number of international software IT companies here. Part of the relationship with Karnataka with headquarters at Bangalore is to tap into the IT industry in India as well.

Members may also remember from my report that I met with representatives of Infosys in India to attract them to having some involvement in Queensland. They are international players. We also have significant domestic players. Part of this strategy will be to lift those companies who have got employees below the number of 50, those small IT companies, to grow beyond that. That is the general strategy. I am not going to bore members any more with that other than to outline how this applies to the state purchasing policy. What happens is this: with all these contractors there are panels established. To get on the panel one has to be able to perform and deliver. There is not much point having the village idiot on board if they cannot deliver what we want. They actually have to be on the panel. Minister Schwarten's people assess the panel. We do try and partner. One of the things I said at that IT lunch was that we want to help the smaller companies to continue to grow to be companies that have employees numbering 50 or 100 or more, but you have to be able to deliver. We have got a vibrant and very strong IT and ICT sector here which we are very supportive of.

Can I suggest to the member for Maryborough, who obviously takes this seriously, and I respect that, that he sits down with Robert Schwarten, the Minister for Public Works—straight after question time as the minister is available—and the minister will go through the process. But I want the member to assure the IT players that we are about growing their industry as well. To be able to grow, there needs to be an international focus as well as a domestic focus. We need to partner into the emerging and

significant markets like China and India, which is why I had talks with Infosys. That was one of the major players in the Asia Pacific when I was in India. I urge the member to do that. The minister is available.

Federal Election; Rural Queensland

Mr WILSON: I refer the Minister for Natural Resources and Mines to federal National Party leader John Anderson's claim yesterday that rural communities would be left without an effective voice if a Labor government was elected on 9 October. Can the minister inform the House whether there is any evidence, indeed even a shred of evidence, that the National Party currently provides an effective voice and vision for rural Queenslanders?

Mr ROBERTSON: I can provide such evidence and, unfortunately for the National Party, the news is all bad. Today *Country Life* published the results of its pre-election survey. They did a survey before our state election earlier this year and they have done it again for the federal election this year. What does that pre-election survey find?

It is a survey of 1,000 farmers from throughout Australia. It found that less than 50 per cent of respondents believe that the Nationals have an adequate vision for rural and regional Australia. This is their core constituency. It is 1,000 farmers. This is the party that was born of the land, yet only 45 per cent of all respondents—in fact, 52 per cent of identified coalition voters—think the Nationals have vision. Why wouldn't that be so, given the comments by Deputy Prime Minister John Anderson yesterday in his speech to the National Press Club?

John Anderson refused to give any guarantee or commitment to ensuring that all agricultural sectors are included in any bilateral trade deal that a re-elected coalition government might strike with China. This is the same bloke and the same party that sold out Queensland's sugar farmers in the trade deal with the US. He is a recidivist. He is saying, 'Vote for me, rural Australia, even though I will not guarantee you a fair deal in a free trade agreement with China.' He goes further than that. The bloke who was responsible for putting it in the back of Queensland sugar farmers wants to be trade minister again in a re-elected coalition government. The same bloke who sold out Queensland's farmers wants to come back to do it again with China.

However, the situation gets worse. Mark Panitz, the spokesperson for Queensland Fruit and Vegetable Growers, now called Growcom, is quoted in today's *Country Life* as saying—

The Federal Coalition's agriculture policy launch last week did not go far enough to address the major problem facing horticulture. In fact, he notes that the Labor Party and the Democrats have supported Queensland Fruit and Vegetable Growers, or Growcom, but the coalition remains uncommitted. Again they have failed to deliver for their core constituency because they have no vision.

Why do they not have vision? We saw it graphically demonstrated yesterday in this very chamber in the debate on the petroleum and gas legislation. That was the first time that this legislation, which has such an impact on rural communities, was debated and who showed up? Certainly not the Deputy Leader of the Opposition! One thousand, two hundred and sixty-eight clauses went through this place in a minute with no scrutiny from the Deputy Leader of the Opposition.

Hospital Waiting Lists

Mr COPELAND: I direct a question to the Minister for Health. This morning the minister was on radio admitting that he had absolutely no idea what Mr Latham's Medicare Gold policy will cost in Queensland. Can the minister outline to the House how many people in Queensland over 75 are currently on a hospital waiting list? How many beds would need to be opened to treat those people immediately? How will this proposal impact on people under 75 years of age who are on waiting lists? And if the minister does not know, how could Mr Latham possibly know?

Mr NUTTALL: In relation to the question from the honourable member, I do not think that any reasonable person in this House would expect me to have those figures at my fingertips. What I said on the radio this morning was that I was pleased with the announcement by Mark Latham yesterday in relation to the—

Opposition members interjected.

Mr NUTTALL: I say this: at least there is a way forward and they are offering an alternative and a future. The honourable member should not be selective in what he says, because I said that I would be having further discussions with the leader—

Opposition members: Oh!

Mr NUTTALL: That is what I said. I said that I would be having discussions with Mark Latham in relation to this matter because, as Mark Latham has said, this does not commence until 1 July 2006 and the details will be worked out during that time.

Over the last couple of weeks honourable members of the opposition have continued to tell mistruths. I will give an example. This morning the honourable member for Caloundra made some

comments in relation to the hospitals on the Sunshine Coast. I do not mind being criticised if we are wrong and if we are not doing the right thing. However, there is such a thing as truth in politics. If one is going to stand up in this parliament, one should at least tell the truth.

Nambour Hospital went on redirection for two hours last night due to an increase in demand. No high acuity patients were turned away. At the same time, contact was made with the Noosa Hospital, which was able to take the patients if needed. The Caloundra Hospital was not on bypass and no-one was turned away.

The honourable member for Caloundra has misled the parliament today, the honourable member for Moggill did it yesterday and the honourable member for Burnett continues to do it in this House. If one is going to stand up in the parliament, one should at least have the facts.

Cairns International Airport

Dr LESLEY CLARK: I ask the Minister for Transport and Main Roads to inform the House about the future development and expansion plans for the Cairns International Airport which he launched recently in Cairns.

Mr LUCAS: The honourable member is a tireless advocate for the interests of far-north Queensland, or tropical north Queensland as we now call it. I was pleased to join her, together with our colleagues ministers Boyle and Pitt and about 75 tourism, aviation, community and media representatives, in Cairns on 17 September when we launched the strategic overview of major airport developments for the Cairns Port Authority, their land use study horizon for the next 20 years.

There were a number of very significant findings in relation to Cairns. The number of passengers through the airport is expected to double to six million by 2020. The second main runway will not be required until after 2025 because the growth will be managed by extra taxiways, angled rapid exit taxiways and full-length taxiways parallel to the main runway.

This document adopted the findings of the Cairns Port Authority board and developed a \$190 million six-year infrastructure development plan. That is \$190 million to be spent in Cairns. Key elements of that investment plan include upgrading the international terminal building, new baggage carousels and screening equipment, an expanded arrivals hall, a new aerobridge and concourse to connect parking bay 1 to the terminal, converting the domestic terminal building so that check-in facilities will be at one end and arrivals and baggage collection at the other, new aerobridges and security upgrades, upgrading the current runway which I mentioned before, upgrading electrical systems, water supply and firefighting equipment, and expanding the airport administration centre and general aviation precinct. There have previously been some discussions—

Ms Boyle: And lots of jobs!

Mr LUCAS: And heaps of jobs for Cairns. As the member says, an enormous number of jobs will be created in Cairns. This airport is a tourism dynamo in tropical north Queensland. Australian Airlines will use it, as will a number of other domestic airlines. Qantas of course will be flying into it. There will be major benefits, because in tropical north Queensland there is the reef, rainforest and savannah, and I must say that the member for Tablelands is also a supporter of this. I also mention specifically that the member for Barron River has raised environmental issues with me on a number of occasions, and that will be paid very great heed to. I know that she has always wanted the airport to take into account the needs of the residents of Yorkey's Knob because that is very important to her, and the airport developers understand that those environmental issues do need to be considered in whatever they do.

Do members know how much prices in real terms have gone up at the Cairns airport for aeroplanes in the last 12 years? Down 33 per cent! That is the sort of regime operated by the very good people at the port authority who are attracting more and more tourism to tropical north Queensland, and that means quality jobs. Congratulations to the Cairns Port Authority, to its chair Mr Garrett and his board, and to Brad Geatches, who is a wonderful CEO of that organisation, for the job he is doing in tropical north Queensland.

WorkCover Board; Mr D. Nissen

Mr LANGBROEK: My question is to the Premier. Given that the Premier has now had ample time to discuss with the Minister for Employment and Training the suitability of Don Nissen to remain on the WorkCover Board, will he now accept his resignation?

Mr BEATTIE: I must admit that I have not sat down and had a long discussion with the Minister for Employment about—

Opposition members interjected.

Mr BEATTIE: We actually deal with these things in a sensible way. When I met with Don Nissen the other night, we were discussing Energex and Energex Retail. He is a member of both boards, or was a member of both boards. He offered me his resignation in relation to WorkCover. I indicated to him

that I wanted to think about it. I have that resignation. I need to consider in detail the responsibilities that he has on WorkCover and whether what was said in the report by the Crown Solicitor has any bearing on his role as a member of WorkCover, bearing in mind that he is not chairman of the board of WorkCover. The chairman of the board of WorkCover is actually Ian Brusasco. If he was chairman of the board of WorkCover, I believe it would have been appropriate for me to have accepted that resignation on the spot, but he is not the chairman; he is a member of WorkCover.

I have had a brief discussion with the minister, Tom Barton, about it. We need to look at a range of ethical issues. We need to look at a range of natural justice issues. We will assess it based on whether the findings of the Treasury report and—I make this very important additional point—the Auditor-General's report have bearing on whether he remains on the WorkCover Board. Can I underline this by simply saying that it would be unfair of me to consider finally with the minister the WorkCover Board membership—bearing in mind that he is not the chairman—prior to the delivery of the Auditor-General's report today. I understand that the Auditor-General will be presenting to you, Mr Speaker, and me at 1.30 or 2 o'clock this afternoon—I forget the arranged time—his report in relation to the material that I have sent him in response to his questions and, indeed, any investigations he has made himself, which he would have done.

I will assess what is in that Auditor-General's report and I will assess what is in the Treasury report to determine the fitness of Don Nissen to continue on that board. That is due process. It is appropriate. It is honest. It is the way we do business. I am not going to have some knee-jerk reaction to this. I will do it properly. It may well be that he is able to stay. It may well be that he is not. I have not reached a view. I am determined to be fair to everyone in these circumstances. I have gone out of my way to ensure due process here, and I will not allow it to depart on this one matter, no matter how difficult that is for us politically.

Valley Alcohol Management Partnership

Mr FRASER: My question is to the Minister for Communities, Disability Services and Seniors. Minister, what is the government doing to promote best practice liquor management and improve amenity in the Fortitude Valley precinct?

Mr PITT: I thank the member for Mount Coot-tha for the question. He has taken a particular interest in this government's community crime prevention initiatives and strategies, and I thank him for the interest that he has taken. Together with the Brisbane City Council Deputy Mayor, David Hinchliffe, I will today be launching a government, community and industry partnership to put in place an action plan to improve the amenity of the Valley entertainment precinct. We will be launching the Valley Alcohol Management Partnership Licensing Accord which promotes best practice in liquor management. It involves cooperating licensees promoting safe drinking practices at their venues. I think it is a very reasonable and responsible attitude from participating licensees. There are 29 of those licensees participating in the accord, and I thank them for their cooperation in this project.

They know that by supporting this approach they are cooperating with us and the council to improve public health, safety and order in and around licensed venues in the Valley. By improving the amenity of the Valley entertainment precinct, all patrons as well as local residents and businesses will benefit. The licensing accord is one of a number of key initiatives under the Valley Alcohol Management Partnership that the Beattie government provided an extra \$30,000 for this year. Since the partnership was launched in December last year, we have been working closely with licensees to implement a number of strategies. These have included facilitating staff training about the responsible sale and consumption of alcohol, improving communication from venue to venue, and addressing the safe dispersal of patrons with a strong focus on improving safety at taxi ranks.

The Valley Alcohol Management Partnership has been established as part of the Inner-City Place Project, which is a joint government, business and community initiative involving a range of stakeholders, including the Department of Communities, the Brisbane City Council, Queensland Health, the Queensland Police Service, Liquor Licensing, Valley industry groups and, of course, licensees. The partnership provides an effective framework for early intervention to address alcohol management issues and, of course, to improve community and patron safety.

Horse Riding in State Forests

Mrs PRATT: My question is to the Minister for Environment. With regard to new forest reserves, why is it that after three years of a community consultation process no decision has been made to ensure that horse riders will continue to have reasonable access to existing horse riding trails in our state forests? Will the minister stand by the previous minister's promise that there would be no net loss of access to our forests for horse riders?

Ms BOYLE: I thank the member for this timely question. It is one of the hard issues that was on my desk in the 'must be dealt with very soon' pile as soon as I was sworn in as the minister. It is also timely in that I had the pleasure yesterday, courtesy of the member for Nicklin, of meeting with some

representatives from horse riding associations, particularly those associated with the north-western area of Brisbane and the hinterland of the Sunshine Coast. Also attending those meetings yesterday were mayors from the area—Mayor Joe Natoli and Mick Venardos. Bob Abbott from Noosa was not available, so his deputy mayor attended. Of course, I would not forget the participation of the member for Gympie.

This is an issue of some very considerable concern. As the member's question indicates, it has been going on for too long. Why has it been going on for too long? Because it is a difficult one. Horse riding is a very pleasurable pursuit and one which many people have been involved in for many years. As they pointed out to me in the meeting, it is a family pursuit. Probably 70 per cent or so of those engaged in recreational horse riding do so in family groupings primarily on weekends. Nonetheless, they recognise that as we move more land into our national parks there has to be some consideration as to whether any recreational activity, including horse riding, should be in any way curtailed. Over these last years, from the days of Minister Welford as the Minister for the Environment and Minister Wells and more recently Minister Mickel, these activities have been reviewed. The horse riding review is very important. I reiterate to members and their constituents that I am looking closely at this issue, and I hope that it will not be too long before we do have a direction for the long term.

Department of State Development

Mr HOBBS: I direct a question to the Minister for State Development. I refer to the press and publications section of the Department of State Development's PPP web site, and I ask: is it not a fact that when potential investors click on to the 'Beattie government finalises PPP framework' link these investors are advised 'That statement does not exist'? Is it not a fact that when potential investors click on the 'Are PPPs the smart way to build Smart State infrastructure?' link, these investors are advised 'That statement does not exist'? Is it not a fact that when potential investors click on the 'Gateway Bridge duplication project to proceed' link, these investors are advised 'That statement does not exist'?

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

Mr HOBBS: When is the minister going to fix it?

MINISTERIAL STATEMENT

Smart State Strategy

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (11.30 a.m.), by leave: My government has a vision of a state where knowledge, creativity and innovation drive economic growth to improve prosperity and quality of life for all Queenslanders. This vision—the Smart State vision—has guided this government's investment in education and training, science and research facilities and in commercialising our knowledge over the past six years. This financial year alone, more than \$827 million will be invested in vocational education and training.

We have also introduced the Education and Training Reforms for the Future package to ensure that our young people will have the necessary skills for their future. My government has invested more than \$2.4 billion in world-class research projects and infrastructure. This investment has been directed at research of major importance to the state's economic and social development, including research aimed at improving health care and protecting our environment. These investments are paying off. New industries such as aviation and biotechnology with thousands of new jobs have been established and are providing new job opportunities for Queenslanders. The same goes for export education. Our established industries are continuing to adopt new technologies and processes and are tackling the challenges of a global market by becoming more productive and enterprising. Our exports are growing at a rapid rate with merchandise exports growing 29 per cent over the five years to 2002-03.

I said earlier this month that my government will not rest on these achievements. The smart thing to do is to continue looking forward and to continue planning for the future with new strategies. We need to develop the next stage of our plan for the Smart State. *Queensland's future—building on the Smart State* will provide a blueprint for Queensland's development over the next 10 years. I table a copy of that for the information of the House. I highlight the fact that all members have received a copy. As I say, this will provide a blueprint for Queensland's development over the next 10 years. This is not a plan just for the Queensland government; it is a plan for Queenslanders. That is where the focus is and always has been. The Smart State vision affects everyone, and I want all Queenslanders to have a say in its future direction. We want the next stage of the strategy. The vision is clear. The vision remains the same.

Today I am launching a discussion paper to spark debate on the future direction of the Smart State strategy. I want all Queenslanders to contribute to developing the strategy. We want to know the views of Queenslanders across all sectors of our community about how we can deliver the Smart State vision. The paper identifies five areas for future government action: skilling our people; building on our existing industries and infrastructure; building our scientific, research and innovation facilities; commercialising and applying discovery and innovation; and sustainable development which protects

our unique environment. Copies of the discussion paper will be available from the Smart State web site—in addition to the ones distributed to members today—libraries or by contacting the Department of the Premier and Cabinet. Written submissions close on Tuesday, 30 November 2004. I strongly encourage all sectors of the community to have their say and be heard in developing the future direction of Queensland.

PRIMARY INDUSTRIES AND FISHERIES LEGISLATION AMENDMENT BILL

Resumed from 29 September (see p. 2530).

Consideration in Detail

Clauses 1 and 2, as read, agreed to.

Clause 3—

Mr HORAN (11.34 a.m.): This clause amends the Exotic Diseases in Animals Act. It provides new avenues of appeal. Clause 4 then inserts the new sections into the act to provide an appeal to the Court of Appeal against the District Court's decision. Could I speak to both clause 3 and clause 4, because they are basically about the same issue?

Mr DEPUTY SPEAKER (Mr Fouras): Yes, that is fine. I will put the questions separately, but the member can ask the minister questions about both clauses.

Mr HORAN: Clause 4 inserts new sections into the act to provide an appeal to the Court of Appeal against a District Court's decision. The explanatory notes to this bill, under the heading 'Objectives of the Legislation', state that the bill amends the Stock Act and the Exotic Diseases in Animals Act to clarify the appeals process under each act. I would like the minister to tell me whether these amendments are actually clarifying the avenues of appeal or putting in place new processes altogether. I understand from looking at these clauses that this bill is bringing in a system so that people can appeal against a decision and go to the Court of Appeal. So it is not clarifying the situation. As the explanatory notes state under the heading 'Objectives of the Legislation', the bill is actually putting in a system by which people can appeal against a decision in the Court of Appeal.

I also want to ask the minister about this process. It is a two-way street, is it not? Someone could take action against the department or the department could take action against someone else. I have some concerns that, if it is the department taking action against someone, it could make it very difficult for someone to defend themselves. The department, with its financial resources, is able to appeal to the Court of Appeal. I do not have any particular action in mind that the department might be taking. I am just trying to think of a case that the department might be bringing against a farmer. It would be very difficult for that farmer to defend themselves in the Court of Appeal. Could the minister explain the existing system of appeal? What is the minister trying to clarify, or are these amendments not just clarification but actually bring in a totally new regime—an additional level of process?

Mr PALASZCZUK: I will go through the background to the reasons why the provisions have been inserted. Previously the government had no recourse of appeal. The government had to go to the Court of Appeal to be granted the right to appeal. As the honourable member would understand, this happened in the Mowburn Nominees case.

Mr Horan: What was that about?

Mr PALASZCZUK: I do not want to talk about that case because the court is still dealing with it. It relates to the tuberculosis freedom assurance scheme. The owner of the stock was paid compensation under the Stock Act 1915. That act provided the stock owner with a right of appeal to the Magistrates Court, which the stock owner exercised in relation to the calculation of compensation.

This appeal resulted in further compensation of an additional \$3 million being awarded to the producer. When the state appealed the Magistrates Court decision to the District Court, the District Court found that there was no appeal to the District Court because the Stock Act 1915 did not expressly provide an opportunity for the state to actually appeal against that decision that was granted by the court. Despite a subsequent Court of Appeal decision that the state did have a right to appeal from the Magistrates Court to the District Court, we intend to expressly include an appeal from the Magistrates Court to the District Court in the Stock Act 1915 to put that issue beyond doubt. I think the honourable member can understand what I am saying. Two conflicting opinions have come to us in relation to our ability to appeal.

The Exotic Diseases in Animals Act 1981 contains a provision allowing an appeal to the District Court in relation to compensation. It is proposed, as a result of the experience of the Mowburn case, to amend the Exotic Diseases in Animals Act 1981 to provide another level of appeal to the Court of Appeal to clarify the appeal process under that act, hence the reason the honourable member incorporated clauses 3 and 4 together. This amendment will overcome any legal uncertainty surrounding a right of appeal when an express right of further appeal is not stated in the act. This is very

important in the context of possible appeals and compensation claims against the state in the event of destruction of stock during a major exotic disease episode, where many millions of dollars in compensation could be at stake. The amendment will not allow for retrospectivity, but the most important point is that the appeal provision relates only to decisions on valuing stock for compensation purposes.

The other point the honourable member made relates to the fact that the state is looking for the right to appeal a court decision. We are also looking at the right of the producer to use those provisions to appeal the state. So it goes both ways.

Mr ROWELL: I am a little concerned that we are seeing the government using the situation. Previously it did not have the right to appeal from the Magistrates Court to the District Court. It has become evident that, because the situation has developed whereby the government stands to have to pay compensation, the minister has brought this provision to parliament so that the government can have the right of appeal. I think that is a little unreasonable because this act has operated over a period of time. Particularly in the instance the minister has quoted, the act is supportive of the prospects of government action. There is no definite prospect that the government would be successful with an appeal, but this provides a right of appeal whereas previously it had no right to appeal.

If the boot had been on the other foot such that people were unsuccessful in getting compensation, would the government have brought this same legislation into the parliament to enable them to appeal? It is a twofold situation, as I see it. Yes, this amendment will give both parties the right to appeal, but because it arises from the government standing to pay compensation it is now using parliament to gain the right to go back to the courts. Possibly, the government will be in no worse a position than it was before, because it will either win the right to appeal or not.

In the first instance, this amendment enables the government to get a better deal, for want of a better term, than probably prevailed in the past for people seeking appeal if they did not get significant compensation out of the process. I think it is a little unreasonable that the minister has used a particular case and not necessarily looked at the overall picture. He can say that he has looked at the overall picture, but he has used a particular case to bring this amendment to parliament.

Mr PALASZCZUK: That is right. A certain action being taken by a certain company forced the hand of the government. Under the previous system we went to the Court of Appeal, which ultimately upheld the right of appeal, but it was at far greater cost to both parties. By doing this we will reduce the cost and put beyond doubt that the state has a right of appeal and the producer has a right of appeal.

This is only used in the most extreme of cases. I refer to the tuberculosis free area program, which is a federally funded program. An additional \$3 million on the valuation of cattle is a lot of money. Surely the state should have the right to appeal that. We want to put beyond any shadow of a doubt that in future, if anything like this does occur, the state will have the right of appeal and the producer will also have the right of appeal. That is all we are trying to do.

Mr HORAN: What the minister read out was fairly complex, but I take it that in the particular case he gave as an example there was an appeal and the company or the private person who appealed was successful in the Magistrates Court and the government then found that it was unable to appeal that to the District Court but found out subsequently that it could appeal it through the Court of Appeal.

The thing that concerns me—the example the minister gave may have been a big company—is that there could well be cases that involve smaller producers. I can see the point the minister is making about making it clear that the department can go through an appeal process, as can a private person or a company, but it is very difficult for smaller entities to go through the process. The government can take them to the wire and it can be very difficult for them to continue on with the process. It might be, for example if some form of eradication has to be done in a district, that there is a dispute over the valuation of the stock. An organisation such as Agforce might go to court on behalf of 100 producers, but in the end all of those producers have to fund the action, or producers might get together to fund an action.

The concern I have—I want to record that concern here in this debate—is that there could well be cases in which it would be very difficult for people who do not have massive financial resources to match the government in going through systems of appeal. I give the example of someone with 200, 300 or 400 head of cattle having to destock. It is like taking all of the stock out of a shop. It leaves them with nothing and they have to start again. They do need enough to buy breeding cows or whatever and to get by during the destocking and when they are not able to put stock on the place.

People in those circumstances may well only be able to afford to go to a Magistrates Court, get a decision made and move on from there. That is what concerns me. If that decision were contrary to what the department felt, then the department could take it further but people would not be in a position to take it any further because they would be in pretty difficult circumstances anyway. If a person with 300 or 400 head of stock had to destock because of a disease and this person had loans and repayments to make, they would need to get, at the very least, a proper market valuation of those animals. They would not be able to muck around going through a court process or an appeals process by a government that had deep pockets.

Mr PALASZCZUK: I share the honourable member's concern as well, but let me assure the House that this is not Big Brother using a big stick to attack small producers. Basically all we are doing is making a clear path of appeal that is available to both parties in case there is an appeal. Currently it is totally unclear. We all know that whenever we appeal we have to appeal to a higher authority. All this provision does in both clauses is to clarify that. It is not a mechanism whereby government is going to appeal every decision for compensation by producers—far from it. It is only to be used in an extreme case, such as this current case which has shown a deficiency in both those two acts.

Mr ROWELL: What the minister is saying is that this legislation will be applicable to the current case that is before the courts.

Mr Palaszczuk: No.

Mr ROWELL: It is not? Definitely not? In other words, with regard to the case that the minister has been talking about, any appeal to the District Court will not be applicable because he will put that in this legislation. What he is saying is that this is for the future.

Mr Palaszczuk: Yes.

Mr ROWELL: This is not going to be something that will be used for the benefit of this particular government at this present time. That is what I want to have clarified. I think what we have been talking about is the actual cost—and it does get quite expensive—in the event a producer does not have the ability to pay and he is very dependent on funds coming from this legislation for compensation as regards exotic pests and diseases. I think there have been a few instances of this over a period of time. I think with anthrax, in particular, some issues were raised about where cattle came from. It gets quite expensive.

I was very concerned when we first raised this issue with an action taken by the government for the payment of compensation to a producer that hoped to get some support for the losses that had been incurred. That is my main concern. As I said, it has to be equitable as far as both the appellants are concerned—whoever they might be, whether it is the government or whether it is a primary producer. The main thing is that it is not going to be used in this particular instance and cannot be. Is that why the minister said it is not going to be retrospective? That is something I really want clarified.

Mr PALASZCZUK: For a second time let me reassure the House that this legislation is not retrospective. We have learnt from the current case that we have before us that there is a deficiency on both sides. We are rectifying that deficiency by introducing these provisions in clauses 3 and 4. That is all we are doing.

Mr HORAN: I will be brief. It may not be necessary for the minister to reply. I had similar concerns as to retrospectivity. My only query is whether this would apply when a person acts as an agent. For example, DPI acts as an agent for the national disease eradication trust account. So it would be those sorts of events where it is funding the compensation and so forth.

Mr Palaszczuk: That is this case.

Clause 3, as read, agreed to.

Clause 4, as read, agreed to.

Clauses 5 and 6, as read, agreed to.

Clause 7—

Mr HORAN (11.54 a.m.): This clause replaces section 65, which concerns the transfer of authority. I would like the minister to give us an explanation of how this differs from what happened previously. As I understand it, this is all about the transfer of authority, an example of which I presume is the transfer of quota or the transfer of some authority within a licence. A licence might say a person has the right to net fish or line fish, for example. Could the minister clarify for us what it actually refers to? Is it endorsements on licences? Is it quota? Is it various areas in which people are allowed to fish? We need clarification of all those things. Can the minister also explain the difference between how the system worked before and how it will now work with this new arrangement?

Mr PALASZCZUK: The main difference is that the amendments remove the discretion of the chief executive to approve the transfer of authorities. By 'authorities' I mean all authorities and including quota. It takes away that discretion from the chief executive officer. Instead, we are substituting that with a process of transfer registration. So basically all the commercial fisher needs to do is inform the chief executive officer of an intent to either sell, transfer or whatever an authority or a quota, and that will then be registered by the Department of Fisheries. Previously the commercial fisher had to get the authority from the chief executive officer to do that. We are moving away from that. The authority from the chief executive officer is no longer required—only the information that there is intention to transfer quota or transfer whatever authority.

The Department of Fisheries needs all that because, as we all know, it needs to maintain the fishery and ensure that enforcement can be carried out. If it does not have that information, it will not be able to carry out the enforcement. So we are lightening the load on the commercial fishers. We are

allowing them to be able to transfer their authorities without the chief executive officer having to tick off whenever they need to transfer the authority. That is all it is.

Mr HORAN: That seems okay to me. So a deal can be done with someone and you do not need the approval, or otherwise, of the chief executive, but naturally the details of the deal will be registered so the new information is there. I think that will remove a bit of red tape, and it seems all right.

Mr ROWELL: Will there be any cost involved as far as registration is concerned, Minister? Are there any issues regarding persons who are not probably in the best interests of the fishery as far as the transfer is concerned? Is there any indication that a situation may develop where it is not desirable for a transfer to occur because of the amount a person might have or because of the way they are going to go about it? Is it pretty much open slather, for want of a better term, as to who can acquire what quota symbol—in other words, whatever way the quota is decided, whether it is in weight or any other method that has been devised to determine what a quota allocation is?

I would like to know the costs of the registration and that sort of thing. Then, of course, if it is going to be cancelled, are there any costs involved in going from a transferor to a transferee? Maybe the minister could respond to that.

Will this go across any particular areas? Is there any designation about a quota or something of that nature in the southern part of the state to the northern part of the state where particular fish types are being taken? We are just talking about fish types. With mackerels the only requirement is that there is eligibility of one type of mackerel to another, or will it stay very specific within the groups of fish and all those types of things, with crabs, et cetera? I am talking about sand crabs in north Queensland to sand crabs in the Moreton Bay area. In other words, the minister is pretty much saying that it does not matter if people have a sand crab licence where they are; it can be transferred from one area to another—from one part of the state to the other. This relates to sand crabs to coral trout or whatever from north to south. Could the minister respond to those types of things, please?

Mr PALASZCZUK: On the issue of cost, there will be absolutely no change. On the issue of authorities, as the honourable member alluded to, each different fishery has its own authority. They are all included. Transferring quota from north to south, whatever it is, is all included. In actual fact, it is a blanket coverage of all the authorities. We are removing red tape. Previously, unfortunately, the chief executive officer had to tick it off. If the chief executive officer refused a transfer, that really is a constriction of trade. What we are doing now is removing all that red tape and leaving the transfer of the authorities in the hands of the people who own the authorities. That is all we are doing. The cost is fine.

Mr HORAN: My only query is did the minister or his department discuss this with the Queensland Seafood Industry Association?

Mr PALASZCZUK: Yes, we did.

Mr ROWELL: There is one other very small thing. A resource can reach the point where it has been overfished. There is a requirement to impose restrictions on, for instance, coral trout. The fishery may be able to withstand the restrictions in the southern end of the Whitsundays, whereas it may not be able to withstand them as much at the northern end. We are probably talking about things that will happen in the future. If a person decided that he was under pressure with his quota in one area and he felt that by acquiring some quota from another area that it might be to his advantage, will he be denied that opportunity in the event that there are restrictions placed on one area over another?

Mr PALASZCZUK: The answer to that is plainly no. No, that is not the case at all. The quota is already set.

Mr ROWELL: I understand that. I am just talking about the future more than anything, where it may be found that there is a need to have restrictions.

Mr PALASZCZUK: We cannot really legislate for the future, but when the quota is set the quota is set. If the quota is reset the authorities will change again. It will not constrict the trade at all. Things will continue the same way as they have continued for years and years. The only difference is that the government is getting out of the decision making.

Clause 7, as read, agreed to.

Clauses 8 to 16, as read, agreed to.

Clause 17—

Mr HORAN (12.04 p.m.): I just want clarification on this. I presume what this clause is doing is exempting someone who shoots wild game and uses that wild game for their own individual purposes—that is, if they want to eat it or use it for their dogs or whatever—from having to go through all the normal food safety requirements.

Mr PALASZCZUK: I think the honourable member has hit the nail right on the head. Unfortunately, in the previous primary industries legislation amendment bill when we granted producers an exemption to be able to kill, say, a beast on their own property for their own consumption, inadvertently gaming producers were caught up in that. What this is doing is making it perfectly clear

that our game meat producers are able to continue doing what they have been doing legally. Unfortunately, they were just caught in that amendment. This is just amending and making sure that what was the intent of the previous legislation is carried out now. We have had consultation with industry, and everything is fine.

Clause 17, as read, agreed to.

Clause 18, as read, agreed to.

Clause 19—

Mr HORAN (12.05 p.m.): We have now moved on to amendments to the Grain Industry (Restructuring) Act. Clause 19 inserts the provision—

... to provide for a review of export marketing arrangements for wheat produced in the State if—

and I concentrate on the word 'if'—

- (i) under the Wheat Marketing Act 1989 (Cwlth), national arrangements for wheat marketing are reviewed; and
- (ii) because of the review, the Commonwealth announces that it intends to change the national arrangements for the export of wheat.

I want to know why this needs to be done. It is all supposition. If the minister says that the future cannot be legislated for, does he know something that we do not know? I have said in my speech that we are very supportive of the single desk selling arrangement. I read out some reasons why it is of benefit to the wheat industry. It has an overseeing system so that it cannot operate in a vacuum. It is overseen by a special review arrangement, and they are reviewed every so often. Is that what is being done here? Is this being put in place so that if that review committee makes a change then the change can be made? In a way the rails are almost being greased to make it easy for the review committee to change our single desk arrangements because there is a system that can be slotted into easily. I am asking this because 'if' is being said. I am wondering what was wrong with what was there before that had to be changed to this, where something is being put in place in case.

Mr PALASZCZUK: Currently there is a review of the national wheat export marketing arrangements. The amendments before the House are actually saying that if the national arrangements are dismantled then we as a government must do a review at state level which will enable industry and government to consider all the available options in the event that the federal government goes ahead and removes the single desk. I believe that is the logical way of doing things.

The Grain Industry (Restructuring) Act already has a clause that requires there to be consultation with organisations representing growers and marketers of wheat before any review is set up. It is currently part of our legislation that we have to consult with industry. At the present time Agforce is on the grain growers' side and the Queensland Produce Seed and Grain Merchants Association is on the marketers' side. Looking into the future, what the honourable member said is correct. I have to give a commitment—and I will give the commitment right now—to the producers of Queensland that before there is any review of Queensland's wheat export arrangements consultation will occur. We need to do that. However, I cannot pre-empt what form of review that might take because that will depend on the consultation exercise. I cannot say, on the one hand, that I am going to consult and, on the other hand, say, 'I am going to do this.'

The decision has to be made after the consultation. This will ensure that if the federal government ever intends to dismantle the single desk we have a provision where we consult with our local industry—both sides of the industry—to see what action we will take if we want to go to a state single desk. That is what that is all about.

Clause 19, as read, agreed to.

Clauses 20 to 36, as read, agreed to.

Third Reading

Bill read a third time.

RURAL ADJUSTMENT AUTHORITY AMENDMENT BILL

Second Reading

Resumed from 18 August (see p. 1888).

Mr HORAN (Toowoomba South—NPA) (12.10 p.m.): This bill contains what some might consider a minor amendment, and that is the official name of the Queensland Regional Adjustment Authority being renamed QRAA. That is the acronym that most people know it by anyway. I will speak on that later.

The bill broadens QRAA's scope to ensure it can provide services to all primary industries. Previously fishing and forestry were excluded in the way the act was worded. The bill expands the function of QRAA to allow it to administer schemes of assistance on behalf of other states and the Commonwealth government. For example, QRAA is administering the Great Barrier Reef Marine Park structural adjustment package for the Commonwealth government. The bill establishes a legislative appeals process where applicants can appeal against QRAA decisions. QRAA currently conducts internal appeals but the process has not been spelt out in legislation and this is designed to provide more transparency and accountability.

The bill sets out the composition of the QRAA board with seven members comprising an independent chair, two government representatives—one from the DPI&F and one from Treasury—and four other members with what is called appropriate skills. It requires that assistance schemes now be made by regulation—that is, subordinate legislation—to provide more accountability and make schemes subject to automatic expiry, regulatory impact statements and tabling in parliament. The amendments follow a review of the act carried out in 2003 by a committee headed by Tom Fenwick, former Director-General of Natural Resources and current Chair of the Bureau of Sugar Experiment Stations.

I make the comment at the outset that everyone uses the acronym of QRAA for the Queensland Rural Adjustment Authority. I have no real brook with having a bill that in part calls the institution QRAA instead of Queensland Rural Adjustment Authority. But it is going to cost \$80,000. You wonder why it was necessary. We have had a traumatic week discussing an issue involving \$30,000, accountability and so forth and here we are talking about \$80,000 for something that I wonder was really necessary. \$80,000 could provide much in any department. In particular in the Department of Primary Industries it may have provided additional stock inspectors, additional assistance in drought or some additional research that would have been useful and practical. We do not argue with it but wonder whether the spending of \$80,000 to change from QRAA, as people already know it, to QRAA officially was worth it. I make that comment because we hear so much about accountability. Money is precious. In any department \$80,000 would be precious.

We are supportive of the bill because it modernises the act and ensures that sectors such as the fishing industry will be able to access assistance through QRAA, which is something that the Nationals have been calling for for some time. There were particular aspects during the last election that my predecessor, the previous shadow minister, spoke about.

QRAA is a very important organisation for rural and regional Queensland and a number of the programs it delivers provide valuable assistance to primary producers and to regional small businesses. While some of the low interest loans provided by QRAA have been worth while and accessible, many loans programs have been abject failures. I stress that this is not a criticism of QRAA itself, nor of the staff; it is really a criticism of the government that puts in place these loans. It is almost as though in many cases this government has known that it can put in place these loans and conduct a big publicity stunt about it when it knows full well, based on its experience, that very little of these loans are going to be taken up. The government can say it is giving \$10 million or \$30 million assistance knowing at the end of the day, on the track record it has had with previous loans, it is going to be \$60,000 or \$400,000 but no more.

I stress that my criticism of those loans is not a criticism of QRAA. The organisation itself, and in particular its client liaison officers, do a wonderful job. My criticism is of the Beattie government and of the minister. They are the ones who set the criteria and the accessibility of the various funding programs that are then offered by QRAA. QRAA is involved in the decision-making and administration process of those loans. So many of the Beattie government's rural assistance loans are designed so that the minister can say that the government is doing something to help primary producers when, in fact, it is spending virtually nothing and helping virtually no-one.

One assistance program that has been successful is QRAA's productivity loans. Enhancements to these loans programs, such as increases in lending limits, have certainly made these loans more attractive. These types of loans are generally available to farmers wanting to build up or rehabilitate their properties or for farmers wanting to buy their first property.

However, while the productivity loans, the development, landcare and first start farm loans have proven effective, the Nationals have some real concerns about the Beattie government's drought loans programs. The Beattie government's approach to assisting drought affected farmers and small businesspeople in Queensland has been all spin and no substance. We have seen it again this week with the minister's ramblings in response to a Dorothy Dix question during question time earlier this week. First the Beattie government offered drought crop loans and drought restocking loans which assisted just 10 farmers between 2001 and 2003. This was eventually replaced by the drought carry-on finance and drought recovery schemes which have also failed to assist the vast majority of drought affected Queensland farmers.

When the minister launched these schemes on 26 February 2003 he said 50,000 properties in 111 shires across Queensland would be eligible for assistance. Under questioning from the Nationals the minister was forced to reveal only 102 farmers from those thousands who were eligible were

successful in getting funding under the drought carry-on program in the 16 months that it operated. Now that it has been reinstated with no changes to make it more accessible, I have little doubt that it will continue to be a failed program that helps virtually no-one. Over 111 shires, 102 farmers—in other words, less than one farmer per shire!

The drought recovery scheme has been even worse with just 42 farmers accessing this program in the 16 months to June 2004. The failure of these schemes should not come as a surprise to the Beattie government because when the schemes were first launched the state opposition, the Queensland Farmers Federation and the federal government all predicted the Beattie government's drought programs would fail, and they have failed. To be taken up by only about one and a half people per shire over 111 shires means that the loans are simply not attractive, not helpful or not useful to people and do not provide any significant help to people who are in droughted situations.

The independent drought review panel which recently examined drought policy throughout Australia was also critical of so-called low interest drought loans because of the low uptake, complicated forms and insignificant interest rate differential when compared to commercial rates. State drought assistance for small business has also been paltry during a time when Queenslanders have battled on in the midst of the worst drought in living memory.

Obviously, drought loans that are being provided by the government through Treasury for administration by QRAA are not costing the government anything because it has set the interest rates so that it cannot lose. In fact, it is probably making money because the loans are not any more attractive than commercial loans from private banks and other financial institutions that farmers use. In times of drought it is a big step to borrow more money when one is already in the difficult situation of having a reduced or insignificant income. Secondly, why would one borrow more money without the capacity to repay it? The burden of the interest rates means that, when the drought ends, the farmer will have to repay the existing loans that he has for the farm, property or stock or his bank overdrafts, and he will also have to pay out the drought loan that he used to try to survive that period.

Obviously this is a system that provides maximum PR to the government at no cost, because the interest rates do not cost it anything. The government can still cover itself with the rate of interest that it has and the funds that it gets through QIC or QTC. The loans are not being taken up because, in the judgment of the owners of over 50,000 farming properties that are droughted in 111 shires, they are not worth while. I propose that the government thinks of a way to provide assistance that is worth while to those who are in trouble as the result of natural disaster.

State drought assistance for small business has also been paltry during a time when Queenslanders have battled on in the midst of the worst drought in living memory. The independent drought review panel noted that the Beattie government was doing little to help small business affected by the drought, stating that the Queensland Small Business Emergency Assistance Program was 'not considered particularly valuable'.

The figures certainly back up the concern that the Beattie government is ignoring the problems that confront small business in rural areas during a drought. Between 2001 and 2003, only 55 businesses received just \$364,525 in assistance from this program. On average, that is in the order of \$6,000 to \$6,500 each. The figures improve slightly in 2003-04 with 82 businesses receiving assistance worth \$610,923. This is really a drop in the ocean when the minister himself stated, in response to opposition questioning during estimates, that businesses in roughly 100 shires were eligible for small business emergency assistance. On average, less than one business per shire has been successful in getting drought assistance from the state government or, indeed, has felt that that drought assistance was even worth applying for.

Drought loans are not the only rural aid programs that the Beattie government offers that are more about keeping up appearances than providing assistance. The Beattie government's sugar loan scheme has also proven worthless and unattainable with only about \$500,000—less than two per cent of a touted \$30 million—accessed by just 26 of Queensland's 6,000 canefarmers during the past four years. Under the latest Beattie government's so-called sugar reform package, there is supposed to be \$10 million available under a farm consolidation loan program. However, does this program, which is supposedly specific to the sugar industry and part of the much trumpeted \$30 million state sugar package, actually exist?

When one logs onto the Queensland Rural Adjustment Authority web site under the sugar section and clicks on 'farm consolidation loans', one is redirected to the development loans that come under the productivity loans section, that is, loans that have been available to all primary industries for many years. Again, it is all smoke and mirrors with arbitrary figures thrown in so that the Beattie government can look like it is spending money to help the embattled sugar industry when, in fact, it is not giving struggling canefarmers a cent.

However, the failed loans programs offered by the Beattie government through QRAA do not stop there. There is also the National Disaster Relief Assistance Scheme which is meant to help farmers and small businesses to recover after natural disasters such as the severe storms that affected large parts of Queensland, including the Gulf of Carpentaria, north-west Queensland and parts of south-east

Queensland in January this year. While councils have received significant government financial assistance to restore infrastructure such as local roads in the wake of natural disasters, the impact on small businesses and primary producers has been forgotten.

Figures I obtained through estimates questioning reveal that this is another scheme that is all spin and no substance, with only five primary producers and one small business receiving natural disaster relief assistance from the Beattie government in the financial year ending June 2004. This is not a one-off. In the 2001-02 financial year, only seven farmers and no small businesses received NDRA funds and in 2002-03 just four farmers and, again, no small businesses received NDRA funds. In the past three years, the Beattie government's Natural Disaster Relief Assistance Program has helped just 16 farmers and one small business to recover from natural disasters. This was during a time when central Queensland was hit by Tropical Cyclone Beni, bushfires devastated the Granite Belt and severe storms wreaked havoc in south-east Queensland. What is the point in the government having all of these programs in place if no-one is using them? I call on the minister to start reviewing this range of rural assistance programs that cost the government virtually nothing and help virtually no-one.

Another rural assistance program I would like to touch on is the Coral Reef Fishery Temporary Assistance Scheme that is supposed to provide loans to assist fishermen to improve their viability. I would be interested to hear from the minister how successful this scheme has been in the three months since it was launched, how many fishermen have applied for loans, how many have been approved and what has been the total value of the loans provided. I suspect that the only way I might get this information is to put a question on notice, but the minister may be able to provide that information in his response.

I hope that this loan scheme does not follow in the footsteps of the loan scheme that was introduced to coincide with the implementation of the east coast trawl plan when only \$59,000 of an announced \$10 million was accessed by affected fishermen. The coral reef fishery management plan, which came into effect on 1 July, reduces commercial catch levels from 4,830 tonnes to 3,061 tonnes. The fishing industry estimates that this will cost them at least \$20 million a year in lost income and approximately 500 jobs. The Beattie government has continually ignored its moral obligation to provide structural assistance to those people who will lose substantial income from these changes, so the announcement of the loan scheme and a socioeconomic study was a welcome first step in the right direction, but more needs to be done.

I would be interested to hear what is happening to the socioeconomic study that the minister promised in a media release issued on 1 July 2004. That media release, which has now mysteriously been removed from the state government's ministerial media releases web site, stated that the study would be completed in eight weeks, so it is now more than a month overdue. This study should have been carried out last year before these changes were introduced. It is a measure of the disregard that the Beattie government has for the fishing industry that it decided to look at the social and economic impacts on the fishing industry workers and their families only after this management plan was introduced. Once this study is completed and released, it is imperative that the Beattie government goes the extra step and develops a structural adjustment package to assist adversely affected commercial fishermen as the opposition pledged it would do.

While the federal government is prepared to take responsibility for assisting fishermen affected by the new Great Barrier Reef Marine Park zoning, the state government has so far refused to take responsibility for severe state fishing restrictions. As I said at the start of my speech, it is estimated to cost \$80,000 to change the name of the Queensland Rural Adjustment Authority. I am not sure if the minister had something else that he had to attend to at the start of this debate, but \$80,000 could be better spent for extra research or extra stock inspectors at Alpha as my colleague the member for Charters Towers has been asking for. However, spending \$80,000 to change the name of this body which everyone will still call QRAA anyway—so nothing will change—means that that \$80,000 has gone down the gurgler.

I note that the explanatory notes say that Agforce supports the recommendations to ensure an effective appeals mechanism is established but that Agforce is concerned to ensure that the mechanism is cost efficient and easy to access, and I would certainly endorse the concerns that it has. Agforce also stated that it felt that board membership should contain a director with practical farm business experience, and that is also a very sensible suggestion. I am a little concerned about the vague statement from the minister that board members should have appropriate skills. I would ask the minister for some clarification of this issue when he sums up the second reading debate, because it is important that those people have real experience of farm business skills and also that they have lived through some of the circumstances that farmers face. They need to have real knowledge of the sorts of things that people need and how those people need to be processed when dealing with QRAA on issues such as special types of loans and the earlier loans that I mentioned which have been successful—that is, the young farmer start-up loans and so forth.

I also note the Queensland seafood industry's concerns that the process for establishing new schemes or approving QRAA to deliver schemes on behalf of other agencies needs to be transparent

and timely, and I endorse its comments. I would virtually plead with the minister or recommend that he look at some of the loans that I have spoken about that have had a very low uptake. Surely the minister should be extremely concerned at their lack of success, and surely the figures must indicate to him that there is a need to do something else to help people. If the government recognises that there is a need and offers something that it thinks would be of use to these people and it is not being taken up, then it is obviously not of use. It cannot help them in the very extreme and difficult circumstances of a drought.

People have to live through a drought to understand its debilitating effects. It is almost like a cancer in a family—that is, from week to week and day to day families, often with young children, do not know where the money is coming from. Where do they go? They cannot just go and borrow more money. In many cases some other scheme or system is needed that is a little entrepreneurial and that makes sound use of taxpayers' money to help these people in the community. People sometimes say, 'Why help farmers? If you go into farming, you know that there'll be bad seasons. There may well be droughts. Looking at the records, you know there'll be droughts.' A drought is like a slow cyclone. A cyclone can flatten a house and crops overnight. In two or three days a flood can devastate someone's entire business. Likewise, a drought is the same thing. However, because it is so pervasive, so long and so insidious, people who are not involved in the drought tend to forget it because it is not in the headlines in the same way that a cyclone might be.

There is a need to develop some very innovative and practical ways to help people by looking at the different aspects of primary industries. As I said during a speech on another bill in this place yesterday, livestock production fodder assistance schemes or rebates on freight for fodder and rebates on agistment to shift stock from a droughted area to another area are good and practical systems that can enable people to hang on and keep their stock so that when it rains their livestock can get back in calf again because it is away on agistment. Therefore, they have some way of being able to continue. A difficult area in particular to help in droughted situations is grain farmers. I met some of the best grain farmers anywhere in the world in an area just north of the line between Chinchilla and Dalby who have suffered dreadfully from droughts in recent years. These farmers led the world in moisture retention techniques and minimum and zero till. If there was a drop of rain, it did not evaporate because of the trash blankets and the systems that they used in farming. However, because of the devastation of year after year of drought, they were almost wiped out.

Some of them went through two or three years of drought without a summer or winter crop. They planted all of the time on a little bit of moisture thinking that there was going to be some follow-up rain, but there was not. There then came a season where there was some absolutely beautiful rain in the early summer and they planted fence to fence sorghum. In the January of that season, there were 31 days of temperatures in the 30s with not a drop of rain. As a result, the grain head within the stalk of the sorghum in every one of those paddocks was cooked and there was no crop even though the rainfall records indicated that it had been a relatively good season. So for about the fifth or sixth consecutive season they got absolutely zero in return after having had all of the expense of the preparation of the ground, the seed, the fertiliser and everything else. So we need an innovative system that can look at ways of helping grain production and other systems of horticultural production that are affected by drought.

The Nationals will be supporting this bill. I want to make the point that we support the work that the staff of QRAA do. We have been quite impressed by the staff and the caring attitude that they have. I have mentioned those schemes that do not work that QRAA has been left with the task of administering. It is time to stop putting up schemes that do not help people. It is time to stop putting up schemes that do not cost the government a penny, do not have any real value and are not being taken up and to stop the PR that goes with those schemes, because they are not useful for people. We should not be using the good officers of QRAA to work so hard on schemes that obviously are not of value and are not helping people who are in difficult circumstances. As I said, the Nationals will be supporting this bill. We place on record our gratefulness for the work that the officers of QRAA undertake.

Mr MULHERIN (Mackay—ALP) (12.37 p.m.): I rise to support the bill. A report of a review of the RAA Act entitled *Review of the Rural Adjustment Authority Act 1994*, the first since enactment in 1994, recommended that QRAA's scope for providing assistance to rural and regional Queensland be expanded. The implementation of this recommendation forms a major focus for the amendments presently before this House. To put the amendments in context, it is instructive to consider the current activities of QRAA in relation to its current role. Currently, QRAA offers a wide range of programs, whether it be to assist with projects that can help increase productivity or overall profitability or during challenging situations such as drought or natural disasters. The range currently covers subsidised loans with no fees or charges to assist in developing a farming enterprise, purchasing additional property and using natural resources to advantage; drought and natural disaster assistance; small business assistance during exceptional times; FarmBis training subsidies; vegetation management assistance; the Great Barrier Reef Marine Park Structural Adjustment Package 2004; and the coral reef fishery temporary assistance scheme.

In respect of these programs, QRAA advises that it has achieved an impressive level of service delivery in the past financial year. It has exceeded \$82.6 million in total funds approved in loans and

grants—the highest level of approvals ever recorded by QRAA and a 62 per cent increase on the amount provided in the previous financial year; assessed over 8,000 applications; assessed 2,297 applications for exceptional circumstances interest subsidy support, providing more than \$32.9 million in assistance; issued 18,600 exceptional circumstances certificates—12,942 more than were issued last year; approved a record amount of \$31.1 million for 180 producers under the Primary Industry Productivity Enhancement Scheme; achieved the highest level of approvals for first start farm loans since the program commenced, with approvals in excess of \$12.6 million—a \$5.6 million increase on the previous year; and provided \$12.3 million in assistance under the FarmBis program to assist approximately 14,000 primary producers undertake training activities. This appears to be a different sort of QRAA from the one that the member for Toowoomba South spoke about. I think that these are great statistics. We should be proud of the role that QRAA plays in this state.

The amendments contained in this bill will provide the means by which QRAA can offer wider assistance and provide better accountability and transparency in the way in which the schemes are offered. QRAA's activities are principally directed at providing assistance to primary producers whose businesses show long-term viability—and I think that is the issue—although assistance may also be provided to enable producers to adjust out of the industry.

A key QRAA program is the Primary Industry Productivity Enhancement Scheme—affectionately known as PIPES—which has three elements: Productivity and development loans, land care loans and first start farm loans. Drought programs include carry-on finance and recovery loans, and interest subsidies in situations where exceptional circumstances have been declared by the federal government. Financial assistance is available to producers and small businesses following natural disasters such as bushfires and floods. QRAA administers the FarmBis component of the federal government's Advancing Australian Agriculture program in Queensland and also administers three regional programs that support specific regions and industries.

A major priority of the bill is creating the ability for concessional loans to become widely available through QRAA to commercial fishermen to assist with adjustment pressures that can arise from fisheries management issues such as the recently introduced Coral Reef Fin Fish Management Plan. Presently, these needs can be addressed only on a temporary basis as small businesses experiencing temporary difficulty. Also, QRAA is to be empowered to administer schemes of assistance for the Commonwealth and other state governments. Its current portfolio of programs includes external schemes and the amendment will put in place a formal process that requires the issue of a regulation for undertaking such activities.

The review noted that the expertise of QRAA should be more widely used by the government sector on a contractual basis. The review therefore recommended that QRAA should be empowered to administer schemes of assistance for other state and the Commonwealth governments with the proviso that the minister's approval would be required for this to occur so as to preserve QRAA's strategic direction and to ensure proper cost-recovery arrangements.

QRAA's reputation and standing is such that it is regularly approached by external agencies, such as the Department of Housing, to administer new schemes for rural and regional Queensland. The amendments contained in this bill will ensure that proposals will be subject to the government scrutiny associated with the making of regulations. Current schemes, future schemes and amendments to existing schemes are to be established as subordinate legislation, that is regulations, to give a clearer legislative basis to measures that currently are established by Governor in Council approval. Presently, there is presently no explicit head of power in the act for this purpose. Schemes of assistance are not subordinate legislation and, therefore, are not subject to automatic expiry, regulatory impact statements or tabling in or disallowance by parliament. Currently, amendments to schemes require the whole scheme to be re-approved. Establishing a head of power would enable the amendment of schemes by regulation.

In the past court action has indicated that schemes not established under legislation could be at risk should a dispute arise. In the event that action is taken over administrative decisions, both QRAA and the applicant may not have legal redress for otherwise defensible positions. Establishing QRAA schemes under subordinate legislation will give the necessary legal certainty.

In administering schemes of assistance, interpretation of the approved guidelines by QRAA is the only basis for determining producers' eligibility for assistance. Creating schemes of assistance as subordinate legislation would provide applicants for assistance with greater legal certainty and higher levels of public accountability. These amendments will provide greater certainty for QRAA's clients and the ability for QRAA to deliver even greater levels of service and assistance to rural and regional Queensland.

Finally, it would be remiss of me not to pay tribute to my good friend and chair of QRAA, Mr Graham Davies.

Mr Lawlor: A great bloke.

Mr MULHERIN: That is right. Mr Davies is well known to all sides of this parliament for his diligence, hard work and commitment to primary industries, especially the sugar industry. Mr Davies has held a number of directorships, ranging from chair of Mackay Sugar, the biggest private company in Queensland; director of Sugar Australia and the New Zealand Sugar Company and Queensland Sugar; chair of the meat processor Thomas Borthwick & Sons; and currently he is a director of the Mackay Port Authority. Mr Davies, whose rural business interests are extensive, brings with him a sound understanding of the demands of QRAA and the important role QRAA contributes to Queensland primary industries. Under Mr Davies' leadership, many positive changes have occurred, some of which are that QRAA has increased the upper limits of the Primary Industries Productivity Enhancement Scheme from \$330,000 to \$500,000; introduced a more commercial interest rate policy, allowing borrowers their option of fixing the term for one, three or five years; established five client liaison officers who provide assistance to primary producers and the board of QRAA and the government; and holds three country board meetings a year throughout the state, which gives all stakeholders, customers, industry and bankers an opportunity to meet the board and provide feedback on QRAA for the board and the government. Members on all sides of this parliament who know Mr Davies appreciate his leadership and the inspiration he has provided to the dynamic CEO, Mr Colin Holden, and the other board members. I commend the bill to the House.

Mr HOBBS (Warrego—NPA) (12.47 p.m.): I am pleased to speak to the Rural Adjustment Authority Amendment Bill. This is a very important bill because the Queensland Rural Adjustment Authority is a very important mechanism by which assistance is given to primary industries. This bill expands the sectors of primary industries to which that assistance can be provided. I suppose many people did not realise that some sectors of primary industries, such as the fishing industry, were not involved in QRAA in the first place.

A review of the act was completed in 2003. I do not think that people should ever be afraid of reviews because, in many instances, those reviews result in the modernisation of legislation and, in some instances, an improved product for the community. One of the recommendations of that review was to empower the minister to give written directions to the board about the discharge of its functions. That is important, but this responsibility has to be taken very, very seriously. If the minister is irresponsible, that minister could experience some serious problems in a political sense. I am sure that no minister would want to go down that path. I am sure that this minister will not do that.

In a lot of ways I think it is important to be able to give some direction to boards. After all, parliamentarians and ministers are elected to do that and they have to be able to deliver on the government's policy. If boards are not doing that, it is often very difficult. We often see that. This matter has to be taken very seriously and approached very cautiously. As I recall, the boards are comprised of two government ministers, two government members—one from the minister's department and one from Treasury—four members from industry, appropriately selected, and an independent chairman. This week in this House we have come across some instances in relation to boards. It is particularly important to get the right people on those boards—people who have some knowledge of what is going on. I hope that the minister will be able to put in place a process that results in really good people being appointed to the board. We do not need the old party hacks. I am sure that the minister would not do that. I see that the minister is agreeing with me.

Mr Palaszczuk interjected.

Mr HOBBS: I think the QRAA board has worked fairly well. I do not have a lot of problem with how it has operated in the past. There have probably been some difficulties in relation to the programs that have not been really all that successful. I suspect that in many instances the money coming through from Treasury has been a little short. If particular programs that allow a board to lend to various people are in place, we had better make sure the boards have the resources and the finance—

Mr Palaszczuk interjected.

Mr HOBBS: Yes, there were. I noticed that. By the same token, I think there have been problems in the past. It has done quite a good job. We also have to make sure we keep interest rates reasonably low.

Mr Palaszczuk: Talk to John Howard about that.

Mr HOBBS: The minister raises a very good point. I am sure that John Howard will keep interest rates very low. That is a significant issue in the federal election. In the past we have certainly seen interest rates go up under Labor governments. That would be a fearful thing for most people on the land. In many instances their debt levels are quite high. We need to ensure QRAA can provide some assistance.

Mr Palaszczuk: I think the rates of QRAA are pretty low.

Mr HOBBS: They have been quite reasonable. There is no doubt about that.

Mr Palaszczuk interjected.

Mr HOBBS: You have. Does the minister know what margin it has? It has been quite good. The shadow minister gave a very comprehensive summary of the legislation before the House. I endorse the comments he made and support the bill.

Mrs CARRYN SULLIVAN (Pumicestone—ALP) (12.53 p.m.): I rise to support the Rural Adjustment Authority Amendment Bill 2004 introduced into the House on 18 August by the Minister for Primary Industries and Fisheries, the Hon. Henry Palaszczuk. The amendments in this bill are the outcome of a comprehensive 18-month review and considerable consultation with major stakeholders, including Agforce, Queensland Farmers Federation, Queensland Seafood Industry Association and various government departments, in particular Premier's, Natural Resources and Mines and State Development. The results of this extensive consultation were pleasing. Generally speaking, industry organisations supported the proposed changes to the RAA Act. So did the opposition, although I am concerned about some of the negativity in the opening statement of the member for Toowoomba South.

I will give a brief outline of the role of the QRAA. The Queensland Rural Adjustment Authority is a statutory authority established under the Rural Adjustment Authority Act 1994 to deliver financial and other assistance targeted at the development of a more productive rural sector. QRAA's activities are principally directed at providing assistance to primary producers whose businesses show long-term viability, although assistance may also be provided to enable producers to adjust out of the industry. QRAA may also provide assistance to enable small businesses dependent on primary production to survive in the event of a temporary downturn.

A key QRAA program is the Primary Industries Productivity Enhancement Scheme, PIPES, which has three elements—productivity and development loans, landcare loans and first start farm loans. Drought programs include carry-on and recovery loans and interest subsidies in situations where exceptional circumstances have been declared by the federal government.

The review recommended that the RAA Act 1994 be modernised to comply with the current legislative standards and that its functions be expanded. Part of the recommendations for that modernisation identified the need to ensure the act covered all relevant primary industries and to widen the authority's ability to help small businesses other than just rural producers. I point out that the counterpart legislation in New South Wales and Western Australia has been extensively revised and modernised in recent times.

The changes now before the House are intended to give QRAA the optimum operating capability to meet the challenges of assisting the development of Queensland's rural and regional sectors. QRAA is a developing and dynamic organisation. It has provided the following in relation to its achievements for the financial year just completed. A fifth client liaison officer position was established to serve the wider Toowoomba region. QRAA now has offices in Roma, Mackay, Kingaroy, Innisfail and Toowoomba. These are the first permanent regional offices established under QRAA. Five additional assessing staff are employed to respond to increased workloads resulting from exceptional circumstances declaration. The QRAA web site was redeveloped, providing more detailed information about programs and services from a central and easy-to-use source. In fact, it recorded over 55,000 visitors with over one million hits, which was an increase of nearly 25,000 visitors from 2002-03. Telephone calls on the free 1800 number exceeded 26,000, an increase of over 2,800 calls from last year. On average, 100 calls per day were received. More than 54 drought seminars were organised and conducted across Queensland. The 2003 Rural Debt in Queensland survey was released, providing valuable information on the level of debt in rural Queensland and serving as an important resource for banks, government and industry.

The amendments before the House are intended to further enhance QRAA's capability to efficiently and effectively carry out its role. Corporate governance arrangements are to be improved through these amendments. In Queensland in recent times many statutory bodies have been restructured into government owned corporations under the provisions of the Government Owned Corporations Act 1993. QRAA is a statutory body with specific accountability to the Minister for Primary Industries and Fisheries and therefore does not directly fit the statutory body model under the GOC Act. Nevertheless, there are elements of the GOC Act with respect to corporate governance that are appropriate for the QRAA. These amendments include greater clarification of the powers and responsibilities of the board and the duties and responsibilities of its directors. In this bill corporate governance arrangements are being amended so that the provisions reflect these current standards. This entails ensuring the board is skill based, sets strategic direction for QRAA, reviews the performance of the chief executive officer, is subject to the direction of the minister in relation to strategic matters and presents business plans to the minister.

With regard to strategic policy and reporting arrangements, the act currently requires that the relevant minister approve QRAA's administration budget on an annual basis. However, there is no ability for the minister to give directions to QRAA if need be concerning organisational strategies in line with government policy of the day and as apply to, for example, government owned corporations. Nor is there a legislative requirement for QRAA to obtain the minister's support for strategic planning activities or to report to the minister, although it does provide an annual report to the parliament.

The minister does not have the power under the current legislation to direct QRAA to provide services to a particular industry as a priority. Proposed changes would enable the minister to give a strategic direction to QRAA if the minister is satisfied that such direction is necessary in the public interest. QRAA is required to be consulted prior to issuing such a direction, and any direction issued must be gazetted and included in the authority's annual report. These changes will give QRAA governance standards which are consistent with current practice. I commend the bill to the House.

Sitting suspended from 12.59 p.m. to 2.00 p.m.

AUDITOR-GENERAL'S REPORT

Mr SPEAKER: I lay upon the table of the House the Auditor-General's report titled *Report No. 3, 2004-05: results of an audit of expenses reimbursed to the Energex Ltd chief executive officer*.

RURAL ADJUSTMENT AUTHORITY AMENDMENT BILL

Second Reading

Resumed.

Mrs MENKENS (Burdekin—NPA) (2.01 p.m.): I am pleased to participate in the debate on the Rural Adjustment Authority Amendment Bill 2004. The Queensland Rural Adjustment Authority is a statutory body established pursuant to the Rural Adjustment Authority Act 1994. The primary function of this body is to properly and fairly administer state and Commonwealth approved schemes of support to Queensland primary producers and small businesses. The QRAA web site states—

The Authority's resources provide maximum efficiency and appropriate response time frames to meet the needs of our clients and stakeholders. QRAA operates within a service culture and is directed by a set of values that drive their main purpose—to work with key stakeholders to partner growing enterprises in rural and regional communities.

In order to achieve a high standard of service, it is imperative that their relationships with key stakeholders and producers are continually developed and nourished to meet their mission—'to be the preferred provider of financial programs to support more robust rural and regional enterprise'. The purpose of this amendment bill is to implement the recommendations of the review of the objectives and purposes of the Rural Adjustment Authority Act 1994 and the statutory powers and functions of QRAA.

The amendments will ensure that the act covers all relevant primary industries, in particular adding fisheries and forestry. As this authority will be administering the implementation of the federal government's structural adjustment package for those people significantly affected by the Great Barrier Reef Marine Park rezoning that has effect from 1 July this year, this amendment is very timely.

A significant number of fishers and allied businesspeople are affected by these changes, and simple access to this assistance is imperative. The structural adjustment package for the fishing industry includes various elements including assistance in business advice, business exit, business restructuring, employment assistance, employee assistance, and social and community impact.

Further enhancements of this package seem to have covered several previously ignored areas. An example of this is employees of businesses other than fishing vessels that may have been significantly affected by these rezoning changes who may have lost their jobs because the business has downsized. I am aware of a local situation where two employees of a seafood outlet have been laid off because business has diminished. I understand these employees are awaiting clarification of the validity of their claims.

The federal government has acknowledged the hardships incurred by people such as these who are indirectly connected to the industry and have promised significant recompense. As the vehicle for implementing this, QRAA has an extremely important role to play. It is disappointing to note that the state government has not yet promised any form of redress to these people who will lose significantly from the complementary zoning areas that have been recently announced. There has been an array of changes brought in by the Beattie government that have massive impacts on the commercial and recreational fishing sectors and associated industries. Fishing restrictions must be justified by good science, and there must be relevance to justify these decisions. The necessity to enforce the complementary zoning was not forced upon the state government by the federal government, as has been frequently claimed.

One of the amendments to the bill is to expand the functions of QRAA to include administration of schemes of assistance for state and Commonwealth bodies on the approval of the minister where the authority has the necessary expertise to provide the service. I note that one of the suggested examples given is rural water pricing directions, which are the responsibility of SunWater. I am somewhat intrigued to see how QRAA will link with SunWater, whose huge water charges to farmers and business alike could be described as nothing short of immoral. Will this become a further bureaucratic impost which private enterprise will have to pay for? Will this further increase the price of water, or will QRAA provide

the tool to bring some sense of fairness into the blatant overpricing policies currently determined by SunWater? Perhaps the minister will be able to enlighten members on these new procedures.

The amendment to this bill, which will expand the authority's ability to provide assistance to entities by removing the restricting words 'in periods when they are experiencing temporary difficulty' is very relevant and I believe a genuine improvement. The amendment to allow for the composition of the board to be capped at seven members I believe is very sensible. It has been proven that larger boards are often much more unwieldy and, as a result, less effective than smaller boards. Seven members is a reasonable number. I note Agforce's concern that the board should contain a director with practical farm experience. The amendment states that four members with a nominated range of appropriate skills are to be selected by an independent process. This is reasonably loose and very open ended, and I can certainly understand the concerns that Agforce has.

I note again from the QRAA web site the description of QRAA service levels. Its people have substantial industry experience and skills in financial assessment, credit risk analysis, valuations, rural operations, and banking and finance. It also has strong relationships with current customers and stakeholder organisations. In the main, I believe these principles are adhered to with staff selection, but it is important that similar guidelines apply in the selection of board members.

The amendments in this bill provide for rights of appeal to unsuccessful applicants for assistance from QRAA. The addition of this process is commendable, but again I do note the concerns of Agforce that the mechanism be cost effective and easy to access. The entities that would be making application to QRAA are generally in no financial position to incur extra costs, such as these could become. QRAA does offer a relatively wide range of products to primary producers and businesses. There is a fairly broad range of industry specific loans, development loans, and disaster and special circumstance loans that may be accessed.

Industry training through FarmBis has been accessed by approximately 19,700 participants since July 2001 and has been a significant contribution towards management and operation of Queensland's rural and regional industries. Funding for FarmBis, the Farm Business Improvement Program, is jointly funded by the Commonwealth and state governments. FarmBis I was implemented in July 2001 followed by FarmBis II, which was formally implemented in April 2002. The funding period for FarmBis II extended until June of this year.

Key elements of the structure of the FarmBis II program were an industry based state planning group to recommend program policy funding arrangements and priorities and targets to the minister; a state coordinator to coordinate and administer the FarmBis program; a program administrator, the Queensland Rural Adjustment Authority, to manage the application and payment processes in accordance with government endorsed program guidelines; and a coordination system, the FarmBis regional network and project manager, employed by QRITC, to raise awareness of training opportunities, to work with producers to identify their learning needs and to act as brokers in identifying how best those needs could be met.

Specific objectives were set for delivery of training, and I note from the QRITC final report the achievements against FarmBis II objectives. In spite of a rather slow start to the program, QRITC was able to comfortably achieve allocation of the full amount of the FarmBis II contract.

The network made a number of observations with respect to these individual priority areas. Requests for training in general business management reflect growing trends in two particular areas—quality assurance and e-commerce. Quality assurance is an issue in many industries but particularly in industries with a food safety requirement such as the fruit and vegetable industry. Demand for e-commerce training was reflected in a general upgrading of computer and information skills. Demand for this training was particularly strong in isolated areas. Human resource management training was also in strong demand throughout the program, with workplace health and safety being a primary focus within this priority. Natural resource management was slow to begin with but gradually increased. Groups such as Landcare, catchment groups and river basin groups were targeted in this area.

Other areas of delivery were in the financial management, marketing, production management and rural land managing areas. It is interesting that marketing was considered the least successful of the priority areas targeted, possibly because many producers are not directly involved in marketing as many primary products are marketed through peak bodies or industry organisations rather than by growers themselves. However, it was specifically good to see that FarmBis was actually trying to promote marketing within the primary production area.

The FarmBis regional network coordinators have observed that demand for training in general business and production was decreasing while demand for human resource management and natural resource management training was increasing.

Quite a few unanswered questions seem to have arisen since the conclusion of FarmBis II. Various providers contacted me about the notification of full allocation of moneys. Why was the announcement of the full allocation of moneys available in FarmBis II not made until 23 January of this year when it was known to be fully allocated prior to 17 December 2003? The coordinators network was

informed on 17 December to cease all promotion and finalise any applications. This left individual clients open to possibly paying for the full cost for training.

Another question asked was: given the program commenced on 1 July 2001, why was any coordinated marketing effort left until the last six months of the program? The first official meeting with the coordinators network was not held until July 2003. What happened then to the massive amount of FarmBis promotional material that was printed prior to the program ceasing? Large amounts were left over. Why did QRAA continue with the existing marketing program when evidence was available about the unsuitability of its direction and the entirely inappropriate material produced? Much of the printed material was not suitable and, despite huge quantities being available, was not used by the coordinators.

The campaign run by QRAA completely missed the intended audience and again gave the impression that FarmBis was entirely managed by QRAA. Why did QRAA actively encourage providers and clients to deal direct and bypass the coordinators network causing massive confusion amongst clients and foregoing the support, advice and extent of knowledge of the program and the local knowledge of the network? QRAA actively promoted going to them direct for any inquiries. Many applications were deemed eligible or ineligible without full knowledge of the circumstances or outcomes of the training. Why, given that QRAA was only responsible for the approval of applications and the payment of the same, was QRAA seen as managing FarmBis in all press releases, web site promotion and marketing? The state planning group was responsible for policy, and the office of the state coordinator was responsible for the returning of FarmBis.

Most clients and providers were under the misapprehension that QRAA ran FarmBis. This also led to the impression from providers and clients that the coordinators worked for QRAA. However, I believe that general feedback from the rural community is that FarmBis is an excellent program and does need to be continued.

The Commonwealth government announced funding for a four-year FarmBis III program in the federal budget on 11 May this year contingent on matching state funds. Rural producers are looking for a significant contribution and commitment from the state government to continue this program. I commend the bill to the House.

Mr JOHNSON (Gregory—NPA) (2.14 p.m.): In rising to speak to the Rural Adjustment Authority Amendment Bill 2004 I also endorse the contribution made by the shadow minister in support of this piece of legislation.

At the outset, I want to draw the attention of the House to the importance of rural production. I noted with interest the Premier's statement regarding exports that was tabled in the House today. If members look at rural exports they will find that meat and sugar products are estimated to account for more than 60 per cent of Queensland's total overseas rural exports. Textile fibre represents the state's third largest rural export category, accounting for approximately another 12 per cent of total rural exports. I want to comment on that. Many people in the House are well aware of the contribution of rural exports and the jobs that are generated by the rural economies. Over the past few years many situations have arisen in our rural areas with drought, flood and other types of natural disasters causing havoc for our rural producers. In recent times we have enjoyed low interest rates and good commodity prices, namely for beef. While talking about commodity prices, the minister is well aware of the situation with the citrus industry in Queensland at the moment. Please, God, that is going to blow over, and we are going to get back to a normal trading situation.

The point I make is that it is a very, very tough situation for many of our rural producers, especially in the south-west of the state, where many of those people have encountered situations where they have needed assistance from the Queensland Rural Adjustment Authority. I put on record today the fact that there are many good professional people who work within the confines of that authority—people like Colin Holden and his team. They do an exceptional job.

That leads me to the appeals process. In this legislation there is now an appeals process whereby people who have had applications knocked back can reappeal through the director-general—the chief executive—for an internal review of the application in question. That is a good aspect of this piece of legislation. One thing that I have noted in this piece of legislation is the composition of the new board of seven personnel. I note that there is going to be one representative from the minister's department and one from the Treasury.

Mr Palaszczuk: That's always been the case.

Mr JOHNSON: I know that. I was in the House when my colleague the member for Warrego made his contribution, and I know that he mentioned that we do not want party hacks. We want personnel on the board who have expertise in all facets of rural industry. I think we have to be fair dinkum about the selection process for those people. I say to the minister today that I believe a very integral part of the legislation in question is making sure we have that aspect of it right. The minister knows and I know that there are people out there who might apply and we might think that their application is okay, but at the end of the day there is a hiccup somewhere. They may not have got it right

with their accountants. I think that we have to be fair in the processing of these applications to ensure that people do not go away thinking that this is a hopeless situation and we are not going to try.

This legislation is about many things. One aspect of the bill I do want to make reference to is the area of small business. Small business is a very integral part of our business operations throughout the state. Whilst the man on the land is doing it tough—

Mr Schwarten: And the woman.

Mr JOHNSON: And woman, sorry. I take the interjection. The point I make is that there is no doubt that the people on the land rely on small business to give them their sustenance and to give them credit. I have been in that situation; I know what it is all about. You will have a storekeeper who might give you three or four months to pay a bill. Those storekeepers have to pay their bills and carry those people in question. This is a very important situation that has to be addressed and one where compassion and understanding have to be shown. Many of those small businesspeople in country towns and rural areas around the state employ local kids out of the goodness of their heart because the son or daughter is a good person from a good family. They make that sacrifice. It has a snowballing effect. In many cases they are creating a problem for themselves by employing that person. The old saying about money is that it is made flat to stack and it is made round to go around, but at the end of the day we have to make certain that it is a fair situation and that there are benefits for those people in small businesses.

Many of these exceptional circumstances cases have been declined in the past. Whilst it has been the responsibility of QRAA and some of these agencies—if we can call Agforce an agency—I believe that we have to have a more understanding set of guidelines for these applications to make certain that we are not going to put too much pressure on some of these third-party bodies that hold that responsibility.

Many people are eligible. I have seen some returns and thought to myself, 'How was this ever declined?' There are probably anomalies that we have not seen. I have had people come to me and say that they have been knocked back here and knocked back there. I sometimes cannot see for the life of me why their application was knocked back. Then you will get a case such as one I came across where one bloke did not tell me about the half a million dollars he owed to AGC and did not put that in the bloody application, if you know what I am saying. This is a situation that can arise. If people are going to be honest and up front, I believe that they should be given the full merit of that application and have it addressed on its merits. We have to make certain that we are not playing politics with these people's lives, that they do get a fair go and that it is a go that is going to be one that is on its merits, as I say.

Another issue I want to touch on is the area of the responsibility of QRAA in relation to the SunWater issue and the rural water pricing directions. This is very much applicable to my own electorate, especially the irrigation areas around Emerald. It is not only around the Emerald regions; it is across the whole of the state. I say to the minister in question: this is an area that is totally out of control, an area that is causing people a lot of heartache and a lot of cost. The pricing situation is getting out of hand. This is a situation that needs a total review to make certain that fairness is put back in the equation. I hope that the minister will monitor this more closely and that there will be outcomes that put people in a situation where they can progress and produce, not hindered by a policy that is going to drive them backwards.

The other aspect I want to touch on is the objectives and the functions of the legislation. The act specifies that only rural producers are eligible for assistance through the QRAA schemes. This is something I know the minister is looking at. The fisheries people and also the forestry people are being taken into account. After all, they are primary producers trying to get an honest dollar for the same reasons.

There has been a lot of hurt with regard to these QRAA applications in the past, especially exceptional circumstances, and I cannot stress enough that a more realistic, responsible look has to be taken at these applications to make certain that we are not going to create a situation where people are driven to the wall due to some little technicality. I believe the appeals process can be addressed and that there will be outcomes that are going to be advantageous to the people we are trying to help. After all, we do live in a pretty harsh land, one where rainfall governs and dictates the agenda of every farmer, grazier and rural producer. A while ago I went down the street and got talking to a young fellow in a shop and he said to me, 'We need some rain bad.' We certainly do. This is the essence of survival wherever we are. Our farmers and graziers rely on it, as members well know. I say to the minister here today to make certain that the right personnel are put in place on that board of QRAA to see that we get the outcomes that are going to be of advantage to the rural producers, the small businesspeople and all the other people who take advantage of these schemes in this state.

Mr SHINE (Toowoomba North—ALP) (2.26 p.m.): It is indeed a pleasure to speak on this bill, the Rural Adjustment Authority Amendment Bill 2004, because it is another piece of legislation that illustrates the concern of the Beattie government for all of Queensland, not just parts of it. Often from the bush we hear criticism of the government, much of it resulting from years of propaganda, but here we

see a very tangible way in which people in rural Queensland are helped in a very practical manner. This is an expansion of a very worthwhile program that has been operating now for a number of years.

How does this bill expand that assistance to rural Queensland? I will briefly refer to what is in the bill and then just speak more generally with respect to the topic itself. The expansion relates to the ability of QRAA to assist commercial fishermen, to assist particularly with the adjustment pressures that arise from the fisheries management issue, such as the recently introduced Coral Reef Fin Fish Management Plan. As well, the objectives in the bill are to provide assistance to small business in rural and regional communities. The bill provides a clearer legislative basis.

I refer the House to the *Alert Digest No. 5*, which states—

As the Explanatory Notes state, this will ensure that in future such schemes are drafted by the Office of Parliamentary Counsel, are published by Goprint, and are subject to the automatic expiry, regulatory impact statement and parliamentary tabling and disallowance process.

The changes brought by cl.12 will ensure the quality of future schemes, as well as adequate public access and accountability to the public and to Parliament.

The committee notes that cl.12 of the bill provides that assistance schemes under the *Rural Adjustment Authority Act 1994*, which are currently approved by the Governor-in-Council, must in future be incorporated in regulations.

The committee commends the amendment, which will ensure public access and accountability to the public and to Parliament.

I would like to commend the minister and his department for those changes, particularly in relation to those referred to in clause 12 with respect to the new procedure whereby these matters will be subject to the better scrutiny of this parliament.

The amendments also relate to ensuring that the board is skills based, the CEO is subject to review and business plans are submitted to the minister. The board membership itself is to be capped at seven members and only half of the directors will in future retire at one time to assist in ensuring continued efficient operations; that the knowledge that has been gained will not be lost every time the board is replaced or renewed. Of course, the name Queensland Rural Adjustment Authority is to be replaced by QRAA to simplify matters as well.

I was endeavouring to obtain the last annual report of QRAA to see what activities it has been up to. The 2004 report is not available. It is still in the process of publication. Therefore, I refer to the 2003 report, some of the programs that were undertaken and some of the highlights of that year.

Firstly, as has been discussed earlier today, I refer to FarmBis which, to a large measure, has been successful. FarmBis is designed to develop participants' management skills and learning abilities, allowing them to increase their profitability and business knowledge by undertaking training courses in general business management, natural resource management, human resource management, marketing, financial management and production management. The report for 2003 shows that there has been an extraordinary participation in the FarmBis scheme. For example, in the human resource management category, in 2001-02 there were 974 participants and in 2002-03 that increased to 2,190, that is, an increase of 125 per cent. In the financial management category, in 2001-02 there were 527 participants and that increased to 1,658 in 2002-03, which is an increase of 215 per cent on the previous year. These are very significant statistics showing the success and worth of the scheme, and its acceptance by the rural community in Queensland.

According to the report, in 2002-03 a total of 10,102 approved participants in the FarmBis scheme completed training. Of course, the scheme covers the whole ambit of rural life: beef, sugar, fruit, grain, sheep-beef, vegetable, commercial fishing, grain-sheep-beef, dairy, cotton, other primary industries, pig, other livestock, aquaculture, rural living, sheep, viticulture, wild game harvest, poultry, cultural/traditional, tourism and mining. I commend the government for it. I note that it is a partnership arrangement with the Commonwealth. I encourage the minister and the government to carry on with that scheme and improve it as much as possible.

I refer to the Desert Uplands Community Scheme which was commenced in 1998. QRAA provides financial support for the enterprise construction component, providing both interest subsidies and lease rental subsidies. Support for initiatives such as property build-up, property development, capital restructuring, partnership rearrangements and enterprise succession will increase producers' capacity to achieve long-term viability and sustainability. QRAA's support provides interest subsidies and lease rental subsidies, ranging between 50 and 75 per cent to a total of \$30,000 per year over a maximum of three years. This has helped in herd build-up, increasing carrying capacity by improving pasture projects. The program officially ceased on 31 August 2003—and I reiterate that this is the 2003 report—but QRAA is committed to processing payments until the program's expiry in August 2006.

Another program adopted was the South-West Queensland Strategy to assist in developing the region's economic and natural resources base, particularly with projects related to erosion. The strategy has targeted approved programs such as property build-up, property development and restructuring of family/business/partnership enterprises. I congratulate the board of QRAA and those who work there for their efforts and success in what they have achieved, as well as the minister and his department.

Highlights for 2003 included approving in excess of \$51 million in total assistance in both loans and grants; assessing a total of 4,651 applications; assessing 1,027 applications for interest subsidies under the exceptional circumstances drought program and issuing over five and a half thousand exceptional circumstances certificates; approving in excess of \$23 million for 163 producers under the Productivity Enhancement Scheme, this being the second highest year of activity in both dollar approvals and application numbers since the program was introduced in 1988-89; reaching the highest level of approvals since the commencement of the program for the First Start Farm Loans, with in excess of \$7 million being approved, an increase of \$2.74 million or 64 per cent on the previous year; in excess of \$2.2 million in funds were approved under the Landcare Loans, which was the highest level of approval since the program was introduced and a 58 per cent increase from the previous year; and approving \$10 million under the FarmBis program to assist approximately 15,000 primary producers undertake training activities. Those were some of the highlights set out in the annual report of QRAA.

Again I congratulate the government for its support of QRAA, for the expansion of its role and its demonstration, as it does, of the Beattie government's interest in being a government for all of Queensland.

Mr SEENEY (Callide—NPA) (Deputy Leader of the Opposition) (2.36 p.m.): This afternoon I am pleased to make a contribution in the debate on the Rural Adjustment Authority Amendment Bill. I take this opportunity to speak again in this House about the grave injustice of the government's vegetation management legislation, because QRAA is the body that has been charged with administering the adjustment scheme that has been put in place by the government in response to the passage of the vegetation management legislation.

As members would know, I have spoken many times in this House about the basic unfairness and the inherent injustice that has been part of that vegetation management legislation since 1999. Unfortunately, now QRAA, the organisation, will bear the brunt of the producers' anger when they confront that inherent injustice and unfairness as they grapple with the whole issue of the government's adjustment package.

A week or 10 days ago, the ballot process was finalised. What a crazy situation that was where sustainable development in Queensland came down to a lucky dip. A name was drawn out of the hat to determine what areas of land were going to be developed. It is no exaggeration to say that the very future of individuals, families and enterprises came down to a lucky dip. It came down to whether or not they were lucky enough to have their names drawn out of a hat. That was the end result of the absurdity of the government's approach to vegetation management in Queensland. It was the end result of a whole legislative process that began in 1999 and proceeded through about four different amending bills in this House, all of which were about politics rather than achieving sustainable development in Queensland. Unfortunately, I think QRAA will find out that the government's adjustment package that it now has to administer will also be about politics rather than providing any real assistance to producers who have been impacted on by this legislation.

I have spoken many times in here about the need for the government to treat these people fairly. I do not think it is an argument that anybody can legitimately deny—that is, that a government that comes into this parliament and uses its numbers to put in place legislation which it says is for the greater community benefit has a moral obligation to compensate those individuals who bear the brunt of the cost of that legislation on behalf of the community. If we as a community take a decision in this parliament that a particular piece of vegetation, in this case, needs to be preserved for whatever reason for the community good—if we decide, as we did quite erroneously, that that has to happen—there is also the moral obligation to ensure that the cost of preserving those areas and managing those areas into the future is borne by the people who get the benefit, and that is the whole community. It is not the individuals who are unlucky enough to find themselves with those particular areas on their properties.

It has been very much a situation of chance. One of the great injustices that was highlighted during the debate on the last bill that amended the Vegetation Management Act in this place was the fact that the adjustment package that QRAA now has to administer will be available only to those people who have been impacted by the legislation since early in 2004. All of the land-holders who have been impacted by the earlier variations of the legislation are basically being left to carry the can on behalf of the community alone. It is going to cause a huge amount of angst and frustration and outright anger in the land-holding community when the full realisation of that unfairness and that injustice is brought home to people when they go in to make application for the much touted \$150 million in the government's adjustment package. I fear that it will be QRAA in a lot of cases that will get the blame. It will be QRAA officers who will have to sit across the desk from those people and explain to them that, while some people are able to access some of that money—some of that adjustment assistance—in the main a great number of people will be disappointed and in a lot of cases will not be able to access any of that money at all.

I want to bring to the attention of the House an example of some constituents of mine. I could bring to the House a large number of examples, but I bring to the House an example of a young couple from the Gayndah district who have made contact with my office in the last few days who find

themselves in a situation where 70 per cent of their property is mapped as remnant vegetation. In the early maps, that vegetation was mapped as not of concern vegetation and therefore was able to be cleared. In the early variations of the Vegetation Management Act, it was not really a problem. But because, as we have spoken about in this House numerous times, that mapping was so inaccurate and changed so many times, unfortunately now that vegetation has been mapped as of concern vegetation—an arbitrary change because of some decision that has been made by somebody somewhere that changed the colour of the vegetation on their map. But it has a profound effect on them and any chance they have of building a future on that land.

Under the scheme that QRAA will have to administer, that couple is not entitled to any access to the adjustment funding at all. That property is in the Lower Burnett region. It is a catchment that is considered to have less than 30 per cent remnant vegetation left in the entire catchment. Because a considerable proportion of that remnant vegetation is on the property of this young couple, they will bear quite an unfair burden with regard to preserving that arbitrary level of vegetation simply because of a change in the colour of the mapping. Simply because of where the property is located and because of the vegetation management legislation changes that were made here earlier this year, they will not be entitled to any chance of accessing the adjustment scheme that QRAA will administer on behalf of the government.

It is grossly unfair to suggest that that young couple's future should be destroyed in such a way, that all of the plans and the hopes and the schemes that they had for the future should be dashed completely because of a political decision taken in this place with no consideration for fairness, no consideration for any sort of justice and no acceptance of that moral duty that we as a community have to ensure that we do not expect individuals to unfairly bear the costs of what we as a community want to see happen. This is one of but a number of examples. There are a number of such examples throughout that Lower Burnett area, because it was one of the areas that is considered to have less than 30 per cent remnant vegetation. Not only will those people be excluded from the adjustment package that QRAA will administer; they were excluded from the ballot process. They did not even have an opportunity to go into that crazy lucky-dip situation that I referred to earlier in the hope that they could develop some of that land and build for themselves the future that they had in mind when they purchased that land.

Every member on that side of the House who has come in here time and time again and voted in favour of the various permutations of the Vegetation Management Act, and particularly the last bill that amended that act in relation to the adjustment scheme which QRAA will administer, should examine their own conscience about the impact that that legislation has on that young couple, because that reduces it down to the individual level. That reduces it down to the individual level, and that is the sort of thing that they are asking QRAA officers to do—that is, to sit across the desk from those people and explain to them why they cannot access that adjustment package that those opposite talk about simply for political purposes. That is what the vegetation management legislation has been about right from the start. Now those opposite are making QRAA officers the messengers or the people responsible for carrying forward that unfairness and that injustice which they as a government have imposed upon Queensland land-holders, and it is quite an untenable situation.

I have spoken about the unfairness and the injustice of that many times, and I will continue to do so over and over and over again. But I would say to Queensland land-holders who are confronted with that unfairness and injustice not to blame the QRAA officers and not to blame QRAA, because QRAA is an organisation that has contributed a heck of a lot to rural communities, certainly to the rural communities that I represent. It has administered a number of government assistance schemes over a long period of time in a very admirable way and through some very difficult circumstances. With regard to many schemes that QRAA gets to administer, it is dealing with people who are in quite desperate situations, and it has administered those schemes very well.

But the task that it has been given in administering this so-called adjustment package that the government has put in place since the passage of the Vegetation Management Act is quite unjust and quite unfair. It is simply unfair for the government to ask QRAA to administer such an adjustment package, because it is understandable that the people who find that they have been denied that adjustment will be angry and will be frustrated and the temptation will be there to blame QRAA for that. I fear it will destroy some of the good reputation that QRAA has in the rural community, and that is quite unjust. The people they should blame are the ministers who have put this legislation in place—ministers like the current Minister for Natural Resources who seems totally unable to understand, despite the number of times it has been pointed out in this House, just how unfair this adjustment package is going to be despite the fact that we dealt with it in some detail during the committee stages of the legislation. The former Minister for Natural Resources and now Attorney-General started the whole process off and is the one who took a zealot's approach to the management of vegetation in Queensland and has very much brought about the situation that QRAA will now be left to administer in the long term.

That is the point. QRAA will be left with this mess for years to come, just as land-holders will be left with this mess for years to come. For the great majority of the members in this House, and especially the Attorney-General and the Minister for Natural Resources, they got what they wanted out of the

vegetation management legislation. They got the political benefit that they were after. They got the headline about the \$150 million adjustment package, which we found out afterwards was actually only \$130 million when we took away the \$12 million for this and we took away the \$8 million for that and we took away the cost of administering it and all the rest. There is no way in the world that all of that money is going to get to the land-holders who are affected. But those members got the political benefit that they wanted out of that legislation and they have gone on to something else. But the land-holders and QRAA and its officers are now the ones who have to deal with that mess—that unfair and unjust situation in the long term. Unless we can get some changes made to the way in which that adjustment package is put in place, I fear that there will be some very difficult situations to address.

The government has been very careful to call it an adjustment package rather than compensation. That, too, is playing with words. We pursued in this House a number of times the types of assistance that is going to be available under that adjustment package. No matter how long I am in this House and no matter how long afterwards I reflect on the days that I spent in this House, one of the things that I will always remember was the day that the Premier tried to explain how this adjustment package was going to work. He suggested that people in the central west of Queensland who were denied the opportunity to develop their properties by clearing vegetation would be able to apply, through this adjustment package, to do other things. He said to the Minister for Primary Industries, who is in the House today that 'they could build those things'. 'What are "those things"?' he asked. He said, 'Those feedlots. They could build a feedlot.'

At the time, it illustrated to me clearly just how completely uninformed the government was about the effect of the legislation in some areas. At the time, it illustrated to me just how ludicrous it was to suggest that the adjustment scheme that was being put in place, and which now has to be administered by QRAA, had any reference to the reality of the situation that would be faced by the people who are impacted by that legislation and how far removed it was from the situation that QRAA officers will find themselves in assessing applications that they will receive for that adjustment assistance. It is something that we now have to grapple with.

I will certainly be continuing to urge the government to change the way in which this adjustment assistance is applied. I will continue to urge the government to take a fairer and more just approach and to recognise the moral responsibility that it has to ensure that it does not destroy the hopes of young people, that it does not destroy the potential that people have recognised in their properties and have invested their lives and their futures in. There are some tragic stories out there that I as the local member have to deal with and, I am sure, in time that QRAA will have to deal with as it administers this government's adjustment package. It is something that will not go away. It is something that I will continue to talk about. It is something that I will continue to highlight in this House. Hopefully, one day we will see some changes made so that that assistance, however much it is and wherever it comes from, is applied fairly and equitably in the same way that other QRAA schemes have been applied fairly and equitably over the years. It is because those schemes have been applied fairly and equitably that QRAA is held in such high regard throughout rural and regional Queensland. Unfortunately, I believe that that regard is certainly now at risk as QRAA becomes the instrument of the delivery of this government's unfair and unjust vegetation management adjustment scheme.

I wish QRAA well in its new role—in its new guise with its name change, which really does not change a heck of a lot. I hope that it can provide feedback through its organisation to the government to reinforce what various members on this side of the House have said in the many debates that we have had here where we have been unable to convince the government that the adjustment scheme that it put in place in response to the introduction of the Vegetation Management Act is fundamentally flawed. It is fundamentally unfair. It is grossly unjust and it needs to be changed so that constituents such as the ones whom I represent—the people like the young couple I spoke about earlier—can get a fair go and can get on with their lives and are not left with 70 per cent of their property that they are basically unable to do anything with, where they are not left with the responsibility of managing and looking after and paying rates on that 70 per cent of their property on behalf of all of us. That is what we have asked them to do. We have asked them to look after that area, to maintain that area, to pay rates and all of the other expenses that are involved in managing land on our behalf. Yet we are not prepared to contribute to that cost through the adjustment scheme that the government has put in place and QRAA is going to administer. It is a grossly unfair situation and it certainly needs to be changed.

Mr RICKUSS (Lockyer—NPA) (2.56 p.m.): I rise to support the Rural Adjustment Authority Amendment Bill 2004. I believe that all members know that QRAA is the acronym by which the authority is commonly known. The bill expands the role of QRAA to take in the fishing and forestry industries. Under this bill, QRAA will also administer federal government schemes. This bill also provides an appeal process, which will make the system much more accountable, which I think is quite a valid point.

Unfortunately, some of the schemes that have been put in place by the Labor government have been abject failures. Also unfortunately, these schemes have been administered by QRAA. QRAA and its staff have not been at fault; the government programs have been at fault. In particular, the drought loans have been almost a complete failure. The government seems to have no understanding of some of the problems caused by drought. One of the state's biggest rural industries, horticulture, which is a

complex industry, suffers greatly under the drought schemes. Horticulture is a very capital-intensive industry that exists across the state. It is almost 100 per cent irrigated. Drought assistance is a very complex issue for this sector of primary industries. Unfortunately, the drought assistance that is put in place never really satisfies the horticultural industry.

It is important that the government, through QRAA, gets it right. The government has to tackle this complex issue of providing irrigated farms with drought relief. QRAA can only administer what the government has put in front of it. Of the thousands of farmers who over the years have suffered from drought, it has been revealed that only a few in excess of 100 farmers have taken up this assistance. We must also have some good policies put in place to assist small businesses. They also suffer badly from the effects of drought, yet very few applications have been approved by QRAA.

FarmBis is an important program that is administered by QRAA. This area of operation by QRAA has been very beneficial to primary industries, especially the horticultural industry. It has helped introduce quality assurance schemes, such as Freshcare and SQF 2000, which have been very beneficial to the industry. A lot of producers have taken up the training offered through FarmBis. That has been a great advantage to the industry. All the major purchasers of fruit and vegetables require quality assurance systems. Fortunately, growers have been able to put these systems in place through FarmBis, which is serviced by QRAA. Quality assurance has also improved the actual structure of a lot of the horticultural industries.

QRAA does need board members who have the appropriate skills. This would include a director with some practical farm experience. Because of its complexities, I feel that a person from the horticulture industry—horticulture is now the major rural industry in Queensland—should be on the board. It is a complex industry that cannot be compared to other rural industries. People who run horticultural farms quite often have cattle and so on, but rarely is it the other way around. Big cattle producers do not have horticultural farms. The horticulture industry is a very complex industry that has a different marketing structure. A lot of it is export oriented. I commend the bill to the House.

Mrs PRATT (Nanango—Ind) (3.00 p.m.): I rise to speak to the Rural Adjustment Authority Amendment Bill 2004. At the outset I assure the House that I will be supporting this bill, as its main objective is to implement the recommendations of the review of the act which was completed in 2003 and it does not appear to contain anything detrimental to primary industries. The review found that forestry and fishing were excluded from the act. This amendment bill will allow for their inclusion to enable consideration for the assistance offered by the QRAA.

As everyone knows, QRAA is a statutory authority established under the Rural Adjustment Authority Act 1994 to deliver financial and other assistance targeted at the development of a more productive rural sector. I see QRAA as the government cleaners—the people who come along behind others when they make a mess. After government has made a mess of people's lives, QRAA comes along with various packages offering assistance to those who have been adversely affected often by legislation or the need to exit industries and so on. The member for Callide was right when he outlined the effects of the vegetation management legislation. It is the most unfair, cruel, life-threatening act of thievery ever perpetrated. It does not even pretend to be fair.

I do support this bill, but it would be remiss of me not to remind the government that those who need to access QRAA loans and assistance are many but that only a minuscule amount of them actually appear to receive that assistance, as the statistics show. The minister's attention to the appeals process through clause 13, which amends the act by inserting new part 3A, is welcome. This allows for people not happy with decisions of the authority to get those decisions reviewed. These may include matters relating to applications for assistance, cancellation of assistance or conditions imposed thereon. It may also include changes of arrangements for repayments of debt, calling up loans or exercise of the authority's rights under a security.

I believe that the omission of fees and other charges involved in appealing would be welcomed, as most rural people are under the impression that every time the government does anything that pertains to the rural sector there is always a big price tag. Unfortunately, many believe that this will not be a service which is free for very long. Perhaps the minister could assure us that this will remain fee free for a long time.

Point 2 under 'Policy Objectives' in the explanatory notes gives the example of matters pertaining to rural water pricing, which is the responsibility of SunWater. My only comment here is that, between government and SunWater, rural industries already feel that they are being ripped off with extortionate pricing. My mind boggles at what the future holds.

From the small number of farmers and businesses who have accessed loans and assistance via QRAA in the past, the government must be very aware that there do appear to be some hurdles in the process. The minister himself alluded to the fact that the majority of people who could qualify in fact do not get the assistance they need. Currently, times in the rural sector are very hard. Drought has affected most industries quite severely, and other related businesses that rely on their success are suffering due to the domino effect. For every one producer, an enormous number of people are affected by whether or

not they have a successful year. I assume that these people are to be the beneficiaries of the assistance to small businesses.

I believe that this is a great scheme, but it could be greater. I ask the minister to look into why it is that so many people do not receive assistance or get knocked back in the process. Many people may be asset rich but cash poor, which is the norm if you live on the land. Most people I know have a mortgage you could choke a horse with. That is normal, too, for us on the land. It is a difficult enough job. Most businesses, whether they be city or country, have to contend with the usual business pitfalls and banks, but only rural businesses have to deal with droughts, floods—we could really use a flood right now; I do not think anyone would object—plagues of locusts, which are expected as spring approaches, and idiots tossing cigarettes from cars and starting fires, which can wipe you out as well. It is a virtual trap out there. Any assistance that can be offered to the man on the land or any rural industry at the moment is more than welcome. QRAA is the most welcome of all at the moment. Perhaps a lot of people are unaware of the assistance available. I do not know the real reason for a lot of people not getting the assistance they need, but it needs to be pinpointed and addressed. I commend the bill to the House.

Mrs MILLER (Bundamba—ALP) (3.05 p.m.): I rise in support of the Rural Adjustment Authority Amendment Bill 2004. The bill amends provisions of the Rural Adjustment Authority Act 1994. The act was reviewed in 2003, for the first time since it was introduced in 1994. The current legislation excludes the fishing and forestry industries, important sectors of primary industry. I am pleased that the amendment will permit QRAA to extend its activities to include these sectors.

This bill will establish processes to ensure that the act is regularly reviewed and also to strengthen the corporate governance arrangements of QRAA. This reflects modern public administration practices and also current legislative standards. A new section 9A will be inserted in the act. This relates to the minister's powers in that the minister may give QRAA a written direction about the performance of QRAA's functions or powers in the public interest.

A major issue raised in the review concerned the appeals process. A new part 3A, Review of Decisions, will be incorporated by this amendment bill. This new part outlines who may apply for an internal review, how to apply, how the decision will be reviewed and the notice of the review decision.

The role of the board is amended in section 15, and the composition of the board is amended by replacing section 16. This section outlines that persons appointed by the board should have appropriate skills and experience such as strategic and business planning skills, financial skills and relevant rural industry skills. This will ensure that persons can contribute effectively to the board.

Section 16A of the amendment bill requires a chairperson to report to the minister, section 16B requires a chairperson to give the minister a business plan by 30 April each year, and section 16C relates to reporting and accountability of the authority to the minister. Again, these measures reflect good public administration practice. The bill modernises the legislation, and only short-term administrative costs will result from the implementation of this amendment bill.

Consultation was carried out with Agforce, the Queensland Farmers Federation, the Queensland seafood industry and also the Treasury Department, the Department of the Premier and Cabinet, the Department of Natural Resources, Mines and Energy, and the Department of State Development and Innovation. There was support for these amendments. I thank the Minister for Primary Industries and Fisheries for bringing this bill to the House. I commend the bill to the House.

Mr ROWELL (Hinchinbrook—NPA) (3.08 p.m.): In rising to speak to the Rural Adjustment Authority Amendment Bill, I will point out very clearly the value to the state of primary industries. In 2003-04 the gross value of production of Queensland primary industries—the commodities—is forecast to be about \$9 billion. That is particularly significant. The horticultural industry is rapidly becoming one of the major industries. It will be worth somewhere around \$2.9 billion in the next financial year. The cattle and calf industry will be worth around \$2.795 billion. The value of the sugar industry, which is having some problems at this time—the minister would be very aware of the difficulties faced by the industry—has fallen, with returns to Queensland down to about \$720 million. The milling component has to be added in, of course, and that would bring it up considerably. But the cotton industry and other industries are quite important, and it is worth about \$315 million.

The point I want to make very clearly is that within primary industries there are people who are constantly taking enormous risks. For this reason, I believe it is essential to have an organisation such as QRAA assist in loans and programs that are beneficial to the primary industries in this state. Unfortunately, some of the schemes that have been put up—not necessarily through QRAA but through the political arm of government—have not been all that beneficial. In the future I think we will need to widen the spectrum so that QRAA becomes involved in fishing and forestry. I do not know exactly where SunWater's rural water pricing is positioned at this present time, but SunWater is administering other state and Commonwealth government schemes. We can look at the GBRMPA structural adjustment package, and we have heard quite a bit this afternoon about the vegetation management package, too. The benefits of that package are certainly debatable.

Where we have an inability to expand our primary industries because we are restricted in being able to clear vegetation in the future, we may find in five to six years we will get to a point where the industries will struggle to expand. In some instances they may even struggle to survive, because Australia is not a country which over a period of time has been assisted with the subsidisation of its primary industries to any great extent. There have been some short-term benefits given to industries that get into trouble, but when we look at other countries throughout the world, such as Europe and the US, we see that their primary industries are very well supported and subsidised wherever necessary. We always look to get into those markets because if we can latch onto those markets it will be particularly beneficial.

Productivity enhancement schemes over a period of time have been extremely beneficial to a range of primary industries. I can remember about 15 to 20 years ago I used the PIPE scheme to get hold of some money to build a dam and put in some irrigation. That is very beneficial to anybody who may be starting a property and who is looking at expanding irrigation. The building of dams on farms in the future has a fairly big question mark over it because we are getting more and more restricted in that level of involvement as far as primary industries are concerned. If we cannot catch water and use it for irrigation, we will be very limited in any expansion or any prospect of getting over dry periods. Very often this irrigation just needs to be of a supplementary nature for a short time.

In the past we have used drought restocking loans and crop loans. I do not think these have been very effective. Over the last two years or so I believe only 10 have been particularly successful. I think QFF is forecasting that no particular benefit will come from them in the future, and there has not to date. The point is that we have to keep primary industries alive and well, and to do that we need to expand and compete against other countries in the world. We export a lot of primary industries out of Queensland, and they are very good money earners for our economy. We also have to look at the downstream side of primary industries where we are making certain products. Whether it is canning products, whether it is making fruit juice or whether it is making garments out of fibres, they are all important components of primary industries. They are offshoots. They provide jobs and opportunities for a range of people in Queensland and throughout Australia. So it is essential that we keep primary industries right at the coalface in terms of their effectiveness.

I would like to go into what happened with these sugar loans and what the state provided, because I know a number of loans have been put up. As far as I am concerned, they have not been of much value to those people looking to obtain funding through them. If I recall correctly—and the minister will correct me if I am wrong—we have had three \$10 million lots. Of that \$10 million, about 26 farms were successful. In 1999-2000 there was one \$10 million loan put forward. If I recall correctly, I think only five people benefited from that loan for something less than \$60,000. In 2002-03 we had replanting assistance. People had to demonstrate that they were absolutely broke, they had to prove that no bank would lend them any money, and then they might get \$250 per hectare up to \$100,000. It was almost impossible to comply with those requirements.

What the federal government did was provide something like \$80 million in loans for replanting. We had just experienced a period at the end of the 1998 season where rain had knocked the crops around, we had grubs and we had orange rust. Everything you could think of that could go wrong went wrong. With prices falling within the sugar industry, it became a major problem to the industry how it was to survive. What the industry had to do was maintain ratoons and plant crops. It was extremely important that through these difficult times the industry was able to access funding just for the initial work that needed to be done to refurbish what we call the system that has evolved in planting and ratooning. To get the miserable amounts of money that we got from the state government was really pathetic. After all, they were only loans.

It is great to put up a loan worth \$10 million. People out there in the wider world would think, 'That's great, the industry is getting \$10 million.' To get one of these loans, people had to see an accountant and jump through all these hoops and regulations. Very often it cost a couple of thousand dollars to do so. Then if they were unsuccessful they could whistle Dixie as far as accessing that money. We were lucky that the federal government put up that \$80 million. That was widely used to replant crops that had been very badly affected by orange rust, the effects of wet weather and so on. While not all of it was spent—I think something like \$63 million was taken up—the subsidising interest rate of five per cent was very beneficial. It helped growers who needed to replant their crops because of all the problems that occurred. They accessed that money and it was quite successful.

Then in 2003-04 the state put up its \$33 million sugar package, but at the same time the federal government put up \$444 million. One of the main things that came out of that federal government package was a sustainability grant which was paid in at the end of June 2004. That money made the difference between some people going out and planting or not planting. It was very helpful to people who had been confronted with a lack of finance over the last five to six years to know whether they could continue within the sugar industry. Let us face it, if the industry got to a point where it decided it was in decline, we would see a decline in harvesting operations, a decline in milling operations and a decline in towns along the coast of Queensland.

As I said, it is not the sort of industry where there is an annual type of plant which can be ploughed out or replanted or farmers can decide that they are not going to do it one year and they will do it another and that sort of thing. It is the type of industry where they have to keep going. They are almost on a treadmill and do not have much option about whether they are going to stay in the industry and try and survive or whether they are going to get out of it. Let us face it, for anybody who was going to try and get out of the industry the actual prices for the sale of farms were almost at rock bottom. In fact, not many people could be found who were interested in buying a cane farm because the prospect of any return on their investment was extremely low, non-existent or in a negative position.

I would now like to move on to the east coast trawl plan. When this program was put in place—and this was quite an innovative program to reduce the effort for trawlers—there was also a loan scheme of \$10 million put in by the state government. I understand that only about \$59,000 was taken up because, once again, the conditions that were provided to accessing those loans were absolutely ridiculous. Nobody could get the loan because conditions were so tight. It arrived at the point at which so few people were interested in the loan that members had to wonder why a government would devise such a loan, unless it was there for a political reason—to demonstrate to the people in the broader community that the government was doing something for the industry. I believe that that is exactly what was happening in the sugar industry and the fishing industry.

Then we had the problem with the coral reef fin fishery. There were some temporary schemes to tie them over but it did not improve their viability, and the schemes were unobtainable and costly. It was too expensive for many people because accountants had to go through all the intricacies of the application form. Those who tried to do it were very brave because they were not rewarded.

Back in 1997, when the National Party was in government, we put out an investment warning to the coral reef fin fishery. That investment warning said to the industry, 'Slow down. Don't go and buy new gear. We want to have a look at what you're taking from the resource.' At that time—and the minister might refute the figure that I am going to put forward—it was probably 3,400 tonnes or thereabouts. The minister did not do anything about it; he just let it run for six years. People cannot be told to slow down and not do anything in view of the fact that we had the east coast trawl plan. We had people with symbols coming off who could go out and line fish because under the coral reef fin fishery they were entitled to do it. They tried to earn themselves some income. Very often they had boats and equipment, et cetera, left over which was not entirely suitable for the coral reef fin fishery, and they then started fishing under the coral reef fin fishery provisions to enable them to earn some money.

The coral trout were particularly important. Live coral trout were selling for some very exorbitant prices, and it became very attractive for people to get involved in that fishery. We then saw the 3,400 tonnes increase to 4,800 tonnes by the year 2003. This was a massive increase; there is no question about that. Instead of the government recognising that it had taken too long and that there would be some structural adjustment package that was worth while being put in place by 2003, it simply cut quotas back to 3,061 tonnes. This was probably a figure, from what I understand from people involved in the industry, that equates to the figure in about 1992-93. The figures did not go back to the 1996 level; they went back even further than that. A lot of people were caught in the middle with not having enough quota. In some instances they were fishing after the period of time that they were eligible to have that quota taken note of and their losses were very, very considerable. In fact, it is considered that the annual loss out of that was some \$20 million per annum and the loss of 500 jobs. It affected not only those people who were actually involved in fishing within the coral reef fin fishery but also people in the fish shops who depended on them, people who had cold rooms, people who actually transported the fish, et cetera. They found themselves out of work as well.

There was to be a socioeconomic study, but I do not know what happened to it. It was lost somewhere. To my understanding, that study has not taken place. Of course, we also had the spotted mackerel and the ring netters. The minister would remember what he did with the ring netters. He just said, 'Stop. You can go and catch them by a line mechanism.' I have not seen the figures in recent times, but it is nowhere near what they used to catch when they were using the ring netting process. This process was not damaging to the bottom communities. We could have gone about having it out of sight. We could have done a lot of things. I notice the member for Kawana is present.

Mr Cummins interjected.

Mr ROWELL: No, no—

Mr Cummins: It killed dozens of dolphins.

Mr ROWELL: The minister does not know what he is talking about.

Mr Cummins: It was on the Channel 7 news.

Mr ROWELL: The member does not know what he is talking about.

Mr Cummins: Yes, I do. It was in my electorate.

Mr ROWELL: The member has it wrong. The member is thinking of purse seine netting, which is not ring netting. The member needs to know a little bit about the industry before he comments. He should not dive in when he does not know too much about it.

Mr Cummins: What? Are you saying it has nothing to do with me?

Mr ROWELL: No. It is very close to the member's area; it is just up the road a bit. The member is thinking of the pilchards. I know what the members opposite are thinking of, but you are wrong.

A government member: And you lost that argument, too.

Mr ROWELL: It has nothing to do with the ring netters at all.

A government member: Where is the ring netting done?

Mr ROWELL: Up from the honourable member's electorate—not too far. It is just up the coast a little.

A government member: Just name the place.

Mr ROWELL: If one comes further down from Hervey Bay, some of the ring netting took place there; but it has nothing to do with what the member is thinking of.

Mr Cummins: Just tell us whereabouts they do it.

Mr ROWELL: The complementary zoning is another issue which I think is extremely important. The complementary zoning is being latched on to the Commonwealth RAP system. There is no requirement for the state; the state government does not have to go ahead with any complementary zoning. There is no requirement under the RAP system. I am talking about what was done in the Barrier Reef waters with the regional areas program. There is no requirement as far as the state is concerned. Not only are they going to implement this complementary zoning to the regional areas program, they are also going to have an inshore fin fishery review. I will bet my bottom dollar there will no compensation and no assistance provided for those people either.

Time expired.

Mr COPELAND (Cunningham—NPA) (3.28 p.m.): I rise to participate relatively briefly in this debate on the Rural Adjustment Authority Amendment Bill. The shadow minister, the member for Toowoomba South, has clearly outlined the opposition's position on the detail of this bill so I will not go into that in any more detail. The opposition will also be supporting the bill.

It is actually quite ironic that one of the roles of the bill is to officially rename the Queensland Rural Adjustment Authority to QRAA. The vast majority of people know it as QRAA and would not have any idea of what the expanded name is. If that is part of the bill, that is fine.

Mr Palaszczuk: We are enshrining it in the legislation.

Mr COPELAND: That is right. I accept that; but out in the community I think that most people would know it as QRAA. QRAA does have a whole range of vital and very helpful roles to play when it comes to rural industries. This bill will actually expand the scope of QRAA so that it can provide services to all industries, including fishing and forestry which were previously excluded. That is a good thing.

The difficulty for the many people who work at QRAA with the best of intentions is that they do have significant limitations placed on what they are able to do. The shadow minister and the member for Hinchinbrook have gone through many of those limitations and I will do that a little later as well. I would firstly touch on the issue of drought assistance from the state government. Two of the shires in my electorate have had their drought declarations revoked: Pittsworth and Millmerran. It came as a huge surprise to many of us when that occurred. The minister will say that it was the independent panel that made the decision. It came at a very surprising time, given that the area was just emerging from the driest winter on record. The area went through the entire winter with virtually no rain at all. It was a reasonable summer, that is true, but one summer does not mean that the whole of the drought is broken and that the people have recovered. One summer after very many years of difficult economic circumstances and difficult climatic circumstances does not mean that things are okay.

The revocation of the drought declarations in those two shires has been particularly difficult to take for the people involved. It means that there will be particular difficulties that those people will face down the track. The other difficulty in my electorate is the ongoing problem with drought declarations in relation to intensive farming enterprises, whether that is dairying, piggeries, poultry or egg farming, horticultural or any other irrigated farming practices. Those are very difficult issues to deal with under the drought declarations. They are significant industries in my electorate.

Many people would not know that I have got two of the three largest egg producers in the country in my electorate in McLean Farms and Hall's. Both of those companies are very, very good producers; they are vertically well integrated but have also got a good horizontal integration in their operations. These companies have had to go through a massive investment process. I would invite anyone who wants to see state-of-the-art egg production to visit either of those two operations; they have done exceptional things. They produce free range eggs, barn eggs and caged bird eggs, which is the bulk of

their production. They have also made a huge capital investment in their pulp factory, which is a very big capital investment for those two companies to make. It is a great facility and a great development for my electorate. I congratulate them on the work that they have done. Those companies have encountered very difficult circumstances while making those huge capital investments. The costs that have been incurred along the way have meant that their operations have been made that much more difficult. When it comes to drought declarations those sorts of operations are difficult to deal with.

In my electorate the closest settled areas are places like Cambooya, Clifton, Southbrook, areas of the Pittsworth shire and even areas of the Warwick shire. It is a really difficult issue for those who are still farming on reasonably small properties to try to consolidate the size of those properties to make them productive in the long term. What they are having to contend with is purchasing farming land at a real estate value rather than a productive value. The real estate value for all of those areas close to Toowoomba—the 70, 80, 100, 200-acre blocks—has gone through the roof along with real estate values right around the state. It has meant that the productive value of those properties has become quite marginal. If you are sitting on a reasonable-sized property trying to make a return on your investment when the real estate value of your property is increasing so dramatically, it is very difficult to continue producing or expand your operation to make sure that you can keep your head above water. That is an issue we are going to have to grapple with at some stage, along with what assistance we can actually give to make sure that that very fertile farming land, in particular in those areas I mentioned, is able to stay in valuable production. That is certainly what we hope happens. The problem with the ongoing drought, the difficult circumstances and the low returns is that the real estate value has become very, very attractive for a lot of people. When you are sitting there not making money out of your land but you can make an awful lot of money by selling it as real estate, that is a very attractive prospect.

As I said at the beginning of my contribution, it is very difficult for QRAA and a lot of the programs that they have to administer. I know the shadow minister went through a number of the programs. To many observers, I have to say including me, a lot of those look like they have been set up to fail. They have been set up so that the minister can say how great it is, that it is going to put \$10 million into a program, but then that money does not get to the pointy end. I will go through those, as the shadow minister did earlier. The drought carry-on finance and drought recovery schemes have assisted only 102 and 42 farmers respectively between February 2003, which is when those schemes started, and 30 June 2004. The \$10 million sugar industry crop replanting and establishment scheme provided only nine loans worth \$60,308 and the \$20 million sugarcane crop scheme provided just 17 loans worth \$442,685. The Natural Disaster Relief Assistance Scheme, meant to help farmers and small businesses to recover from natural disasters such as severe storms, cyclones and floods, has assisted only 16 farmers and one small business during the past three years. The \$10 million loans program designed to help fisherman affected by the east coast trawl plan paid out only \$59,000. The small business emergency assistance scheme, which is meant to help regional and rural small business affected by drought, paid out only \$610,923 to 82 businesses in 2003-04 despite the very many businesses that would have been eligible across the approximately 100 shires in Queensland.

I will just touch on the scheme regarding small business, because many people do not realise the impact that a drought has on small business. In my electorate those smaller communities that are almost entirely dependent on rural industry for their survival are very heavily impacted. Businesses in places like Millmerran, Clifton and Pittsworth are very heavily impacted. We need to remember the small businesses in those areas. Even in a city the size of Toowoomba, which comprises 90,000-odd people and has a much broader economic base, it is still very clear that when rural industries are doing well the city does well. There is no doubt at all that there is a flow-on effect to a city even the size of Toowoomba. If rural industries are doing badly then it is certainly noticed in the city. There has been an expansion of the economic base in Toowoomba, but there is no doubt that it still feels those effects.

As the shadow minister said, the opposition supports this bill. There are many challenges still facing many of our rural industries and we need to make sure that the aid programs that are implemented actually deliver money where it is needed, that it is not just an opportunity for a press release or to say to the south-east corner, 'Gee, aren't we great guys. Aren't we doing so much to assist our rural industries.' When you actually look at those dollar figures that are getting through, there have to be real questions asked about the genuine nature of those programs and whether they are deliberately set up to fail so that the state does not actually have to contribute anything at all.

Ms MALE (Glass House—ALP) (3.37 p.m.): I rise to support the bill. As we know, the Queensland Rural Adjustment Authority, QRAA, is a statutory authority established under the Rural Adjustment Authority Act 1994 to deliver financial and other assistance targeted at the development of a more productive rural and regional sector. Prior to this, the responsibilities undertaken by QRAA were administered through the Government Schemes Division of the Queensland Industry Development Corporation and before that through the Agricultural Bank and Rural Reconstruction Board.

The authority administers government assistance programs for rural producers and small businesses that experience temporary difficulties. Factors contributing to these difficulties may be natural disasters or other unforeseen circumstances such as severe and prolonged droughts. QRAA also provides advice to the minister on existing and proposed support schemes, as well as the effects of

economic and other conditions. It has proved to be most successful in its role and these amendments are intended to enhance this success. The amendments arise from a comprehensive review of the act, the first since its inception in 1994. While the act contained no requirement for review, it is now government policy that legislation be reviewed at regular intervals.

The review of the act was commenced in January 2003, with a review committee established under the chairmanship of Mr Tom Fenwick, the former Director-General of the Department of Natural Resources and the Department of Primary Industries and the current chairperson of BSES Limited. The committee also included representatives of QRAA, primary producers, an agribusiness consultant and the department. An industry consultative committee and interdepartmental reference group was also established to provide input into the review.

I was pleased to see that emphasis was given to the views of major primary producer representative organisations, with the industry consultative committee containing representatives of Agforce, Canegrowers, the Queensland Seafood Industry Association, the Queensland Dairy Farmers Organisation, the Queensland Farmers Federation and the Queensland Fruit and Vegetable Growers, which is now called Growcom. These groups are supportive of the proposed changes, which is a strong endorsement that the review got it right in terms of establishing a stronger QRAA for the future.

The review made a number of recommendations with respect to the modernisation of the act. The review and subsequent considerations developed a range of amendments which included ensuring that the act covers all relevant industries, expanding the range of schemes that QRAA can administer and its ability to assist small business, requiring schemes to be made by regulation, the introduction of a legislative mechanism for appeals against QRAA decisions, reviewing board composition, provision for ministerial directions, the establishment of information and reporting protocols between QRAA and the Minister for Primary Industries and Fisheries, the introduction of a new corporate governance model and provision for periodic legislative reviews.

The objectives of the Queensland Rural Adjustment Authority are to be expanded to allow the authority to provide assistance to a wider range of primary producers, for example, fishing and forestry. The amendments also remove a potential restraint on providing assistance to small businesses and rural and regional communities, and formally empower QRAA to administer assistance schemes for other state and Commonwealth agencies.

The act specifies that only rural producers are eligible for assistance through QRAA schemes. This implicitly excludes some primary industries that exploit existing resources, as well as other industries to which QRAA could potentially provide a service. For example, the commercial fishing industry, which exploits existing fish stocks rather than working the land to produce food and fibre products, is outside the scope of the legislation and, therefore, QRAA is unable to provide services such as commercial loans to commercial fishers affected by any changes to fisheries management arrangements. The restriction implicit in the specification of focus on rural producers will be removed in this process. That will certainly be a very good thing for those people who find that, through no fault of their own, they need that extra assistance. This will allow that to happen.

The short title of the act will be amended to the Rural and Regional Adjustment Authority Act. The objectives of the act will be expanded to cover assistance to foster the development of a more productive and sustainable rural and regional sector. It should be noted that any decision to amend or expand the scope of a service is a decision the government alone, not QRAA, has the power to make. Further, simply amending the RAA act will not enable fishers, foresters or other categories of applicants to access existing QRAA schemes. New schemes must be created to enable this to occur and the financial implications of establishing any new schemes will be determined on a case-by-case basis.

Should QRAA's objective as set out in the RAA act not be amended, QRAA will not be able to provide services on behalf of other government agencies and will not be able to provide services to clients other than primary producers such as foresters and fishers. It does mean that wider assistance measures are possible and this is supported by the industry bodies.

The review also looked at the issue of organisational identity. QRAA was originally the Government Scheme Division of the Queensland Industry Development Corporation. The name Queensland Rural Adjustment Authority was originally adopted because, at the time of inception, the majority of concessional lending was primarily to the rural sector. Retaining this original title now would limit the scope of QRAA's activities and its future ability to expand into other sectors. A new corporate name, simply QRAA, will be adopted with the objective and purpose of QRAA being spelt out in the act to reflect the new and broadened scope of the organisation. The formalising of this new title in legislation will not have any impact on recognition of the organisation, given that this is the way it is known Queensland-wide at present. This amendment is one that just makes good sense.

The other major change to the organisational structure relates to the composition of the board. Currently the RAA act allows for up to seven directors in addition to the chairperson. The composition of QRAA's present board is seven, which includes two public servants from Queensland Treasury and the Department of Primary Industries and Fisheries, although there is no mandatory requirement for these appointments. The review recommended that board membership be capped at seven members,

comprising an independent chair, two government representatives with it being specified that one be from the controlling minister's portfolio and one from Treasury, and four other members with a nominated range of appropriate skills.

Recently all QRAA board members' terms expired at the same time in 2003. An appointment process spread over a period with only half the number of directors to retire at any one time was implemented to ensure continuity and to preserve corporate history. The staggering of appointments was a recommendation of the RAA act review. The purpose of the recommendation was to assist in retaining corporate knowledge on the board and thus enable efficient operations. The amendments formalise this approach to ensure that future board appointment processes do not compromise the efficient operation of the organisation through excessive loss of corporate memory from retiring directors.

These amendments are an important step to enable significant improvements in the operation of a very successful rural development assistance organisation and they deserve the support of all members of this parliament. I commend the bill to the House.

Ms LEE LONG (Tablelands—ONP) (3.44 p.m.): I rise to speak on the Rural Adjustment Authority Amendment Bill 2004. This is a significant bill for rural and regional Queensland. The Queensland Rural Adjustment Authority has played a pivotal role in the assistance that has been extended to help those affected by a range of hardships. Among the amendments are some designed simply to bring the existing Rural Adjustment Authority Act 1994 up to date. In particular, these refer to the entrenching of appeal rights. In that area I am supportive. The broad intent of these amendments is, however, focused in another area. These amendments are designed to widen the scope and variety of activities that QRAA can undertake and include all relevant primary industries, including fishing and forestry for the first time within its ambit of operations.

I believe this is a very important step given the plight of the fishing industry today and also the push into farm forestry. However, it has some potential problems. In particular, it would be devastating to see the organisation spread even thinner as it tries to take on more and more of a workload. I note the indications that administration of new schemes would be on a full cost-recovery basis subject to government policy. This leads to the expectation that, in fact, QRAA would have to staff itself appropriately.

It is interesting to contemplate where this bill might take QRAA. The economy of the state is very interdependent. Our primary producers—miners, fishers and farmers—provide the basic ingredients for everything else that happens economically. As much as the south-east is the centre of political weight, it is not the sole repository of economic value. It is not a big step to see QRAA helping out businesses in Brisbane because of the impact of drought in Charleville or severe flooding in the far north. While I do not begrudge those in genuine need, I believe it is important to ensure that the existing focus on helping primary producers is not lost.

Also I am keen to see that we are not reinventing the wheel in any sense. I am aware of activities carried out under the banner of the Department of State Development that may have proved useful and applicable to constituents in my electorate. With the limited resources available, especially to meet the needs of the bush, I seek an assurance that QRAA's widened activities do not overlap with existing programs.

This brings me to the issue of the board make-up. The proposal is for a capped membership of seven, made up of an independent chair, two government appointees and four others with appropriate skills. I have some concerns that, with QRAA looking at taking on duties that do not specifically target rural or regional clients, the decision about what appropriate skills should be on the board may drift from those best suited to understanding the bush. In this vein I see in the explanatory notes that Agforce believes the board should contain at least one director with practical farm business experience. This is more than appropriate and is a suggestion I would be very keen to see the government adopt.

My last point is drawn from experience with constituents accessing drought relief. It is a very hands-on practical issue, which is that the paperwork necessary is enormously complex. I have been approached by local businesses that are overwhelmed with farmer customers coming to see them seeking help in sorting out their relevant documentation. I have made approaches to the minister about this. As good as the QRAA organisation is, and as effective as it may become following these amendments, we need to ensure that it and its schemes are not only properly structured and focused but are also accessible to those who need them.

Mr PURCELL (Bulimba—ALP) (3.48 p.m.): I rise to support the Rural Adjustment Authority Amendment Bill 2004. This authority's activities are directed to providing assistance to primary producers whose businesses show long-term viability. That has been stated over and over here today.

The authority may also provide assistance to enable small businesses dependent on primary production to survive in the event of a temporary downturn. We all know the devastating effect that the downturns in the wheat and wool industries have had on small towns. It has had a profound effect over

a long period. To see businesses operating out there should be considered a great achievement and it is vitally important to keep our industries viable a long way into the future.

The Rural Adjustment Authority Act has not been reviewed since it was enacted in 1994. This act did not contain a requirement to do so, but in this day and age and with our government's policy that requires that legislation be reviewed at regular intervals we are revisiting it today. A review of this act was commenced in January 2003. The amendments today come out of that review. The review recommends—and it is quite obvious because of the time that has elapsed since 1994 and because of the many changes in technology—that the act be modernised. This will also enable it to comply with current legislative standards.

Briefly, the amendments will ensure that the act covers all relevant primary industries such as fisheries and forestry. The minister might be able to nod or shake his head, but coal is regarded in some areas as a primary industry. Would coal be covered by the rural adjustment act? He is not going to tell me. He might be able to tell me when he sums up the second reading debate. The amendments will also expand the functions of QRAA to include the administration of schemes for assistance for state and Commonwealth bodies on the approval of the Minister for Primary Industries and Fisheries and expand the authority's ability to provide assistance to small businesses other than rural producers and other elements of the state's economy by removing limitations in the act. As I said previously, it is a great step forward. It recognises how important these small businesses are to our rural economies and our rural population in keeping them in the bush.

The amendments also note that the words 'in periods when they are experiencing temporary difficulty' have proven to be too restrictive and unworkable. The amendments also require approved assistance schemes to be made by regulation to ensure that they are drafted by Parliamentary Counsel and are tabled so we can make sure that people are given some certainty as to whether or not they will be assisted; empower the minister to give written directions to the board about the discharge of its functions; revise the composition of the board to ensure that members possess the skills required; empower the minister to require the board to give the minister stated information and reports; and provide appeal rights to unsuccessful applicants for assistance from QRAA.

People might not think that that is very important, but it is very important. I can remember the days when I had to buy molasses. I think there were five drums in two tonnes—molasses weighs pretty heavy—and we used to buy it from Bundaberg. Sometimes it had to be brought in because we did not have enough molasses in Australia for our own needs. It was usually bought at the railhead or at the shipping port and then you had to pay the freight costs. Sometimes it was fairly hard to convince people that you should be getting the subsidy, so having an appeal mechanism in place if you get knocked back is a great idea. Finally, the amendments will provide for future reviews of the act on a regular basis. If you look at all of the changes, you can see that they are not only very necessary but also paramount to the survival of these industries. We must be on top of these to ensure not only viability but support for those in rural industries. It is very important for our economy. It is very important for our future generations. I support the bill.

Mr MALONE (Mirani—NPA) (3.53 p.m.): It is with pleasure that I rise to support the Rural Adjustment Authority Amendment Bill. In conjunction with my parliamentary colleagues, the bill is an important one and I certainly congratulate the shadow minister for highlighting all of the issues that are involved in the amendment bill. For rural producers and for those people in small businesses in rural towns, this bill is a step in the right direction. There are two points to this amendment bill that are probably the most important: firstly, the expanded act is to cover the administration of all assistance schemes for both state and federal bodies; and, secondly, it will expand the ability to provide assistance to small businesses other than primary producers. As I and other members have indicated, when farmers are doing it tough, all of the small businesses in the towns and the regional centres do it tough as well.

It is important to note early in this speech that most farmers, graziers and those on the land certainly do not want to have to access government funds. It is the last thing they want to do. Unfortunately, when times are tough and the bills have to be paid, sometimes they need to access that money to carry on. They would prefer that the money was provided in the form of long-term loans so that they have time to pay them back. Many people do not realise, but the margins in primary industries are not that great. Sometimes they are not even margins at all; they are negatives. Therefore, the ability to pay back a loan sometimes becomes very difficult.

We have to be aware and quite frankly thankful of the strong economic performance of the Howard government in terms of low interest rates, and that has certainly helped out rural industries very substantially. I can recollect when interest rates were 22 per cent to 25 per cent under the previous federal government. Many farmers and graziers hit the wall with that peak in interest rates. It is absolutely impossible to work farms or graze cattle with any sort of debt at a 25 per cent interest rate. They were the times when things were really tough. Unfortunately, with rural conditions as they are now with droughts—my electorate is currently in a 100-year drought—we are facing some very difficult times

ahead. The rural assistance programs have a real niche in terms of supporting people in rural industries over the short term.

In my area there are two substantial irrigation schemes. The most recent one was put in place in the last 10 to 15 years and the one before that—the Eton irrigation scheme, the Kinchant scheme—was put in place around 25 to 30 years ago. Both of those schemes currently have a zero allocation of water, or close enough to it. I am not sure that most members realise, but farmers pay for water through their allocations. In fact, they pay for water without receiving it. They have to pay a certain amount every year for every megalitre of water that they have an allocation for. They pay a certain amount for that. Once they access the water, they pay another amount per megalitre that they use.

Currently, the sugar industry is in absolute dire straits, as are farmers who rely heavily on water to grow their cane. They have to produce a significant amount of cane in terms of tonnes per hectare to make a profit. We now have a situation where they still have to pay for their water allocation but have no access to water. In those very dry areas they will probably not even have a crop of cane in order to pay the water charges. There are situations in the Mackay district where people have not planted cane because they do not have enough water to get the cane up. In terms of ratooning a crop—and most members would understand that the ratoon is for five to seven years—they do not have the water to get the ratoons out of the ground.

We have a situation under a government scheme where people are paying for water that they will not receive and virtually have no way of paying that amount of money to access the water. In conjunction with that, there are the harvesting contractors who have anywhere between \$500,000 and \$1 million—sometimes even more than that—worth of machinery that is lying idle or is undercapitalised in terms of the tonnes per season that they have to harvest. As members would realise, to operate \$1 million worth of machinery there has to be a certain amount of cane to put through that machine to pay the bills to maintain it and pay the lease on the machinery. Hopefully after cutting somewhere in the vicinity of 50,000 tonnes of cane, they might start to make a dollar or two.

There are many contractors out there who are not cutting anywhere near that and obviously going backwards, so they will need some sort of support over the next couple of years. This has not crept up on us. The industry in my electorate has been going through tough times since 1998, because 1998 was the last season that could be called in any way reasonable. There is also the situation in the fishing industry where boats are being tied up, and those operators will certainly need help to transition into other industries. A big issue of course is vegetation management—the land clearing issue. I guess one could call it an adjustment, but it is forced adjustment. As the Deputy Leader of the National Party indicated earlier today, there are literally hundreds of people in every one of our electorates who are being affected tremendously by this legislation. In my electorate alone, there is in the vicinity of 400 farmers and graziers who will be impacted, and they probably do not even realise it at this stage.

With the ballot that took place the other day in the biodiversity area that encompasses part of my electorate, only 2,750 hectares of land has been allowed to be cleared. There were 70 applicants. I would assume that there probably would be nearly 700 who would have applied if they could have, but because of the fact that they were working from daylight to dark trying to feed cattle and harvest cane, et cetera, they did not apply. Certainly, the application forms were so complicated, almost to the extent of being ridiculous, that they would have had to employ external sources to complete them. Of course, those people were not on the ground. So in actual fact, there were only 70 applicants for that 2,750 hectares. The maximum amount of land that could be cleared by any one applicant was 250 hectares. So basically, if 12 applicants were approved, they would virtually take out the full allocation for that whole region. So we have 65 or so people who went through this hugely complicated application process who will be disadvantaged. I can tell members that there are hundreds of others out there as well. They will be looking for some sort of support.

At the end of the day, the reality is that in primary industries, unless farmers keep moving forwards, they go backwards. They need to continue to produce more each year, because the costs of producing are going up year by year by year. If they do not keep up with the rat-race, they go backwards. When I was a young bloke, if my dad grew 1,000 tonnes of cane, it was a living for our family and a number of others who worked on the farm. When I was married—and certainly this is quite a number of years ago now—5,000 tonnes of cane was a living. Now, unless farmers are growing at least 20,000 to 25,000 tonnes of cane, it is not a living for a family. I am just illustrating the fact that primary producers have to keep expanding. They cannot sit on a piece of ground when the government says, 'You cannot clear any more land; you can't develop your farm anymore.' If that happens, farmers are out of the game. If farmers do not keep developing, in five years time they are gone. It is as simple as that.

Vegetation management is the biggest furphy that has ever been put on God's earth. The reality is that the biodiversity and the thickening of the land that we cannot clear—hillsides, mountainous areas in national parks—is just unbelievable. For example, I have talked to people who have harvested timber out of Eungella National Park. They harvested timber there 50 to 70 years ago. We would never know that that area had been harvested. There is magnificent timber in there. Obviously that area is

thickening very substantially. The biodiversity and the biomass of the country in Queensland is increasing year by year. There is no way that the amount of land that is being cleared can ever keep up with that.

My next-door neighbours bought land next door to me probably 15 or 20 years ago. They decided that that land was going to be their superannuation. In old-fashioned terms, it is a square mile—640 acres. My neighbours have not done a thing to it. They have allowed it to overgrow. Their assumptions were that in 20 or 30 years time they would be able to sell that land and make a substantial capital gain. They did not pay peanuts for it. At the time, that land was quite expensive. With this Vegetation Management Act, all of that country is now classed as remnant vegetation. They cannot touch an acre of it. That 640 acres is a loss. It is really of no use to anybody. It is basically a national park for which my neighbours pay rates. The problem is that, because that land is situated in an isolated area and is among a number of cane farms, it is totally overgrown. There is lantana there growing five feet high. There is also giant guinea grass growing 15 or 20 feet high. There is a huge amount of dead material. That land has not been burnt for 15 or 20 years. If ever a fire gets in there, it is going to totally kill that country and not one animal will live. I know that some members in this House could relate to that situation. Those are the facts.

Unfortunately, these people have totally lost their asset. They cannot touch it. As I said, they cannot sell it, because nobody will want to buy it. How do we support these people? At the end of the day, they will not have a thing, but they will still continue to pay rates. They will get some relief on that, but at the end of the day their superannuation is totally gone.

Those are just some of the issues. People have also come to see me who have had their livelihoods affected as a result of a government decision and there is no compensation. I would like to read into the records of the parliament a letter written to me by a hardwood specialist in my electorate, Donnellys Sawmill at Eton. It states—

Dear Sir

For the past 16 years we have operated Donnelly's Sawmill at Eton supplying hardwood for house frames, sleepers, and dunnage. However, we are having more and more difficulty sustaining our business, mainly because DPI Forestry has enforced two rulings on us which have negatively affected our business's ability to remain viable.

Firstly, DPI Forestry has conceded that there are no longer any Forestry concessions available for us to harvest timber from. Our security deposit was returned to us early September, stating it was for a 'completed sales permit.' However, DPI Forestry has been unable to source timber for us for a couple of years, (for us to be able to complete our permit), and returning our security deposit has confirmed that they know there is no further Forestry timber available in the region.

Secondly, DPI Forestry amended their waterway rules so that sawmillers are no longer able to source trees on creek banks. These trees are usually prime timber, and we have since noticed a significant decline in the quality of logs available to us now that we can only source logs away from watercourses. This has affected our sustainability—we can now only source a small percentage of house quality logs, and our business can barely make a living.

We respectfully request that you approach the appropriate authorities to see if an Exceptional Circumstance package could be implemented. Five livelihoods are about to be lost, as we have little option left to us except to close our business down. Your help in this matter would be greatly appreciated.

Peter and Gail Donnelly.

Of course, exceptional circumstances is not what they are looking for; they are looking for some type of assistance under the Rural Adjustment Scheme. Unfortunately, their business is probably not viable and they will be unlikely to access any sort of support.

That is just one example. Another example is a land clearing contractor who has been a contractor for 20 years. He has two machines. He is still paying one of them off. They are worth about \$150,000 each. Currently, they are worth about only \$35,000, because there is no business for them. At the end of the day, that contractor will possibly get some maintenance work—clearing regrowth, et cetera—but he has to really chase that work as it has become very competitive. I think that that contractor is going to have some difficulties proving viability. Under the legislation, I would expect that he would have some real difficulty getting support from the government or from QRAA.

Another example is a couple I have spoken about in this House once before. Ben and Renae Atherton of Sarina are a young couple who are recently married. They are trying to start a small business with a backhoe and are doing some work out at the mines. They were trying to realise a dream to build a home, plant an orchard and run a small business. They purchased 45 acres. It was on a hillside and it was beautiful country. I actually went out and had a look at it. One week after Ben and Renae bought the block of land, they found a sign on their front gate that indicated that their land was of high conservation value and that it was mapped as remnant endangered regional ecosystem.

Basically, as a result of just one decision in one week they went from having a block of land worth, I suspect, around \$150,000 to having a block of land worth probably \$50,000, if they are lucky. All they can do now is clear a house site. They talked to the department about trying to clean up the lantana and so on that was on the land. They said, 'Maybe if we use a backhoe we can work in amongst the trees.' The department's officers said, 'No way. Picks and shovels are cheap at Mitre 10.' The only way this young couple could clear the 45 acres of lantana, which is a pest, was to get in with a pick and a shovel. These young people are possibly eligible for no compensation. We are talking here about rural

adjustment. They will be looking forward, I guess, to trying to get some money out of the compensation scheme in relation to vegetation management. I wish them luck. It was heartbreaking to deal with that case. There was nothing I could do for them. A government decision took away their dream of owning a piece of land, developing it and running a few cattle.

These are the areas QRAA has to work in. As somebody else in this House said, the real problem is that QRAA will be the front for some absolutely unbelievable decisions made by this government. Unfortunately, the effect is not seen in this House. It is only seen when people are able to cite instances—there are thousands of them out there—of people losing not only their livelihood but also in some cases their whole life's savings because of one wrong decision by this parliament. There are better ways of doing it.

The conduct of the last allocation of clearing permits, determined by picking a number out of a hat, is just unbelievable. It was probably the only way it could be done under this government's legislation, but the fact remains that people's viability, their lifestyle and even the lifestyles of their children—it relates to their ability to develop their farm or grazing property—depended on having a number drawn out of a hat. It is absolutely ridiculous.

As I said earlier, farmers need to be able to develop their land and to expand. If that is not going to happen, we will have some huge problems in terms of decentralisation. People are totally disappointed with the fact that they cannot expand their business or develop a viable business. As I said, in a lot of cases people have lost their businesses and will never be viable. I am not sure how they get compensated for that. I am sure they never can.

Mr FENLON (Greenslopes—ALP) (4.12 p.m.): I rise to speak in support of the Rural Adjustment Authority Amendment Bill. In doing so, I would like to focus on internal appeals processes to be prescribed for parties seeking to review a decision of the QRAA. In circumstances where assistance has been granted or denied or where obligations are being imposed on clients by an instrument of government such as QRAA, it is current legislative process to recognise appellants' rights. There is no provision in the current act for a formal appeals process. It is important to ensure transparency and accountability in government processes. In that regard, the review recommended that it would be more appropriate for appeal rights to be clearly set out in the act.

QRAA does have an internal review process enabling applicants to appeal against decisions. The great majority of cases concerned appeals against the quantum of funds approved. Applicants wishing to appeal against the process by which decisions have been made ultimately do have recourse to the Ombudsman. At present, there are no fees or charges involved in appealing against decisions about the quantum of loan funds approved by QRAA, although applicants may seek advice from accountants or banks, in which case applicants meet the associated costs.

Appeals considered by the Ombudsman also do not incur any cost to the applicant or QRAA. The review had recommended that the legislation should contain an appropriate mechanism for appeals that is more transparent and accountable than existing processes. The amendments will enable a person who is dissatisfied with the decision of the authority regarding an approved assistance scheme to apply to the chief executive officer of QRAA for an internal review of the decision within 20 days of receiving the notice of decision. The implementation of the decision is stayed until the chief executive officer makes a decision on the appeal. Upon review, the chief executive officer must either confirm the original decision or amend it or substitute another decision for the original decision. While there is no reason to consider that the current informal appeals process is not effective, it does not provide the level of transparency for all parties that a legislative prescription can provide.

A clearly legislated appeals process will give much greater certainty without the necessity for incurring large appeal costs to QRAA and its clients with regard to the way QRAA conducts its business. I commend the bill to the House.

Mr MESSENGER (Burnett—NPA) (4.15 p.m.): I rise to support the Rural Adjustment Authority Amendment Bill 2004. One of the bill's primary purposes, I note from the minister's second reading speech, is to improve and strengthen the Queensland Rural Adjustment Authority, QRAA. From talking to some of the people who deal with the staff of QRAA in the Burnett, I know that they are pretty good operators, which is a significant compliment from my part of the world. I, like the member for Callide and other members of the House, compliment the staff of QRAA for their professionalism and dedication to duty.

I tried to find out how many primary producers access QRAA loans, but I was told that much of that information is confidential but, because of the low commercial interest rates created by the sound financial management of the Howard government, QRAA loans were not as popular as they should be or once were.

I note from the explanatory notes that QRAA's activities are principally directed at providing assistance to primary producers whose businesses show long-term viability, although assistance may be provided to enable producers to adjust out of the industry.

Unfortunately, there has been considerable work for QRAA in my electorate of Burnett, especially in the sugarcane and horticulture industries, which have seen an almost revolutionary change in the last seven or eight years. Just to illustrate the pace and magnitude of that change I will quote a groundwater salinity report commissioned in around 1996-97. It estimated that the sugar industry was worth about \$220 million to the Bundaberg-Burnett area and that horticulture, or small crops, was worth around \$100 million. If we fast-forward seven or eight years to 2004 we find that the sugar industry has decreased by nearly half—it is worth approximately \$110 million this year—while the horticulture industry has grown to be worth about \$350 million.

The Burnett-Bundaberg area is one of the biggest suppliers in Australia of tomatoes, snow peas, zucchinis and more. More farmers are diversifying into crops such as sweet potatoes, English potatoes, pumpkins, grains, peanuts, corn, melons, macadamia nuts, avocados and chillies, just to name a few of the small crops that are being generated in the region.

The growth and change has happened in an environment in which the sugar industry has been absolutely devastated by corrupted world sugar prices and also drought. According to the chairman of Bundaberg Canegrowers, Alwyn Heidke, the Australian raw sugar industry operates in a highly distorted world market. The industry is highly efficient but has lost some competitiveness. All efforts are being made to achieve the restoration of that competitiveness. The industry will recover but does need to pursue all opportunities and, where possible, develop and diversify its product stream.

The passing of the Rural Adjustment Authority Amendment Bill 2004 will help my canegrowers survive and also diversify. It will also help the horticulturists and other primary producers. Some critical issues need to be addressed if the Burnett's primary producers are indeed to be involved in a business which has long-term viability. QRAA's charter states that it exists to assist producers whose businesses show long-term viability. To obtain long-term viability we need water. Of course, without affordable water being available to the Burnett's primary producers, no amount of government assistance to sugarcane growers or horticulturists by way of QRAA loans will guarantee the prosperity and long-term viability of any primary producing business.

I would like to highlight the plight of a number of farmers. There are probably 200 of them on the Burnett coast. These farmers rely entirely on the underground aquifer to supply their farms with water. In fact, the groundwater aquifers provide for approximately 33 per cent of the Bundaberg irrigation water entitlements. I am reading from the latest edition of the Bundaberg canefarmers' newsletter. These farmers, who rely on the aquifer, pump the water through the bores on their properties, and unfortunately that water is now turning saline and is being poisoned with potassium because of the intrusion of sea water and the pressure being placed on that underground aquifer by those 200-odd irrigators. These irrigators are not able to access the surface water, which the majority of farmers in the Burnett-Bundaberg area enjoy, because there is no surface water infrastructure in place. That means there are no pipes or engineering works in place to allow surface water to flow. If this issue is not addressed very quickly, then farmers will go broke—that is the worst case scenario—there will be unnecessary environmental damage, and many workers will lose their jobs. So the solution for the government is to put in place the necessary surface water infrastructure.

There have been a number of studies into the Burnett groundwater salinity, and at the moment the Bundaberg canegrowers are lobbying for an extra \$350,000 to conduct detailed engineering studies into the surface water infrastructure extension. What it is going to take to fix this problem is not more studies. We need the state government to give a commitment to spend around \$38 million to connect these farms to the surface water. If that does not happen, these primary producers will miss out on the water which will flow from the Burnett River Dam, and the Burnett and Bundaberg will be denied significant job opportunities and economic development which will be generated because of this investment.

I know those 200 farmers would prefer to be hooked up to the surface water system. They place I think a 92 per cent pressure on that underground aquifer. I have spoken with senior members of DNR who have said that there is about a metre of salt water on the bottom of that aquifer, and the fresh water is sitting on top of that. Those farmers really need to be able to access that surface water. It is all very well and good building the Burnett River Dam, which is very welcome in our part of the world, but those farmers will not be able to hook up and experience the benefits of that dam when it is finally filled.

In closing, I note that the Rural Adjustment Authority Amendment Bill 2004 also affects professional fishers who, as I mentioned before, are faced with a massive and devastating upheaval in their industry. So much pain for very little gain. I believe the upshot of this government-made crisis will be that the price of fish will skyrocket. We will see that around Christmas time. Many fishers will go broke. Families will be ruined, and an unnecessary, exhausting social dislocation will occur. We will all be eating imported fish, unfortunately.

I echo the comments of the Queensland Seafood Industry Association, which supports this bill, and also express concern that the process for establishing new schemes, or approving QRAA to deliver schemes on behalf of other agencies, is transparent and timely. I commend the bill to the House.

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (4.24 p.m.): I rise to speak to the Rural Adjustment Authority Amendment Bill. I note that the amendments before us are the result of a review of the Rural Adjustment Authority Act, which specifies that only rural producers are eligible for assistance through QRAA schemes. This implicitly excludes some primary industries that farm existing resources as well as other industries to which QRAA could potentially provide a service. One of the examples that has already been discussed is the commercial fishing industry, which farms existing fish stocks rather than working the land to produce food and fibre products. However, it does not come under the normal and accepted meaning of 'rural'. Therefore, QRAA has been excluded from providing services to the fishing industry, which has been going through quite significant change over the last number of years.

Additionally, the current legislation imposed a potential constraint to enabling QRAA to broaden its scope from rural adjustment schemes to providing services to primary producers and small businesses in rural and regional communities. It is not just the primary producers who are affected in our communities when things are tough. Small rural communities and small rural businesses are also affected when droughts are in full swing and when there are other pressures on primary producers which limit their disposable income. So rural businesses are also equally affected in those periods of stress.

In the 2003 Queensland Rural Debt Survey it was shown that 18,609 farm businesses in Queensland shared a total of \$7.7 billion in borrowings. This equates to an average debt of \$414,146 per rural borrower. It has to be remembered, though, that that is averaged. So some would be significantly higher than that and others lower. Many people accepted debt with the dairy industry restructure and now the sugar industry restructure, where the word was that people could either get big or get out. So there were farmers who assumed quite significant debt with an expectation of a return from that, but the industry has not stabilised in the way that they expected.

Debt has increased by \$1.043 billion or 16 per cent from the 2001 survey, which was the last survey that was conducted. In my region—the central region—the total number of borrowers in 2003 was 1,986, up about 400 borrowers from 2001. The percentage of total rural debt in Queensland in 2003 in the central region was 13.7 per cent, and the central region debt increased by \$667 million over the period 1994 to 2003. The increase was mainly attributable to beef.

It has to be borne in mind that central Queensland—in fact, most of Queensland—has been in prolonged drought. Even when in February we received a decent rainfall—23 inches—it occurred over two or three days. There was no aquifer replenishment and no recharge at all. Whilst it created some green pick, it gave no substance to farmers in the long term, particularly as there was no aquifer water. It replenished dams but, with the heat and the continued dry, most of those are now down to minimal levels.

The new legislation is directed at providing assistance to primary producers in a broad category whose businesses show long-term viability, but QRAA also allows for assistance for producers to exit the industry. Whilst I think it is essential to give some farming families the option of moving away from what has probably been their traditional income base, it has to be remembered that every family that leaves this primary industry is a loss to our Queensland independence. We have over many generations provided much of our own primary product, and this is being undermined because of these changes.

My question to the minister is whether, by significantly increasing the range of services and the range of industries to which QRAA will be able to respond—and there is no objection to that—there will be a commensurate increase in the resources available to QRAA, both in staffing and in other moneys, to be able to support those expanded services.

QRAA plays and has played a vital role in rural communities. I have raised concerns in the past in relation to QRAA's involvement with its drought funding, particularly the way that the QRAA has been abused by banks in the past. Prior to QRAA drought moneys being made available to farmers banks are required to sign off on the viability of the farm. Many banks have designated a farm not viable and, therefore, the farmer is ineligible for QRAA, yet subsequently those same banks have been prepared to loan money to the farm owner. There has been one specific illustration in my electorate, which I have raised before, where the bank deemed the farmer not viable and, therefore, ineligible for QRAA, yet that bank subsequently ruled that the farmer could borrow \$30,000, and the indications were that the bank was confident of his ability to repay. Indeed, the farmer did repay it without missing any instalments. QRAA also has to be very guarded in ensuring that the information it gets is consistent in terms of its administration of government money to farmers who are eligible for that assistance.

The Scrutiny of Legislation Committee's report on the Rural Adjustment Authority Amendment Bill made a couple of comments. The second comment was in relation to the insertion of provisions providing a formal system of appeal by way of internal review of decisions related to the provision of financial assistance. The report states that the explanatory notes argue that the system of internal appeal is an adequate appeal process in the circumstances. Whilst it is encouraging that a formal appeal process is being put in place, I would ask the minister: if that appeal process proves to be inadequate or the subject of concern by applicants to QRAA, would he be prepared to consider external review as a mechanism to ensure an objective overview of the processes put in place by QRAA and the

application process by the rural entity—whether that is farming, fishing or any of the new industries currently to be covered by this legislation—if the circumstances warranted. I support the bill.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Fisheries) (4.32 p.m.), in reply: At the outset, could I remind the House that the Queensland Rural Adjustment Authority, or QRAA as we will refer to it from now on, administered \$82.7 million in grants subsidies and concessional loans for the farming sector for the last financial year, which is a record for the 10-year-old authority.

To the honourable member for Gladstone I say that QRAA has forecast assistance to remain high to be able to cover all these new schemes that we will introduce. QRAA is going to administer most of those schemes on behalf of other agencies, such as the example we used in relation to SunWater.

The level of assistance that QRAA offered last year is the combination of the years 2002-03 and 2001-02. If members add up the \$51 million provided for 2002-03 and the \$31 million provided for 2001-02, that adds up to the amount of money that QRAA administered in one year last year, so QRAA is on the way up.

What honourable members also have to realise is that the Borbidge government, with the Treasurer Joan Sheldon, sold off the Queensland Industry Development Corporation, which was the farmers' bank. If we go back to what the Rural Adjustment Authority's charter was, it was to help primary producers as a last resort. We have changed all that now. By changing that we have also extended QRAA's ability to service the entire agricultural primary industry sector, which includes fisheries and forestry.

Assistance that was provided through QRAA in the last financial year included interest rate subsidies under the Commonwealth-state funded exceptional circumstances scheme. We had concessional loans under the PIPE scheme, Drought Carry-On and Drought Recovery schemes, as well as training subsidies under the state-Commonwealth funded FarmBis scheme. As minister I believe that QRAA plays a very important role in rural and regional Queensland. I believe that role has been enhanced since the Beattie government was elected.

QRAA is not about taking business away from banks or financial institutions. That is not its charter. QRAA has a great relationship with other lenders, and that is shown through the cooperation in preparing the rural debt survey, which occurs every two years. The last one was released by myself just a few months ago this year. QRAA's role is to provide targeted assistance to viable producers and businesses in circumstances where government—state and Commonwealth or both—recognise that there is a genuine need.

The member for Toowoomba South referred to the coral reef fin fish management plan, as did a few other people. In relation to the honourable member's reference to a media statement released by myself on 1 July this year regarding the coral reef fin fish management plan, the member claimed the release had been removed from the government's media statement web site. I asked my office to check on that assertion. The media statement is still there. I would like to table a print-out from the web site and the web site address for that statement.

The member for Toowoomba South referred to the progress of a study to identify the impacts of the coral reef fin fish management plan. That study was not funded by the Department of Primary Industries and Fisheries, it was funded by the Department of Employment and Training. The study has a steering committee which includes reps from QSIA, the Seafood Marketers Association and Seafood Training Queensland. I will find out for the honourable member, from the Department of Employment and Training, the progress of this study.

The member for Toowoomba South also questioned the take-up of the Small Business Emergency Assistance Scheme. This scheme provides assistance to small business in an exceptional circumstance declared area. A total of 102 applications were received under this scheme last financial year, and 82 of those applicants were approved to a total of \$610,000. One of the original applications was withdrawn, therefore the approval rate was about 81 per cent. All we can do is try to encourage more and more small businesses to apply for this assistance. We cannot force them to apply, but I do point out that of the persons who do apply the approval rate is quite high.

In relation to the name change, honourable members opposite and members on my side of the House hit the nail right on the head. The Rural Adjustment Authority is known statewide and interstate as QRAA. All we intend to do is to enshrine that name in legislation, hence the name change to QRAA. As to the \$80,000 to do that, as was raised by one honourable member opposite, that is just an estimate. It could be a lot less; we do not know. It probably will be a lot less. That \$80,000 was just an estimate. Of course, QRAA will be working as best it can to minimise that cost.

It is also worthwhile to remind all honourable members of the outcomes of QRAA's rural debt survey, which was released by myself in June. That survey found that borrowing by the Queensland rural sector increased by an additional \$1.043 billion over 2002-03.

That additional borrowing has increased the sector's total debt by 16 per cent to \$7.7 billion. The number of borrowers increased by 535 to 18,609. The standout findings of QRAA's 2004 Rural Debt Survey were the increased borrowings and borrowers, coinciding with the reduction in the level of non-performing debt. The level of debt considered to fall into category A has increased by 144 per cent, or by \$2.85 billion to \$4.84 billion, or 62 per cent of total debt. Category A borrowers are those considered viable under most or all circumstances. That means that almost two-thirds of Queensland's farm debt and more than half of Queensland farm borrowers were rated in the highest possible debt category. In the 2001 survey, only one quarter of those borrowers and less than a third of the debt were in category A, so we certainly are improving in that regard.

I will move on to the issue of SunWater, which was raised by a number of members. There appears to be some confusion amongst non-government members regarding the roles of QRAA and SunWater. QRAA has absolutely no role to play in water pricing. QRAA provides SunWater with a back office service, as it has the expertise to determine whether SunWater clients would benefit from variations in payment schedules. This bill, as I said earlier, expands the functions of QRAA to provide the same sort of service to other government departments or agencies.

I will move on to the issue of NDRA interest rates. The member for Warrego referred to interest rates. Let me refer to the interest rates that applied for the natural disaster scheme. It is interesting to note that under the Borbidge government, the interest rate for the NDRA concessional loan was 5.5 per cent. When the Borbidge government lost office in June 1998, the official cash interest rate set by the Reserve Bank of Australia was 5 per cent. In September 1998, the Beattie government reduced that interest rate from 5.5 per cent to 4 per cent. Currently, the cash interest rate set by the Reserve Bank is 5.25 per cent. Under the Borbidge government, disaster stricken producers paid a higher interest rate for NDRA assistance than the official cash rate. That has not occurred in the last six years. It is ironic that a National Party MP and a former Borbidge government minister would talk about interest rates and the QRAA scheme.

The member for Hinchinbrook referred to the low take-up of the concessional loans for the east coast trawl management plan. However, he may have deliberately forgotten that the reason for the low take-up of that assistance was the uncertainty created by the federal government's refusal to accredit the plan. In a letter to the then federal Environment Minister, Robert Hill, QSIA president John Olsen said, 'Anecdotal evidence reported to the QSIA indicates that several millions of dollars worth of contracts are currently outstanding contingent on GBRMPA accreditation of the plan.' Lack of accreditation is the cause of the social trauma and economic gloom being experienced by fishers and their families.

For the first time I inform the House of how I had to work night and day between Christmas and new year, ringing Robert Hill constantly, to finally get him to agree to accredit the plan. Where did I contact him in the last instance? At a test cricket match; I think it was in Melbourne. I suppose he finally capitulated because he was sick and tired of my incessant phone calls to make sure that he would accredit the plan—and we did accredit the plan. It is a great plan and it is a template for other plans, not only in the rest of Australia but also in the rest of the world. At the same time, all applications for concessional loans under the scheme had been granted. Of course, that plan was not accredited for a while.

There were a few other issues raised by members. I referred to one issue raised by the member for Gladstone and she raised a second issue in relation to the appeal mechanism. All we are doing here is enshrining in legislation an appeal mechanism under the internal review. We looked at the external review provisions and we found that they just would not work, so we kept the internal review mechanisms and that is the reason we have done it through the internal system. We are enshrining in legislation what was previously done. It certainly will give our producers an opportunity to appeal QRAA decisions at no additional cost.

Could I just say thank you to all honourable members, especially to government members, for their constructive contributions to the QRAA debate. There are a number of amendments to the legislation. Whilst they appear minor, they are very, very important to our rural constituency. I reiterate that our government considers the role of QRAA extremely important—and I mean extremely important. It provides a wonderful service for our primary producers. I am very pleased to be the minister and to stand in this place and extend those QRAA services to the forestry and fishery industries.

Mention was made of the sugar loan scheme, and so on. All we can do is provide the facility to our producers. If they accept the loans, they apply for them. The honourable member opposite takes exception to the fact that, as minister, I announced these schemes. We have got to announce them to publicise them and put them out in the public domain so that our producers are able to see if they are eligible for those schemes. I would like to thank all members for their contributions.

Motion agreed to.

Consideration in Detail

Clauses 1 to 12, as read, agreed to.

Clause 13—

Mr HORAN (4.48 p.m.): We are talking here about the review of decisions. There has been an internal review process in place and the minister says that this is just enshrining it in legislation. The question I have for the minister is this: is this internal review process that is being enshrined in legislation any different at all from the internal review system and process that was in place before? The process we had before also involved the Ombudsman if it was about a problem with the process. Basically, the minister has indicated that it is no different; it is exactly the same. How was it in there before? Was it just an internal note that they had a review process and it is therefore being put into legislation?

Mr PALASZCZUK: In relation to the appeals process, all this amendment does is to enshrine it in legislation. The other thing that QRAA has informed me that it intends to do is that, whenever a person applies for a loan, it will also provide them with printed material to explain the appeals process in case they are unsuccessful in the application for the loan. QRAA will improve the process of making itself more accountable and more open.

Clause 13, as read, agreed to.

Clause 14, as read, agreed to.

Clause 15—

Mr HORAN (4.51 p.m.): This clause is about the composition of the board and some of the duties of the board. The explanatory notes state that on the board of up to seven there are to be two public servants, a representative of the Treasury and a representative of the Department of Primary Industries. In the legislation that we have before us, under this clause I cannot see where the Department of Primary Industries is specifically detailed. It states that the board will consist of the chief executive, that is, the chief executive of QRAA, the chief executive of the department in which the Financial Administration and Audit Act is administered—so I am presuming that is Treasury—and then it says 'not more than five other persons'. I am wondering where there is a reference to the person from the Department of Primary Industries.

Also, it makes sense that a business plan has to be provided by the chairman and by the chief executive officer. I wonder why there is a need for two plans? Is the business plan provided by the chairman a different business plan about a different part of the organisation to the business plan that is to be provided by the CEO? Is the chairman's plan simply a business plan for how the board will operate as opposed to the CEO's plan being the business plan for how QRAA itself will operate?

Mr PALASZCZUK: If we have a look at the composition of the board, the CEO is referred to there as the chief executive. He is the chief executive. Then, of course, there is the chief executive of Treasury, and then no more than five other persons appointed by the Governor in Council. Of course, the examples of their skills are given.

Mr HORAN: So you are saying that the chief executive is the representative of the DPI?

Mr Palaszczuk: Yes.

Mr HORAN: What of the other issue about the two business plans? Why are there two business plans? There is a business plan from the chairman and a business plan from the CEO. What are they about? Are they not one and the same thing?

Mr PALASZCZUK: There is only one plan, and the CEO and the chairman of the board approve that one plan. It is one plan approved by two people and reported to myself as minister.

Clause 15, as read, agreed to.

Clauses 16 to 21, as read, agreed to.

Third Reading

Bill read a third time.

REVOCATION OF STATE FOREST AREAS

Hon. D. BOYLE (Cairns—ALP) (Minister for Environment, Local Government, Planning and Women) (4.55 p.m.): I move—

- (1) That this House requests the Governor in Council to revoke the setting apart and declaration as State Forest under the Forestry Act 1959 of those areas as set out in the proposal tabled by me in the House on 17 August 2004, viz—

Herberton Range State Forest (SF 194) Area described as Area A on AP10004 and containing about 5.54 hectares as illustrated on the attached sketch marked "B";

Yarraman State Forest (SF 289) Area described as Lot 1 on SP166389 and containing 47.24 hectares as illustrated on the attached sketch marked "C"; and

Yuleba State Forest (SF 328) Area described as within stations 2-5-7-X-Z on SP106999 and containing 287.4 hectares as illustrated on the attached sketch marked "D".

- (2) That Mr Speaker and the Clerk of the Parliament convey a copy of this resolution to the Minister for Environment for submission to the Governor in Council.

My support for the revocation of land from the forest estate for alternative uses is always dependent on there being a clear demonstration of a broader public interest. Careful consideration has therefore been given to each proposal. In each instance, detailed consultation has occurred with affected state and local government agencies. Native title issues have also been considered in relation to the above proposals and, in each case, it has been determined that the action may proceed. I will now outline the background for each proposal.

In relation to the Herberton Range State Forest, SF 194, this proposal involves the excision of about 5.54 hectares from the Herberton Range State Forest, located about two kilometres south-west of Atherton. For more than 10 years the Atherton Tableland Gun Club has occupied the majority of the subject area under an occupation permit. The permit was issued under the Forestry Act 1959 and substantial infrastructure has subsequently been constructed on the site.

The rifle range reserve was first proclaimed in 1902 and the state forest in 1954. As the existence of a gun club on the state forest is clearly inconsistent with the purpose for which the area was reserved, it is considered that the area would best be managed by the Department of Natural Resources and Mines under a lease issued under the Land Act 1994. The balance of the area to be excised will be opened as a road for public use, thereby formalising longstanding existing arrangements. The very small quantity of forest products remaining on the area is of no commercial interest. The current use of the land is historical and the revocation is considered to be in the community's interest.

In relation to Yarraman State Forest, SF 289, this proposal involves the excision of 47.24 hectares from Yarraman State Forest, located about eight kilometres north-west of Yarraman. Tarong Energy has advised that the ash dam associated with the Tarong Power Station is over capacity and the company has sought to expand the dam into nearby Yarraman State Forest, in accordance with the findings of a recent environmental audit.

During the audit, undertaken by Tarong Energy, it became apparent that the amount of ash being generated by the power station required urgent augmentation before mid-2005. The audit recommended that steps be taken to address the potential for environmental damage caused by the ash dam on the state forest. Failure to augment the existing ash dam could result in flooding of parts of the adjacent state forest. This is therefore clearly a sound environmental outcome. Tarong Energy has agreed to pay the Environmental Protection Agency the sum of \$149,850 as compensation for the state forest area being excised. The company is negotiating with the Department of Primary Industries and Fisheries (Forestry) regarding the value of timber on the subject area.

In relation to Yuleba State Forest SF 328, this proposal involves the excision of 287.4 hectares from Yuleba State Forest located about 68 kilometres south-east of Roma. The action is a longstanding one with the holders of a special lease over about 9,000 hectares of Yuleba State Forest having first made application for part of their lease to be excised from the state forest and added to their adjoining freehold lease in mid-1989. The subject area is on the perimeter of the state forest. It is largely cultivated and contains an area of previously pulled brigalow. No merchantable timber will be lost with the excision of this land. A decision on the extent of the area proposed for excision was agreed upon during a joint inspection by the lessees and the Department of Primary Industries' Forest Service some years ago. Agreement was reached on the understanding that the applicant would bear all costs in the matter, including survey. The area proposed for excision was surrendered from the special lease in 1999 after the lessees accepted an offer from the Department of Natural Resources which would give the lessees the opportunity to purchase the land for inclusion in their adjoining grazing homestead freeholding lease should excision of the area from the state forest be approved.

The majority of this land has been cultivated for decades under a range of historical agreements. This situation is a hangover from years past when it was far from uncommon for adjacent land-holders to acquire land designated as state forest for their use in lease arrangements with the state. Given its cultivation over decades, it clearly does not have value as a forest area and would be more properly managed by the Department of Natural Resources.

Mr FRASER (Mount Coot-tha—ALP) (5.02 p.m.): I second the motion moved by the Minister for the Environment today and want to make a few brief comments on the excisions proposed by that motion. I start by reiterating what the minister said at the start, and that is that these revocations are only ever considered and approved when there is a clear public benefit in undertaking such a course of action. In the case of the Yarraman State Forest excision proposal, that is obviously to accommodate environmental concerns with the operation of the Tarong Energy Corporation. It is important to note that Tarong has actually been in consultation with local indigenous groups and is committed to respecting native title and Aboriginal cultural heritage in that instance. The excision will provide for environmental

certainty in the instance of a one in 100-year flood. In relation to the rifle range, that is obviously recognition of the fact that it predates gazettal as a state forest. In terms of the Yuleba State Forest, that is bringing into order an application first proposed with the adjacent lessee holder of many years ago. In all these instances, a balance has to be struck between environmental conservation and good public policy, and that is what this motion proposes. I would urge support from the House for the motion.

Mr RICKUSS (Lockyer—NPA) (5.03 p.m.): These revocations are supported by this side of the House. I thank the minister and Ross McLeod for giving us a briefing on these revocations. I have spoken to the member for Tablelands, and she is very pleased that the gun club's lease in Atherton is being validated. I have also spoken to the member for Nanango, and she says that through consultation the local council is also very happy with the transfer of the fly ash. I have also spoken to the member for Warrego, and he said that there are no issues with the transfer of that 287.4 acres of the Yuleba State Forest. Everything seems to be in order. It is just good government and good commonsense that these things are done.

Hon. D. BOYLE (Cairns—ALP) (Minister for Environment, Local Government, Planning and Women) (5.04 p.m.): I thank the member for Mount Coot-tha for his support for this revocation. Honourable members may not know, but he is in fact the chair of the environment legislation committee and does an excellent job. I am aware that he and many of his constituents are very concerned about environmental matters. I also thank the member for Lockyer. I appreciate the time that he has taken in extra consultation as a double-check mechanism, because revoking areas of state forests is a serious issue. So I thank him for his efforts and for his support. I ask members to support this revocation motion.

Motion agreed to.

PARTNERSHIP AND OTHER ACTS AMENDMENT BILL

Second Reading

Resumed from 17 August (see p. 1843).

Ms JARRATT (Whitsunday—ALP) (5.05 p.m.): I am very pleased to be able to rise to speak in support of the Partnership and Other Acts Amendment Bill 2004. This amendment bill will create and control an incorporated limited partnership. This is achieved through a formal registration process with the chief executive of the department administering Queensland's partnership legislation. However, this process may only be undertaken for proposed incorporated limited partnerships that will subsequently register as a venture capital limited partnership or Australian venture capital fund or funds with the Australian government Pooled Development Funds Board.

The reason an incorporated limited partnership will register as a venture capital limited partnership or Australian venture capital fund or funds will be to access the Australian government taxation exemptions and flow-through taxation treatment on income earned on venture capital investment. Upon registration firstly in Queensland to create an incorporated limited partnership, the powers of this body will be limited to only those activities related to the Commonwealth registration as a venture capital limited partnership or Australian venture capital fund or funds. If after two years of its registration in Queensland an incorporated limited partnership has not been registered at Commonwealth level, the chief executive has the power to wind up the incorporated limited partnership so it no longer exists. The chief executive also has the power to wind up this body if its Commonwealth registration is revoked.

An incorporated limited partnership created firstly in Queensland may also satisfy the requirements under the Income Tax Assessment Act 1936 and become a venture capital management partnership. There are no formal registration requirements at Commonwealth level to become a venture capital management partnership. If after two years of Queensland registration an incorporated limited partnership has still not satisfied requirements for a venture capital management partnership, the chief executive has the power to wind up this incorporated limited partnership. As members can see, it is a rather complex amendment bill but quite an important one in the scheme of things. I am very pleased to be standing in the House supporting this amendment bill this afternoon.

Mr REEVES (Mansfield—ALP) (5.08 p.m.): It gives me great pleasure to rise to support the Partnership and Other Acts Amendment Bill. A limited partner in an incorporated limited partnership will have no liability for the debts or obligations of that body or of a general partner in that body. However, an incorporated limited partnership may call on a limited partner to contribute an agreed amount of capital or property and that capital or property may be used to satisfy outstanding debts or obligations of the incorporated limited partnership.

Given that the bill provides limited partner investors with protection from liabilities incurred by the incorporated limited partnership as a trade-off, the bill also provides that a limited partner must not take part in the management of the business of an incorporated limited partnership. However, the persons or companies who usually receive venture capital funding usually do not have the management expertise

to commercialise ideas or new or innovative products or services. Investors who traditionally provide this early stage seed or start-up capital have the commercial and management expertise to help realise these ideas or prototypes. As such, the bill provides for certain safe harbour management activities within which a limited partner investor may participate without infringing the prohibition on management of the business.

A general partner in an incorporated limited partnership is jointly liable with the incorporated limited partnership for the debts and obligations of that body while the general partner is or was a general partner. However, the bill provides that the general partner is liable only to the extent that the incorporated limited partnership cannot satisfy those liabilities. A general partner manages the business of an incorporated limited partnership and is the agent of that body corporate. I support the bill.

Hon. K.R. LINGARD (Beaudesert—NPA) (5.11 p.m.): The opposition will support the Partnership and Other Acts Amendment Bill. I thank the minister for the briefings that have been available. This bill amends the Partnership Act 1891 by establishing incorporated limited partnerships, which are referred to as ILPs, as a new business structure in Queensland, similar to the position that exists already in Victoria, New South Wales and the Australian Capital Territory. The significance of the introduction of the ILPs relates to attracting increased international and domestic venture capital investment in Queensland. An ILP is the preferred business structure internationally for venture capital investment. It is also a structure through which the taxation exemptions and flowthrough taxation treatment for venture capital investors, introduced by the Commonwealth government in 2002, may be accessed.

Under the bill, ILPs will have at least one general partner who is responsible for the management of the business of the ILP, at least one limited partner who commits an agreed amount of capital or property to the ILP and who is prohibited from taking part in the management of the business of the ILP, and a separate legal identity that provides full protection from liability for its limited partner investors. I note that an ILP will be liable for all of its debts and obligations without any shortfall to be met by its general partners. I also note that where a limited partner is being taken into the management of the business of an ILP, the limited partner will be liable only for the loss or injury incurred by a third party as a direct result of any wrongful act or omission of the limited partner and where the third party reasonably believed that the limited partner was, in fact, a general partner in the ILP.

Despite the restriction on a limited partner being involved in the management of the business of an ILP, a limited partner may still oversee their investment, assist with the growth of the ILP, and ensure that the ILP is being managed effectively without compromising their protection from liability. The protection from liability for limited partners in an ILP acknowledges the high-risk environment in which venture capital funding is sought. Such protection is also seen as justified in achieving the outcomes associated with an enterprise securing venture capital funding. These outcomes include encouraging local initiatives and new industries, providing local employment and ensuring that the expertise related to an enterprise does not move offshore. We all believe that there is a need for venture capital. We know that it is important in research and that it is important in all sorts of businesses and certainly in the business of restructuring.

I note that the venture capital investment in Australia for the 12 months to 30 June 2004 was stable at \$931.26 million. This was an increase of \$52 million from the \$878 million invested in the previous 12 months and a slight decrease—\$13 million—on the \$944 million invested in the 2003 calendar year. At the Commonwealth level, the Venture Capital Act 2002 and the Taxation Laws Amendment (Venture Capital) Act 2002 commenced operation on 19 December 2002. That is why there is obviously a need for all states to mirror that legislation, so that we fit in with what is being done at the Commonwealth level. The purpose of these acts is to establish an internationally competitive framework for venture capital investment and provide an investment vehicle for venture capital that is aligned with world's best practice. The acts also form a crucial part of the federal government's program to encourage new industries. They also form a crucial part of the federal government's program to encourage new and foreign investment into the Australian venture capital market and to further develop the venture capital industry.

The Taxation Laws Amendment (Venture Capital) Act 2002 amended the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 to extend the scope of the existing tax exemption for venture capital investment to registered VCLPs and registered AFOFs, which are used to invest in Australian venture capital companies. The Venture Capital Act 2002 provides the administrative measures for the registrations of VCLPs and AFOFs. Therefore, it is seen as necessary for Queensland to introduce this legislation to complement the federal legislation.

We all hope that the ILPs will create an incentive that is needed to draw overseas and Australian financial backers. We will have to monitor whether small and medium sized businesses or enterprises are available to raise venture capital in what are normally considered high-risk investments such as emerging technologies or new products requiring funding for research and development. The opposition supports the legislation where both general and limited partners are allowed, with the relationship between both types governed by written agreements and legislation. The opposition supports the fact that limited partner investors are offered the protection of no liability for the debts and obligations of the

incorporated limited partnership. The opposition will support the fact that, as the minister has said, limited partner investors are required only to contribute the capital or property to the incorporated limited partnerships to which they have agreed.

We know that limited partner investors must not take part in the management of the business of an incorporated limited partnership, unlike the general partner. General partners must satisfy debts to the extent that the incorporated limited partner is unable. Incorporated limited partnerships in Queensland will be recognised outside of the state. As I have said, there is a need for all states to mirror the legislation that has already been brought in at a Commonwealth level. Therefore, the opposition will support the legislation.

Dr LESLEY CLARK (Barron River—ALP) (5.17 p.m.): It is with pleasure that I rise to speak to the Partnership and Other Acts Amendment Bill 2004. The bill introduces an incorporated limited partnership in Queensland. This entity will be a new form of business structure that Australian and international venture capital investors in Queensland can use to access taxation exemptions and flowthrough taxation treatment for venture capital investment, recently provided by the Australian government.

The Australian venture capital fundraising industry is relatively small when compared with its United States equivalent. But venture capital is one of the main sources of funding for the biotechnology, information technology and communications sectors—sectors that this government is providing great support to through its Smart State strategies. These have high research and development activity and rely heavily on venture capital to fund them. The suppliers of such finance are predominantly institutional investors and specialised venture capital entities.

The introduction of an incorporated limited partnership, together with the Australian government's taxation reform, will create an environment in Queensland that will encourage further international investment in these sectors and will strengthen Queensland's growing venture capital fundraising and management industry, which are very important goals for the government.

As has been said, venture capital is often a high-risk area. So it is very important to have appropriate and effective winding-up strategies, such as that there will not be any repercussions of companies that cannot succeed. In my short contribution to this bill, I would like to outline the three ways that this bill provides for winding up an incorporated limited partnership. It may be wound up voluntarily, either in the terms set out in the partnership agreement or in a special resolution of the limited partners. If the partnership agreement does not set out how the assets of that body are dealt with, the assets will be distributed in accordance with the respective contributions of capital or property made by the limited partners.

Secondly, if the chief executive considers that an incorporated limited partnership has ceased to carry on business; has not been registered at Commonwealth level as a venture capital limited partnership or an Australian venture capital management partnership or has had a registration revoked; there are no limited partners in an incorporated limited partnership; the incorporation was obtained by mistake or fraud; or the incorporated limited partnership exists for an illegal purpose, then the chief executive may direct that the incorporated limited partnership be wound up.

The third and final way an incorporated limited partnership may be wound up is under part 5.7 of the Commonwealth Corporations Act 2001. This allows an incorporated limited partnership to be wound up if the incorporated limited partnership is unable to pay its debts; it is in the opinion of the court that it is just and equitable or in the public interest that the incorporated limited partnership is wound up; or the Australian Securities and Investments Commission or chief executive is of the opinion that the incorporated limited partnership cannot pay its debts or it is in the interests of the public or a creditor that the body is wound up. After an incorporated limited partnership is wound up, the chief executive must cancel the registration of the incorporated limited partnership so it ceases to exist.

Hopefully these provisions will not be used all that often. Hopefully these partnerships will be successful and in the best interests of Queensland. I commend the bill to the House.

Mrs STUCKEY (Currumbin—Lib) (5.20 p.m.): Let me state at the outset that the Liberal Party supports the Partnership and Other Acts Amendment Bill, necessary for the proper administration of the new partnership provisions. These amendments are designed to provide under Queensland law the establishment of limited partnerships that fall within the beneficial tax provisions provided by the Commonwealth government in its 2002 legislation on venture capital. This legislation provides a favourable capital gains environment and flowthrough taxation on income from the venture capital investment. This legislation in its provisions recognises the higher level of risk and the longer time frame within which new ventures generally operate. These amendments are also designed to provide under Queensland law the establishment of limited partnerships that provide under specific conditions limited liability for the limited partner while the day-to-day affairs of the partnership are conducted by the general partner who does not have limited liability.

The Australian government, through the introduction of the Venture Capital Act 2002, has shown its commitment to maintaining Australia's status as an attractive place for business and investment by

ensuring the tax system is adapted to suit the global business environment. In yet another episode of playing catch-up, the Labor government has only now produced this legislation that allows these incentives to be accessed by people wishing to do business in Queensland.

Although each of the Australian states and territories has partnership statutes which allow for some form of limited partnership, there is uncertainty as to whether the limitation of liability is effective in all circumstances and in all jurisdictions. Without venture capital legislation in Queensland there remains a major impediment in the usage of the existing limited partner structure in Australia.

Quite clearly, the intention of this bill is to encourage more overseas venture capital into Queensland businesses. With the added security provided if you are a limited partner, only the assets you invest are exposed, which means that if something goes wrong your other assets that are not invested are protected. This legislation does not guarantee a wave of new investors. Rather, it will make it easier for those people who are currently looking to invest. Queensland needs more than this piece of legislation if it is to attract new investors.

Attractive tax provisions are not meaningful unless the state can offer a sound commercial environment for completely new business ventures. The minister should provide the House with supporting comment from fellow ministers responsible for industry, science and technology.

As the minister noted in her second reading speech, both Victoria and New South Wales have already introduced such legislation. These Australian states have larger and more diversified economies than Queensland, and no doubt they have already begun to attract the majority of current venture capital investors. How many hundreds of millions of dollars in research and development funding and capital venture funding have gone south of the border because Queensland has once again been slow on the uptake?

In a ministerial media statement dated 18 August, the minister stated—

This is great news for those small to medium enterprises attempting to raise venture capital in what are normally considered high-risk investments such as emerging technologies or new products requiring funding for research and development.

Interestingly, this is not the view shared by key Brisbane corporate stakeholders, one who says that the new structure would certainly appeal to large-scale investors, especially those from the United States, where limited partnerships are in common use, and another who says that limited partnerships do not have wide relevance for the average small business. Rather, they are suited to businesses working in high-risk fields that need to attract extra investment.

This government is big on launching new initiatives amid loud self-acclamation yet small on delivering results. Let us take as an example public-private partnerships, or PPPs. According to the Labor government's state infrastructure plan 2003-04, PPPs have been in existence since September 2001. None of the 17 projects listed have managed to progress past the concept stage. To date we have not seen any concrete results. No construction has started and not a single sod has been turned.

To its credit, though, the state government has attracted some new industries to Queensland such as biotechnology. However, we still fall short of investors and, as I have mentioned already, other states have the jump on us as they have implemented this information earlier.

The minister talked about the biotechnology, information technology and communications sectors as being likely beneficiaries of investments encouraged by the 2002 Commonwealth initiatives, of which this legislation is designed to take advantage. Sectors mentioned above are of course the same as those in which the USA, Japan and Europe are well established, with enormous research budgets and huge domestic markets. This does not mean that we should not compete at all with these existing markets. Merely, let us try something different. I refer to biotechnology here. Medical advances and products adapted through our abundance of marine life offer huge scope for development. The boundaries of aerospace are limitless.

While the Liberal Party welcomes any venture capital investments in the abovementioned established sectors, we do believe that the state government should be looking at areas which are already major economic powerhouses for this state. This begs these questions of the minister: what has been done to identify the areas to which these investors may be attracted; and how much consultation has there been with ministers in other departments, like Mines, Innovation and Primary Industries?

We need to promote Queensland and its commercial attributes and concentrate on areas of expertise which can be expanded, such as agriculture. Promoting our local product will ensure that we do not neglect our grassroots industries, which Queensland is known and respected for. As a suggestion, and suggestion only as I am not at all familiar with what is possible in this field, how about processing dairy products into ghee or growing flax on the Darling Downs? Let us not underestimate the potential of new ventures in areas where we are already competitive, in export fields in particular, and add value.

The Minister for Fair Trading has adopted a formulaic approach with this bill, an approach that may be more appropriate for Korea or Japan with their established networks. Talking to other departments to help identify a range of areas for investor capital investors could open new windows of

opportunity. Unfortunately, the government has not shown any fresh initiatives here. For this legislation to work to Queensland's benefit it is imperative to find realistic ways to entice investors, as we will have difficulty competing with Japan and Los Angeles with their well-developed technology and communication systems.

People want to invest in something with a chance of succeeding. They are looking for a unique opportunity, not what others are doing. Ministers from a variety of departments need to work together to ensure that new investors realise the potential of Queensland industry and come here before they go to New South Wales and Victoria.

The Howard government, through Invest Australia, has released a publication showing the 10 good reasons to invest in Australia. The document highlights the fact that Australia has strong economic credentials. In fact, the *World Competitiveness Yearbook 2003* states that Australia's economy is the most resilient in the world. Since 1998 Australia's strong economic growth rate has exceeded most other OECD economies, including the USA, UK, Germany and Japan. The OECD forecasts 3.7 per cent growth for Australia in 2004 and four per cent in 2005 compared to average OECD growth rates of three per cent and 3.1 per cent respectively. The publication also mentions that Australia is politically stable, possesses a highly-skilled multilingual work force, has an innovative culture with excellent research and development infrastructure and has an open, efficient regulatory environment. Queensland would be wise to produce a similar document that specifically relates to our attributes and specifies our emerging export industries, such as boatbuilding, agriculture, aviation and pharmaceuticals.

A company does not advertise for venture capitalists. They approach companies. If Queensland wants to take advantage of the new incentives, we must find ways that will draw these investors to our state. We need to make the Smart State the investor state. Venture capitalists are looking for unique opportunities, not what others are doing. It would be naive of the minister and the state government if they think this bill will of itself have venture capital investors falling over themselves to come to Queensland.

In summary, we need to focus on new initiatives in the further processing of elaborate transformation of our primary products where we have long-established, internationally competitive products. We need to see actions, as taken by the Commonwealth, picked up and expanded upon by the state government. New approaches to marketing and the managing of inventory are required if we are to lure these high-risk investors. Reinforcing my previous comments, the state needs to work with industry to identify productive new ventures to stave off established international competitiveness, thereby offering the greatest opportunity for success for the investor, the industry, employment, Queensland and the nation.

The Liberal Party believes in free enterprise, competitive business and a competitive free market. I once again applaud the federal government for initially introducing this legislation. The Liberal Party supports this legislation, belated though it is. I commend the bill to the House.

Mr FENLON (Greenslopes—ALP) (5.30 p.m.): I rise to speak in support of the Partnership and Other Acts Amendment Bill 2004. In doing so, I would like to particularly speak about the interrelationship with the existing partnership law. The Partnership and Other Acts Amendment Bill 2004 allows an incorporated limited partnership as a new business structure in Queensland. Although its name may signify it, this entity is not a partnership as would normally be thought. A normal partnership is a group of persons who come together in common with a view to profit and who have no separate legal identity.

An incorporated limited partnership is a new form of body corporate that will be created for the sole purpose of channelling investment capital into new and developing Queensland companies. It has its own separate legal identity. The name 'incorporated limited partnership' is sourced from the equivalent Victorian and New South Wales partnership legislation so that a uniform set of laws and approach are taken to entice international venture capital into Queensland and Australia.

In light of the fact that this body is not a partnership, the bill expressly provides that the existing law in the Partnership Act 1891 does not apply to either an incorporated limited partnership, the general or limited partner in that body or to any relationship between those persons. The bill, however, does provide for individual rules for incorporated limited partnerships and the partners in that body who sit in tandem with several existing partnership laws.

The reason for the restriction on existing partnership laws applying to incorporated limited partnerships is to provide an internationally recognised legislative vehicle for limited partner investors. This will provide international investors with the incentive to place their capital into Queensland companies involved in high-risk research and development activities. Indeed, the international capital marketplace is increasingly interrelated, and this is an important piece of legislation that will ensure the smooth working of the Australian capital marketplace as it interfaces with that international environment. I commend the bill to the House.

Mr McARDLE (Caloundra—Lib) (5.33 p.m.): Venture capital or equity capital for seed, start-up, expansion, management buy-out and buy-in and turnaround opportunities are currently available in Australia, but the major obstacle to attracting foreign venture capital investment has been the treatment of limited partnerships as companies under Australian taxation laws. Limited partnerships are favoured internationally as investment vehicles for venture capital investments and generally enjoy flowthrough taxation treatment overseas.

As I stated, a limited partnership by contrast was treated in the same way as a company in that it was treated as a taxable entity and the partnership itself has therefore paid tax on its income and capital gains at the corporate tax rate—currently 30 per cent per annum. The distribution of income from a limited partnership was treated as a dividend. When profits were distributed to a non-resident partner, dividend withholding tax was payable at the rate of 30 per cent, reducible to 15 per cent if paid to a resident of a country with which Australia has a double tax agreement unless a dividend was fully franked. In addition, the interest of the partner in an Australian limited partnership is an asset for capital gains tax purposes, the disposal of which would give rise to Australian capital gains tax consequences.

In 2002 the federal parliament enacted the Venture Capital Act and the Taxation Laws Amendment (Venture Capital) Act. These acts make key changes to the existing taxation regime, both for limited partnerships registered under the acts and their partners. These changes potentially benefit overseas investors investing in Australian companies directly or indirectly through such limited partnerships in two fundamental respects: one, flowthrough tax treatment and, two, tax exemption on capital gains for limited partners. With regard to flowthrough tax treatment, venture capital limited partnerships and Australian venture capital fund of funds and limited partnerships which are appointed as a general partner of a VCLP or AFOF are no longer treated as companies for tax purposes. Instead, the income profit gains and losses of the VCLP or AFOF flow through to its partners without payment of tax at the partnership level.

With regard to tax exemption on capital gains for limited partners, the limited partners or VCLP or AFOF which make gains or profits on the disposal of investments which meet the criteria under the acts are exempt from tax on those capital gains or profits. The bill currently before the House changes the Partnership Act 1891 to acknowledge the federal government legislation and to put in place an incorporated limited partnership which will allow venture capitalists, basically from overseas, to access the Australian market and provide a further avenue of funds for Australian businesses.

The introduction of the Commonwealth legislation and the amendment to the Partnership Act are not of themselves going to be sufficient to draw funds into this country. The tax concessions set out in the tax act and the Venture Capital Act are primarily directed towards attracting overseas capital into Australia and provide the framework for structures that are recognised as world's best practice for raising private equity funds.

The proposed concessions are intended to provide the industry with an ability to compete on a more level playing field with their counterparts in the UK and the US but, if the measures will see the inflow of capital that is predicted, this may depend on other factors including the ability to source significant quality investments, demonstrating significant returns on capital and generally demonstrating overseas that Australia is a good place to invest.

Ultimately, foreign capital will flow into Australia if investors believe that the potential return from Australian investments outweighs those of other jurisdictions. Although the provisions of the Venture Capital Act and the tax act go a long way to redressing the imbalance in the tax treatment that exists between Australian and alternative markets, naturally if we are to attract capital there are to be reasons for people with the capital to want to turn their mind to Australia. Invest Australia lists 10 good reasons to invest in Australia, and I acknowledge them for same. I do, though, refer to only a few today due to shortness of time.

Firstly, the Australian economy is the most resilient in the world, with the average annual real GDP growth of 3.5 per cent since 1998 exceeding most other OECD economies including the UK, Germany and Japan. The OECD forecast of 3.7 per cent growth in Australia in 2004 and four per cent in 2005 compares very favourably to the average OECD growth of three per cent and 3.1 per cent respectively. Additionally in 2003, net public debt in Australia was 3.1 per cent of GDP compared to an average for OECD countries of 49 per cent which included Japan at 79 per cent, the UK at 47 per cent and the US at 32 per cent.

Secondly, Australia has a dynamic financial services sector, with Australia's pool of investment funds under management being the fourth largest in the world and valued at \$434 billion. Australia attracts more private equity funds than any other country in the Asia-Pacific region, accounting for 24 per cent of all private equity invested in the region, and is also a major capital market in the region, with an annual average growth of 12.7 per cent per annum over the last seven years.

Thirdly, Australia's telecommunication and IT market is the third largest in Asia and the 10th largest in the world whilst Australia is ranked first in the Asia-Pacific region and ninth world wide in e-business readiness. Australia is ranked fourth in the world for the adequacy of its communications infrastructure.

Fourthly, Australia is the No. 1 place in the world where expatriate staff want to live and work. Australia's cost of living is much lower than that of many other countries including the US, the UK, Germany, Japan, China, Hong Kong, Singapore and Canada. The majority of foreign investment in Australia does not require approval. Where approval is required, almost all foreign investment proposals are approved by the Foreign Investment Review Board. As a consequence, we now have in place a taxation regime, a vehicle regime and development which can assist the venture capital industry to move forward.

In fact, there are 189 organisations in Australia at present that do supply equity capital. In the six years between 1996 and 2002, \$4.7 billion was invested through the industry in 1,285 investments through 1,006 investee companies. The challenge now is to attract overseas funds and that, of course, will not be easy. Venture capital is traditionally a risky business, and as a consequence the returns need to be higher than normal. In a recent article in *Business Acumen Queensland* Phil Dickie quoted Bob Vines, the managing director of George Patterson Partners, when he used the phrase 'Challenger state'. To paraphrase the article, Challenger brands are pushing the boundaries beyond current perceptions. It is to this goal that we must aim for so many reasons.

If we turn to some of the statistics in relation to Australia's economic position in the world, there is real scope for positive feeling that venture capital could flow into this country. Australia is the 13th largest of the world's economies, rivalling other markets such as Brazil, Korea and India. Finance and insurance is the third largest sector in Australia's economy, generating almost eight per cent—or \$53 billion—in GDP. The finance and insurance sector has had an annual growth rate since 1984-85 to date of 5.3 per cent, which is well above the combined average of all industries at 3.7 per cent. As such, the economic credentials of Australia are there, and we certainly have the financial capacity to undertake the task before us. However, what overseas investors may be seeking is the type of project or product that is more attractive than—or at least as attractive as—that of other countries, in particular the United States, Japan, Germany, the UK and many of the European or continental countries.

There is a challenge ahead, and legislation at both federal and state levels is an important step in that process. Time will tell whether the financial input will be strong when compared to the United States, but it is hoped that this is a start of a new procedure for seed capital in this country.

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (5.41 p.m.): Venture capital is sought in a number of business areas and has been a component of development in my electorate. Provisions currently exist in Victoria and New South Wales and, therefore, the structure in Australia is not untested. Indeed, venture capital raised in the US is 115 times higher than that raised in Australia. Internationally limited partnerships are the preferred investment vehicle for venture capital investment. However, these associations have their own separate legal identity, and it is this separate identity that provides protection from liability. Queensland partnership laws currently do not provide for such a structure. In order for Queensland to fall in line with other states, the US and the other countries where those investors are located, this piece of legislation will establish an incorporated limited partnership as a new type of body corporate.

As I have said, we have development in my area that has used venture capital. In relation to one project, the original proponents, while seeking capital investment, were putting in place in tandem agreements for power, water and resource needs. They did receive an injection of funding. That entity then required the project to be reviewed and reassessed. The journey for a project using venture capital may not always be smooth. This legislation does not ensure that smooth investment and development will occur but merely puts in place the vehicle with which the investment can be made.

This legislation will work in conjunction with the Australian government taxation regimes to provide an alternative investment climate. Our political stability, our services, our resources and, importantly, our community will provide the greatest attraction to investors from overseas. I support the bill.

Hon. M.M. KEECH (Albert—ALP) (Minister for Tourism, Fair Trading and Wine Industry Development) (5.43 p.m.), in reply: I thank all members for their contributions to the bill. In particular, I thank government members—the members for Whitsunday, Mansfield, Barron River and Greenslopes—for their articulate discussion and debate on the bill. I also thank the member for Beaudesert for his support on behalf of the opposition. I particularly congratulate him for attending the briefings provided by myself and the department. It was obvious that he had researched his presentation this evening in great detail. I thank the member for that. I thank the Liberal Party for their support and contribution to the bill, and I also thank the member for Gladstone.

This bill is incredibly good news for Queensland because at the end of the day it means more jobs for Queenslanders.

A government member: Hear, hear!

Ms KEECH: I acknowledge that 'hear, hear'. It certainly is good news, particularly for our regions.

As the Premier indicated early this week, Queensland's export industry is booming at the present time. To progress that and to improve it we need more investment in Queensland. That is what this bill

will do through its limited partnership opportunities—provide more opportunities for, in particular, overseas investors to invest in Queensland. In fact, only last night I was speaking to a person who is a major player in the venture capital industry. He is a Queensland, and he is leaving within the week to go to America to look for more venture capital. He told me that the industry is very excited about this bill. In fact, he has been looking forward to it being passed by the parliament as quickly as possible, because he actually has \$30 million lined up in limited partnership agreements that he would be able to contribute to the Queensland economy once the bill has been passed.

I want to comment on some of the contributions made by members. As I said, I congratulate the member for Beaudesert for his thorough contribution. I also thank the member for Currumbin for coming along to a briefing with my department. The member for Currumbin alleged that Queensland was playing catch-up. As often happens with the member for Currumbin, she has got her facts incorrect. When the bill was introduced in the federal parliament there was never any indication that Queensland would be first on the list when it came to a complementary bill at the state level. Sydney and Melbourne are the key cities when it comes to involvement in the venture capital fundraising industry. Of course, all of Australia and the federal government expected that those two states would play a lead role. As the member said, Victoria was the first state to pass its legislation. However, it appears that rushing their legislation through has resulted in that state experiencing many technical problems. Victoria is looking at having to make additional amendments because their legislation was rushed through. Queensland, on the other hand, has done the right thing. Queensland waited and examined Victoria's legislation very carefully. I congratulate the departmental officers on that thorough investigation.

This evening what we have is Queensland learning from the technical errors that Victoria made and also taking into account what happened in the New South Wales parliament. I am confident that we have the legislation right. Of course, there are always amendments to legislation. Perhaps in a couple of years time I will be here again, or some other minister will be here, presenting amendments to the bill. However, at this stage I am confident that we have got it as right as we possibly can. In taking time to review the Victorian principles properly and carefully and with thoroughness, I am confident that we are now at the stage where we can go to industry and present the bill.

We have also had ongoing consultation with the Australian Venture Capital Association Ltd, which is pleased with the way Queensland is progressing with this bill. The Venture Capital Unit of the Department of State Development and Innovation has been involved as part of an interdepartmental working group from inception, and it wholly supports the introduction of the legislation. That department will also form an essential conduit for investment in Queensland.

As I said, Queensland is the place to invest in Australia. We have industry, population growth and the promise of rich returns for investors, with academic and research abilities that are second to none. Most of all, the Beattie government is determined to provide the environment to attract and nurture new industries which offer unlimited investment potential. Not only that, we have a government that is firmly focused on where it is going.

Members will remember that the Premier presented to the parliament yesterday the Export Queensland Australia export statement 2003, which was distributed to all members. I am sure many members have had a chance to read this exciting document. It reminds us of how important the export industry is to Australia and to Queensland. In fact, one in five jobs in Queensland relies on exports; therefore, they rely on investment. That is why this bill is very important. In regional areas, one in four jobs relies on exports. It is vitally important that we continue to attract investment, particularly investment from overseas. That is exactly what this bill does.

To sum up, I thank members for their contributions. In particular, I thank Danny Lowe from my department, Simon Grant from the Department of Justice and Attorney-General, Steven Berg from the Office of the Queensland Parliamentary Counsel and Michael Caldwell from my office. It is good news for Queensland. It means more jobs for Queenslanders. I thoroughly commend the bill to the House.

Motion agreed to.

Consideration in Detail

Clauses 1 to 41, as read, agreed to.

Clause 42—

Mr LINGARD (5.51 p.m.): In clause 42 there are 120 sections. I wonder why legislation has to be written with 120 sections in it, especially the laws that come to this House. How can any member discuss 120 sections? Be that as it may, perhaps the minister can explain why there is a need for 120 sections—which cover many, many pages—to be written in one clause? In clause 42—quite obviously—'the Governor in Council may, by regulation, declare a law of another state or another country or jurisdiction to be a corresponding law for' the new chapter 4. I wonder if there is any explanation forthcoming as to how that could happen?

Ms KEECH: I thank the honourable member for the question. Indeed, it is a good question. I have been advised that it actually inserts a new chapter into the legislation because this complements the Victorian model. It is very important that we have a uniform approach. All of the other states and territories will be doing exactly the same thing as they introduce their bills into their parliaments. It is very important, given that we have federal legislation, that Queensland copy exactly the legislation in the other parliaments.

Clause 42, as read, agreed to.

Clauses 43 to 73, as read, agreed to.

Schedules 1 and 2, as read, agreed to.

Third Reading

Bill read a third time.

ADJOURNMENT

Hon. M.M. KEECH (Albert—ALP) (Minister for Tourism, Fair Trading and Wine Industry Development) (5.54 p.m.): I move—

That the House do now adjourn.

Child Protection

Mr JOHNSON (Gregory—NPA) (5.54 p.m.): As I rise to speak in this adjournment debate this evening, the most vulnerable people in our society, without doubt, are our children. When we talk here about children, we talk about the new child protection bill that is before us in the Queensland parliament, the Child Protection Agency and the role of the new special Minister for Child Protection, the Hon. Mike Reynolds.

I was very concerned this afternoon when I saw on the 5 o'clock news that the Queensland Police and police right around the Commonwealth had made a series of arrests in relation to paedophiles. Some 57 arrests were made in Queensland, concerning some 1,890 children. I have to say this evening that our children are the most important possession that we have, they are the most sacred possession that we have and their safety is not negotiable under any circumstances.

One thing I want to do here this evening is urge every member of this parliament to be absolutely observant of the children around this state. Probably less than 2 per cent of the kids in this state are the vulnerable ones, the ones who become victims of predators. It is important that we have adequate laws in place that will put these creeps away forever and a day. I know that the Attorney-General is away from parliament this week, but I certainly hope that he receives a copy of this speech and reads for himself how I feel about this issue. I can assure him that many other people feel as strongly as I do that we need adequate laws in place so that when the police apprehend these people, they receive the sentences they deserve.

An alarming fact is that many of these predators are professional people and we do not know where they are from time to time. The police said during the interview on the Channel 10 news this afternoon that they are sickened by what they have seen and by the material that they have at their fingertips. I believe that it is our responsibility—even more so, the people in government and on the Treasury benches—to make absolutely certain that the police and the child protection people have the necessary power, resources and funding. We must make absolutely certain that these two arms of government administration work arm in arm to ensure that our children are protected from the predators in our society. I believe an important factor is that the medical profession—nurses and doctors alike—should report any anomalies that they see when children come before them.

I urge all members of this House to join with me in asking the Attorney-General to make certain that adequate laws are in place to put these people away forever and a day.

Time expired.

Athens Olympics; Bundaberg Competitors

Hon. N.I. CUNNINGHAM (Bundaberg—ALP) (5.58 p.m.): Athens has been the best ever olympics for Bundaberg. Our whole city is proud of the achievements of Troy Elder, a member of the victorious men's hockey team that won the gold medal. Chantel Wolfenden, who the premier mentioned this morning, won one gold, one silver and four bronze medals at the Paralympics, the most medals won by a Queenslandler.

While Bundaberg is renowned for its sporting prowess and the many champions it has produced, Troy Elder's gold medal was the first Olympic gold ever won by a Bundaberg sportsman or woman. The Kookaburras played magnificently and it was with enormous pride that we heard Troy referred to by the

commentators during the very exciting final—which was watched by most of Bundaberg—as ‘the boy from Bundy’. Athens was the second Olympics for Troy, the first being Sydney where he won bronze.

While the Australian men's team has won world championships and silver and bronze medals at Olympic level, until Athens the gold medal had eluded them. Troy Elder was outstanding. Undoubtedly, he was one of the stars. Our very strong Bundaberg hockey community is over the moon about the first Olympic gold medal in men's hockey.

Chantel Wolfenden, who will be home in Bundaberg this weekend, has cerebral palsy. Her wins are the result of massive training, dedication and determination. Chantel is a credit to herself, to her family and to our swimming community, which is another very strong sport in Bundaberg. Chantel's one gold, one silver and four bronze performances were, I believe, the biggest tally of individual medals by any Queenslanders at the Athens Paralympics. It was an outstanding performance at her first Paralympics.

I place on record our community's congratulations to both Troy and Chantel on their outstanding performances. I also congratulate their families, who have supported them throughout their careers and their preparation for the Games. Considerable support is necessary for any sportsperson to reach this level of success, and that support has been there for both of those champions. Their successes are a fine example of what champions are made of and will serve to inspire other young hockey players and swimmers, not just in Bundaberg but throughout Australia.

Festivals, Currumbin Electorate; Road Safety Awards

Mrs STUCKEY (Currumbin—Lib) (6.00 p.m.): The Currumbin electorate has well and truly come alive with cultural and artistic events and festivals held during September. I personally thank the organisers of Swell Sculpture Festival, Springfest and In the Bin film festival for the invaluable contributions they are making to their community. It gives me pleasure to report that the locals show their appreciation by turning out in record numbers to support and, of course, enjoy the smorgasbord of entertainment and activities on offer in this most picturesque part of Queensland.

Visitors came from near and far to marvel at the artistic talent and to sample the cuisine of our beachfront eateries at the second annual Currumbin Swell Sculpture Festival. Founders Natasha Edwards and Kylie Mitchell-Smith are the inspiration behind this push, ‘Getting art out there’, which is sculpture in its glory with an ocean backdrop along the Currumbin beachfront. Natasha and Kylie are a couple of the most vibrant and enthusiastic young women one could hope to meet. Over the seven-day festival, the Swell program incorporated twilight sculpture tours, children's interactive sculpture sessions and a live music stage. Over 50 pieces were on display and many of those can be viewed in the Currumbin Wildlife Sanctuary until January 2005.

Frank Hayhurst is the man behind the successful 16-day community festival, Springfest. In its 12th year, Springfest retains its popularity year after year due to the wonderful variety of events and the total dedication and hard work of Frank and his volunteers. This year's festival drew the biggest crowds in the event's history to Palm Beach. There was something for everyone from the opening march with stirring pipe and drum bands, the beautiful baby competition, the art and craft festival, the family fun day, the Miss Springfest competition and of course, festival essentials, rides and sample bags.

In the Bin, a short film festival, is the brainchild of 25-year-old Jed Cahill, who launched this event five years ago. Jed is amazed at the ongoing success of his idea and also at the standard of entries. Held in a park opposite the Currumbin Wildlife Sanctuary, In the Bin attracted thousands of people to outdoor viewings over several nights. This year the festival included new categories, as well as the traditional Short Film section. These were Board Shorts, which were films of a sporting adventure nature; School Shorts, which were films made by secondary students; and Frame-Breaks, which support teenage adventure camps.

I also take this opportunity to acknowledge Elanora woman Linda Stevens, who was recently presented with a recognition and encouragement award at the 2004 Queensland Road Safety Awards. Linda acquired a brain injury from a serious bicycle accident 18 years ago and visits schools educating children with her free program on cycle safety. We are fortunate, indeed, to have these individuals in our midst in the Currumbin electorate.

Cairns Education Renewal Project

Dr LESLEY CLARK (Barron River—ALP) (6.04 p.m.): The eight-week community consultation phase of the Cairns Education Renewal Project was completed recently. This project, which focuses on planning for the future of education in the Cairns area from Gordonvale to Palm Cove, has the potential to deliver benefits to thousands of students across the region.

Consultation for this project has been extensive, involving 26 primary and secondary schools in the Cairns region grouped into clusters representing the northern, central and southern areas of Cairns. Each cluster had a community reference group with each school represented by its principal and/or a

P&C or school council representative. Each reference group met three times and I participated in the northern cluster meetings.

A number of interested individuals and groups were consulted separately as part of the process by members of the renewal team, including a Kewarra Beach resident who expressed a widespread concern about high-density development occurring on the state government land in Poolwood Road if it were sold. Three newsletters have been produced and distributed to all families at the 26 schools involved and a range of relevant materials was placed on the department's web site as well as in newspaper advertisements.

Of the six initiatives that have been proposed by the community as a result of the consultation process, three are in my electorate and have my strong support and the support of the school communities in Barron River. They are a dedicated middle school for years 6 to 9 at Redlynch to provide an integrated prep to year 9 learning environment; a new senior campus for years 10, 11 and 12 at the Smithfield State High School to be located adjacent to James Cook University, with the existing Smithfield campus reorientated as a middle school for years 6 to 9 and possibly, over time, as a prep to year 9 campus; and the relocation of the Kuranda primary school to a new location adjacent to the Kuranda State High School to provide a prep to year 12 college.

The key element in the Cairns Education Renewal Project involves the identification of surplus Education Queensland assets that could be sold to fund these new initiatives, which might not otherwise be funded. It has been estimated that up to \$10 million can be generated by the sale of surplus government land. There was strong community support for the concept of selling surplus assets to support important new educational projects in Cairns, provided there was a rigorous process to determine whether the land was in fact surplus and that there was a government guarantee that the funds were allocated to the new initiatives. I put on the record here the government's commitment that any funds from the sale of assets will be retained for allocation to education projects that have been supported by the community in Cairns and ultimately receive approval from the Minister for Education.

I take this opportunity to thank all those people who have contributed their time, energy and skills to this consultation process, which has been a first for Queensland. The next stage in the project is the preparation of the report for the Minister for Education summarising the outcomes of the community consultation process. I know that Minister Anna Bligh will take account of all of the views documented in the final community consultation report when making her decisions about the future of state education in the Cairns region.

Vacation Care Services

Miss SIMPSON (Maroochydore—NPA) (6.07 p.m.): I call on the Beattie government to review the controls relating to vacation care services in Queensland. I believe that that is desperately needed, given the incidents that have occurred involving the abuse of children in some vacation care centres. While we know that the majority of care providers are doing a good job, when there are failures in the system a child could be abused. I am aware of one incident that occurred some six months ago which involved other children abusing a child. While most carers are doing the right thing to provide protection to children, unfortunately incidents such as this highlight the fact that in some circumstances there are flaws in the system which ensures that there are adequate numbers of carers to provide for children in vacation care.

I have raised this issue with Warren Pitt, the Minister for Communities, Disability Services and Seniors. In his last reply to me, the minister said that, in addition to the national standards for outside school hours care and the National Child Care Accreditation Council's outside school hours care quality assurance system, the Commissioner for Children and Young People Act 2000 requires that people engaged in the care of children hold a positive suitability notice, and that includes those people who provide care in vacation services. The minister said that that is a strong measure to protect children and it provides reassurance to parents and guardians leaving children in a service.

Respectfully, I have to disagree. In regard to the positive suitability notice, we have already seen a situation where one person who was charged and convicted of child abuse offences did not declare that conviction against their name and continued to hold the blue card. It was not automatically taken off them. As I understand it, it was only when the issue was raised by someone who knew the person that the card was taken off them.

There are concerns that the mechanisms that are supposed to be protecting children still have flaws. There are still holes in the system and the system needs tightening up. I call on the minister and the Beattie government to review the regulations—or the lack of regulations—surrounding the care of children in vacation care. I believe this is an area that needs investigation and review. The system is failing in regard to the positive suitability notice, the blue card, if people who have had child abuse convictions lodged against them have not had that card taken from them. These are flaws in the system and they must be addressed. I call on the government to take action.

Call to Prime Minister, *Rove Live*

Mr PEARCE (Fitzroy—ALP) (6.09 p.m.): The call is being heard in all corners of the country—from the outer suburbs to the outback, from Kallangur to the Kimberley, from Penrith to Perth. And today it will be heard in this House. The call is to the Prime Minister, John Howard, and the message is: phone Rove! For several years now, the host of Channel 10's *Rove Live*, Rove McManus, has been pleading with the Prime Minister to appear on his late-night talk show. The poor man has gone way beyond the call of duty in order to secure a chat with this elusive leader. He has left countless telephone messages and written many letters. He has called on residents of the Sydney suburbs to flash their lounge room lights in support of the meeting. He has telephoned the security guard at federal parliament asking the man to slip a message to the PM as he drives by every day. He has wobbled on a launch on the shark-infested waters of Sydney Harbour opposite Kirribilli House armed only with a megaphone and an irrepressible optimism in the purity of his cause. He has wandered the corridors of federal parliament in the vain hope of bumping into the PM—all to no avail.

But the groundswell continues to grow. Despite the different names joining the call, the message remains the same: phone Rove! Come on, Prime Minister! Give Rove a break! Phone him! It is not as if this self-proclaimed love child of Larry Emdur is all that scary. You have already survived the worm! What could be worse than watching that little white bubble plummet below the approval line amid an election campaign? Or could it be that our Prime Minister does not have a sense of humour? Surely not, given how he has often 'laughed aside' suggestions of mishandling such key issues as Iraq and the children overboard. Perhaps Rove should consider having George W. Bush make a guest appearance on his show. That would be a sure way of getting the PM to sit in the seat opposite.

Perhaps Rove should give Howard an incentive. He could offer little Johnny the position of director for the new 'Red Faces Hour' featuring Abbott and Costello. That would surely bring the house down! If facing Rove in person is too daunting, perhaps John Howard could phone him. That is one thing we know he does well. In closing, let me say that I think I know the reason, Mr Howard. I think I know the reason why you will not appear on *Rove Live*: it is because, 'You don't know how to rap or talk the talk! It's the lying rodent rap, the lying rodent rap! So go on the show and talk some ...'—very interesting things! Come on, John! Phone Rove!

Targinie, Property Buyback

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (6.11 p.m.): I again want to speak about concerns by residents who are located in Targinie. I want to read to the House part of a letter from an officer from the Department of Natural Resources, Mines and Energy taking action on behalf of the Department of State Development. The letter reads—

Further to the without prejudice conference, the Department of State Development and Innovation on behalf of the Coordinator-General has revised its previous offer and is now prepared to make a without prejudice offer to acquire—

that is, acquire this person's property. I have left any identifiers out. The letter continues—

Such offer includes an amount of—

a certain amount of money—

for plant and equipment on the property as previously agreed upon. Your clients' early reply to the above offer would be appreciated. If the offer is acceptable, please advise of any additional disturbance items your clients may have, their preferred settlement date and whether they wish to rent at a weekly rental of ...

The letter then goes on, and this is what people have found intimidating—

Should your clients not accept this offer, it will be withdrawn after 14 days of the date of this letter and they may continue to live on the property without interference from the Coordinator-General until at least December 2007. After that time, the property may be compulsorily acquired. Your clients should be aware that, if this matter proceeds to a Land Court hearing, the position taken by the Coordinator-General at that hearing may be different to that which is presently being offered to them in this letter of offer and the previous without prejudice negotiations. Obviously the ultimate decision on the value of the property will be up to the Land Court if the matter was referred to it. However, the amount which has been offered to your clients, whether that amount was arrived at by valuation or otherwise, should not be taken as the minimum amount they will receive. Your clients may receive less than this offer from the Land Court. The costs incurred in the Land Court process may not necessarily be met by the Coordinator-General.

These landowners—and over half have shifted; many of them have accepted the offer because they felt intimidated—continue to feel intimidated and one person used the word 'blackmailed' by the way these letters are written. One landowner consistently asked that his plant and equipment not be included in the valuation, and that has been ignored. Houses that have been purchased are being offered back to the landowners at quite expensive high rents. Our region has high rents, but this is a rural community. It has no water, no power and no mail service. So the government is offering these houses back to these residents at urban rates. As a result, they are not being accepted. The houses are being left derelict and are being vandalised, and these are people's homes. They have lived there for years. The buyback at Targinie is one that has been caused—

Time expired.

Banyo Returned and Services League

Mr NEIL ROBERTS (Nudgee—ALP) (6.14 p.m.): I want to recognise the community initiatives and achievements of the Banyo sub-branch of the Returned and Services League. Like many RSL sub-branches, just a few short years ago the Banyo branch had difficulty maintaining its numbers and, with ageing members, finding the time and energy to sustain the organisation. A helpful turning point occurred in 1995 with the then Labor government's Australia Remembers initiative. Interest in the sacrifices of our service men and women grew as a result of a massive campaign of activities, award ceremonies and information distribution to communities and schools. One pleasing result of the Australia Remembers campaign was the increasing number of people, particularly young people, who were attending Anzac Day services. Around this time the Banyo sub-branch also began to actively encourage new members and to put in place initiatives to work more closely with the local community and local schools in keeping the memory of servicemen and women alive.

Mr Reeves interjected.

Mr NEIL ROBERTS: Yes, Con Sciacca did a great job on that campaign. A number of initiatives are worthy of note. In 2000 the sub-branch established Australia's first RSL citizens auxiliary which enables members of the local community who are not directly eligible for RSL membership to participate in their affairs. The citizens auxiliary concept has now received support from the national level of the RSL and is considered to be a key plank in the league's endeavours to sustain sub-branches into the future. Another exciting initiative of the Banyo sub-branch is its annual expo on the enjoyment of ageing. The expo has been staged for the last two years at the Australian Catholic University at Banyo. This year ACU staged the expo in partnership with the sub-branch and discussions are currently under way with Centro management at Taigum to stage next year's expo at the shopping centre.

The expo attracts hundreds of visitors who receive information from a wide range of service providers and support agencies who deal with seniors in our community. Greenslopes Private Hospital has been the major sponsor for the first two expos and it has been opened in each of its first two years by the then Minister for Families, Judy Spence, and the Minister for Communities, Warren Pitt, respectively. One of the main achievements of the sub-branch is the support it provides to the families of its members and fallen comrades. It also hosts the annual Anzac Day ceremony for Banyo and surrounding suburbs at the recently refurbished Banyo memorial. It is now not unusual to have crowds in excess of 500 people at this service.

The Banyo sub-branch of the RSL has been a leader in innovative ways of engaging with its local community. It has been recognised nationally for its efforts, and I want to publicly thank and congratulate it and the citizens auxiliary for the wonderful work they do in our local community. I want to record the names of the current executive of the sub-branch and the citizens auxiliary as a part of this public recognition of their efforts. In the sub-branch they are president Ron Virgen and committee members John Sutton, Frank Banks, Anne Templeton, Jim Comerford, Dave Townsend, Bob Hadlow, Bruce Meiklejohn and Bob Rogers and in the citizens auxiliary they are president Sue Edwards and other committee members David Black, Sharon Ormiston, Maureen Sargent, Millis Townsend, Cameron Omiston, James Templeton and Elizabeth Nunn.

Time expired.

Bundaberg and District Mental Health Service

Mr MESSENGER (Burnett—NPA) (6.18 p.m.): On Thursday, 19 August this year during debate on the appropriation bills the Health Minister, Minister Nuttall, promised to get back to me on the serious issues that I raised in relation to the Bundaberg Mental Health Unit and the review that was, at the time, being processed. The minister said to me in response—

The honourable member for Burnett raised a number of issues. I ask him to be patient with us. Most of those matters are being attended to, and I give an undertaking to get back to him in due course on those matters.

On Tuesday, 11 May 2004 three nurses, who each have over 30 years mental health service and experience, sat in the public gallery here and with my help made serious allegations of maladministration, bullying and possible criminal behaviour occurring in the Bundaberg and District Mental Health Service.

Why has the Health Minister refused to release the findings of an independent investigation, which flowed from those allegations and was conducted by Dr Mark Waters into the Bundaberg and District Mental Health Service? Why has the Health Minister compromised the independent status of that important investigation by subsequently employing Dr Waters in a senior Queensland Health administration position?

When Dr Waters started his investigation, he was employed by the private sector. The reason he was appointed to the position of independent investigator was that he was independent. My research now shows that he is acting Senior Executive Director, Innovation and Work Force Reform, Health Work Force Planning and Analysis Unit, Queensland Health. When did the Health Minister offer a job to Dr Waters? Was it before, during or after the investigation? What I, the consumers of Bundaberg mental

health, the families of those consumers and the mental health professionals would like know is: what is so embarrassing about the contents of this investigation that is forcing Queensland Health into another Peter Beattie Labor government sponsored cover-up? Why the secrecy?

A staff member from Mr Nuttall's office informed me that the report would not be made public because it would identify health professionals and patients within the Bundaberg and District Mental Health Service. Rubbish! If the public interest was to be served and confidence restored in the Bundaberg mental health unit, identities of people could be easily concealed by blanking out names or using pseudonyms.

This is all the minister wants my community to know. Yes, there has been an investigation. Yes, the minister has read it. Yes, the investigation and the implementation plan will remain secret. The report needs to be made public. I call on the minister to make this information public.

Liberal Party

Mr LAWLOR (Southport—ALP) (6.21 p.m.): I am reliably informed that the only way to truly stop the infestation of mice and rats is to undertake a thorough inspection and eradication program. I offer this advice to Bob Quinn and the Queensland Liberal Party, who for some time have had problems with an infestation of one kind or another. According to a statement by Russell Galt, a formerly trusted member of their ranks, the Liberal Party's infestation started in Townsville where, miraculously, a nest of Young Liberals were industriously breeding branch members out of thin air. Who benefited? Curling their whiskers in delight at the electoral spoils of these industrious young rodents were none other than Peter Lindsay, the federal member for Herbert, and Senator Ian Macdonald, who also has been seen around the traps of Townsville.

But when on 18 April 2004 Michael Caltabiano, the State President of the Liberal Party, was presented with the news that these little rodents had been breaking the electoral rules, he explained to the Liberal Party State Council in his own words that—

A political decision had to be taken given this was nearing a possible federal election.

So he was quite shameless about it. Mr Caltabiano was asked why matters relating to Peter Lindsay and Ian Macdonald in Townsville had not been brought to the meeting. He explained in words to the effect that that would wait until after the state convention and the federal election where the information could possibly be leaked to authorities that would discredit them. Galt explains that he understands this to be a direct reference to information that might be damaging to Senator Macdonald with whom Michael Caltabiano did not have a close relationship. In fact, the real issue is the poisonous relationship that exists between Liberal senators Macdonald and Santoro. I say to Mr Caltabiano that you cannot get rid of rats unless you attack the nest. So when will the Liberals in Queensland face up to the job of eradicating their rats?

Meanwhile, Senator George Brandis and Michael Johnson, the member for Ryan, were having their fur ruffled by a problem of their own. From all accounts it took both of them to solve it because, as the Liberal colleague for New South Wales, Alby Schultz, said at the time, 'They don't have very much up top.' Johnson had been told to contribute some cheese to help keep the silence of the former chairman of his Ryan electorate committee in relation to a dodgy preselection in the seat of Moggill. We know that they had Johnson by the tail because Michael Johnson himself contributed out of his own pocket \$20,000 of the \$140,000 in legal costs.

If members of this House and members of the Queensland Liberal Party are beginning to smell a rat, then they should stay with me. I want to make it clear that these rats have been outed through documents on the public record, all available from the Queensland Supreme Court in case No. 6710 of 2003 and appeal case No. 77986 of 2003. On 9 May, Michael Caltabiano acknowledged in an email to Russell Galt that there had been a Liberal constitutional problem with the Moggill preselection of Dr Flegg. He assured Dr Flegg's opponent, Mr Galt, that Ian Macfarlane would attend a subsequent management committee meeting with an open mind to rerunning the preselection in Moggill if legal advice advised as much. The legal advice from James Bell QC did advise serious problems with the Moggill preselection and that those problems would also exist in all state preselections held before that time—all state preselections. There has not been a squeak from Bob Quinn. Macfarlane did not stick to his solemn undertaking to Galt and the preselection was not rerun. The agreement with Galt was followed through only to the extent of the payment of his legal fees of \$140,000.

What was Bob Quinn's role in this? As a member of the state council, one would usually assume that Bob might have his say in approving massive expenditure such as this. Not so. Michael Caltabiano did not consult with any members of the state council before accepting liability for the \$140,000. The reason Caltabiano did not consult with his own Liberal Party was that his enemies on the state council would have rolled him. The Liberal Party president has no factional support on his own state council.

Time expired.

Motion agreed to.

The House adjourned at 6.24 p.m.