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RECORD OF PROCEEDINGS

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FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT

Wednesday, 10 September 2014

Subject — Page

FS SIMPSON
SPEAKER

NJ LAURIE
CLERK OF THE PARLIAMENT

LJ OSMOND
CHIEF HANSARD REPORTER

WEDNESDAY, 10 SEPTEMBER 2014

The Legislative Assembly met at 2.00 pm.

Madam Speaker (Hon. Fiona Simpson, Maroochydore) read prayers and took the chair.

PRIVILEGE

Alleged Deliberate Misleading of the House by a Minister

Ms TRAD (South Brisbane—ALP) (2.00 pm): I rise on a matter of privilege. I refer to a matter involving the Minister for Transport and Main Roads which occurred during the last sitting week. During debate on the Transport and Other Legislation Amendment Bill 2014 on 27 August, attention was drawn to the explanatory notes of the bill which stated that the Queensland Bus Industry Council, or QBIC, had been consulted about the proposed legislation. In my contribution to the second reading debate on the bill I raised the fact that in my discussions with the officers from QBIC they had advised me that at no stage had they been consulted about the contents of the Transport and Other Legislation Amendment Bill which affects their industry, mainly changes to bus contracts. I asked the minister to provide evidence that QBIC had been consulted about the specific changes affecting the bus industry included in the Transport and Other Legislation Amendment Bill. In reply the minister—

Mr LANGBROEK: I rise to a point of order. I would like a clarification as to whether this is a matter of privilege or whether, as I have done with another member opposite, the member should have written to you about it because it is not actually a genuine matter of privilege.

Madam SPEAKER: Thank you. Take your seat. Member for South Brisbane, I would ask you to please come to the point of privilege quickly.

Ms TRAD: Thank you, Madam Speaker; I will. The minister stated—

I can assure the member for South Brisbane that TransLink and my assistant minister meet with QBIC on a regular basis to discuss issues across the industry, including amendments to this bill.

Madam SPEAKER: Member for South Brisbane, could you please put your matter of privilege.

Ms TRAD: Yes, Madam Speaker. QBIC has advised that it has not been consulted about this. I believe that this prima facie constitutes a deliberate misleading of the Assembly and I shall write to you about this matter.

SPEAKER'S STATEMENT

Unparliamentary Language

Madam SPEAKER: Honourable members, it has come to my attention that some unparliamentary language was used by a member in an interjection yesterday. I have reviewed the broadcast of proceedings and, while the interjection was not taken and therefore does not appear in the *Record of Proceedings*, it is audible on the broadcast. I warn all members now that, even though unparliamentary language may not be immediately dealt with, this will not prevent me in the future requiring a withdrawal. I now call on the member for Gregory to withdraw the unparliamentary language.

Mr JOHNSON: Madam Speaker, I withdraw and, in doing so, I apologise to you, Madam Speaker, I apologise to the parliament and I also apologise to the Leader of the Opposition.

Madam SPEAKER: Thank you.

PRIVILEGE

Speaker's Ruling, Alleged Deliberate Misleading of the House by a Minister

Madam SPEAKER: On 7 August 2014 I received a letter from the member for Redcliffe alleging that the Minister for Education, Training and Employment had deliberately misled the House in statements on 6 August 2014. The claim was that the minister did not correctly attribute the new portfolio responsibilities of the member for Redcliffe. I note that on 7 August 2014 the minister effectively provided an explanation to the House in that his understanding of the member for Redcliffe's shadow responsibilities was based on the Leader of the Opposition's announcement of appointments in the House on 5 August 2014 which omitted mention of the shadow portfolio of training. In considering whether matters should be referred to the Ethics Committee under standing order 269(4), I am obliged to take into account the degree of importance of the matter raised and whether the matter is trivial or vexatious and warrants the further attention of the House. I am not satisfied that any elements of deliberately misleading the House can be established in this matter. I consider this matter is trivial and does not warrant the further attention of the House. Accordingly, I will not be referring the matter to the Ethics Committee. I table the correspondence from the member for Redcliffe in this matter for the information of the House.

Tabled paper: Letter, dated 7 August 2014, from the member for Redcliffe, Ms Yvette D'Ath MP, to Madam Speaker regarding alleged deliberate misleading of the House by the Minister for Education, Training and Employment, Hon. John-Paul Langbroek [5896].

SPEAKER'S STATEMENT

Suffrage Petitions

Madam SPEAKER: Honourable members, yesterday I had the great pleasure to launch an online database of Queensland's historic women's suffrage petitions. In the 1890s separate petitions were circulated through the colony in support of granting voting rights to Queensland women. These were signed by thousands of Queenslanders—both women and men—and led to women's suffrage being achieved in 1905. Queensland has the distinction of being the third jurisdiction in the world where women achieved the right to vote and these petitions greatly contributed to Queensland's democratic journey. Over the last few years an ongoing historic project has seen these original petitions that were tabled in the Queensland parliament digitally transcribed, with all of the names of the signatories then entered into a searchable database. The project was organised as a partnership between the late Dr John McCulloch, Dr Deborah Jordan and the Queensland parliament, with the contribution of the Queensland Family History Society. This fascinating database is now published on the Queensland parliament's website and available to the public to search. I encourage all Queenslanders to search the database to find out whether their ancestors signed one of these petitions. I congratulate all who were involved with this project, including parliamentary staff from the chamber, education and communications section and Information Technology Services. The launch here at Parliament House yesterday was a wonderful event and I particularly thank Kate Philipson, Roylene Mills and Kalimna Kane for their splendid organisational work.

TABLED PAPERS

MINISTERIAL PAPERS TABLED BY THE CLERK

The following ministerial papers were tabled by the Clerk—

Treasurer and Minister for Trade (Mr Nicholls)—

5897 Response from the Treasurer and Minister for Trade (Mr Nicholls) to an ePetition (2250-14) sponsored by Mrs Miller, from 2,368 petitioners, requesting the House to initiate the process for a binding referendum to be held in accordance with the requirements set out in the Referendums Act 1997, for a time within the 2014 calendar year, asking the people of Queensland whether they support the sale, or partial sale through equity partnerships, of state owned assets

Minister for Local Government, Community Recovery and Resilience (Mr Crisafulli)—

5898 Response from the Minister for Local Government, Community Recovery and Resilience (Mr Crisafulli) to a paper petition (2299-14) presented by Mr Bennett, from 842 petitioners, requesting the House to give serious consideration to changing Gladstone Regional Council from undivided to divided representation along the lines of State and Federal governments

MEMBER'S PAPER TABLED BY THE CLERK

The following member's paper was tabled by the Clerk—

Member for Mulgrave (Mr Pitt)—

5899 Non-conforming petition relating to community policing in Murgon and Cherbourg

MINISTERIAL STATEMENTS

Terrorism

Hon. CKT NEWMAN (Ashgrove—LNP) (Premier) (2.06 pm): The threat of terrorism is sadly ever present in the world today and over recent weeks we have seen disturbing and confronting images and reports come out of both Iraq and Syria. Islamic State, or IS, has emerged itself as an extreme terrorist group responsible for numerous atrocities, and then there are reports that Australians may be caught up in these terrorism networks. Today I have been advised that a number of addresses in the greater Brisbane area are subject to current Australian Federal Police and Queensland Police Service joint agency raids. At this time there are two people in custody, with charges yet to be finalised. The matter remains an ongoing operational investigation. This comes as ASIO Director-General David Irvine has said that he is actively considering raising the terror threat level from medium to high.

The safety of all Queenslanders is this government's No. 1 priority. I want to assure Queenslanders today that we are working closely with the Queensland Police Service and the federal government and its agencies to safeguard families in this state. I am in constant communication with Police Commissioner Ian Stewart and of course the police minister and the federal authorities as assessment of our nation's security is continuing. While there is no immediate danger, we will remain on alert and keep Queenslanders informed. Australia is amongst the safest nations in the world and I want to reassure all Queenslanders that we are well protected. We may never escape the potential for extremists who do not like our way of life, but we will always stand opposed to those who are against democracy and the beliefs and values that Queenslanders hold so dear to their hearts.

Domestic and Family Violence Task Force

Hon. CKT NEWMAN (Ashgrove—LNP) (Premier) (2.08 pm): This morning I had the privilege of hosting an event where I announced the Domestic and Family Violence Task Force chaired by the former Governor-General, Dame Quentin Bryce. The work of this task force is vitally important in delving deeply into the issue of domestic and family violence, which is a scourge on Queensland communities around the state. My government has pledged to make Queensland the safest place in Australia to raise a family. The security and sanctity of the family unit is the place we must start if we are going to make sure that that vision becomes a reality. The statistics on domestic and family violence are horrifying and distressing, with 175 reported cases occurring every day in Queensland. This is clearly unacceptable and we all agree that the violence must stop.

Today I announce the task force members and their terms of reference. I can think of no better and more passionate advocate than Quentin Bryce to chair the bipartisan task force. She will be joined by community representatives Ms Heather Nancarrow, the CEO of Australia's National Research Organisation for Women's Safety; Ms Anne Cross, the CEO of UnitingCare Australia; and Ms Ada Woolla, Aurukun Local Commissioner, Family Responsibilities Commission. There will be four members of this parliament on the task force: Ms Kerry Millard, the member for Sandgate; Mr Ian Kaye, the member for Greenslopes; Mrs Liz Cunningham, the member for Gladstone; and Mrs Desley Scott, the member for Woodridge. I thank them for agreeing to serve.

Their challenging task is to listen to victims, families and front-line workers around the state and to advise the government on a comprehensive and coordinated strategy that can provide long-term solutions to reducing a problem that has a devastating human, social and economic cost to Queensland families. The task force will report to me by the end of February 2015 and I am confident that its recommendations and findings will help us to change the traditional, cultural view of domestic and family violence—and that is what we are dealing with here—and greatly assist in providing better protection for Queensland families and women. I commend the task force in advance for its dedication and commitment. I look forward to receiving its report.

Royalties for the Regions

Hon. CKT NEWMAN (Ashgrove—LNP) (Premier) (2.11 pm): Labor failed regional Queenslanders and neglected communities and councils facing massive growth during a once-in-a-lifetime mining boom. We promised at the election that regional Queenslanders would receive more direct benefits from resource activity in their regions. Our $495 million Royalties for the Regions program has been providing those benefits since 2012.

Of the 335 applications received in the first three rounds of Royalties for the Regions, 97 projects worth more than $311 million have been approved. These projects are fixing or building roads, bridges and airports; water and sewerage plants; waste and recycling facilities; and other community facilities. A lot of the projects are also part of our broader plan to better protect regional communities from floods.

Royalties for the Regions flood mitigation works have delivered insurance savings for regional Queenslanders. In St George, $900,000 went into a flood levee that is now complete while $5 million is helping Maranoa Regional Council to build the Roma flood levee. Work has started on drainage works in Goggs Street in Toowoomba, where Royalties for the Regions provided $1.8 million. Tens of millions of dollars is going into roads, including seven completed road projects in the Western Downs Regional Council area, meaning Queenslanders can commute and get to town more safely. Other road projects include the Eidsvold-Theodore Road, $12 million; the Arcadia Valley Road upgrade, $8 million; the heavy vehicle bypass and Flinders Highway intersection upgrade, $4.82 million; and the Bowen Developmental Road, $10 million.

As our regions grow, water and sewerage will continue to be a major priority. In Gracemere near Rockhampton, $1 million in Royalties for the Regions funds is going towards improving water supply, with work underway. An amount of $6.4 million will go to the Mackay Regional Council for the Marian Water Treatment Plant and $4.5 million to Banana Regional Council for the Baralaba Water Treatment and Water Supply upgrade. We have also invested in community projects that boost our tourism pillar, with $500,000 already being put to good use at the Eromanga Natural History Museum.

The Deputy Premier has announced that round 4 of the Royalties for the Regions program is now open. I encourage councils to submit some great applications by 26 September 2014. We want to continue to work with councils across the state to deliver on the infrastructure that they need to help them grow.

InfrastructureQ

Hon. JW SEENEY (Callide—LNP) (Deputy Premier and Minister for State Development, Infrastructure and Planning) (2.14 pm): Today our government achieved a key milestone in our plan to deliver better infrastructure with the release of the InfrastructureQ directions statement at an IAQ breakfast this morning. This statement is the first step in defining a new approach to plan, prioritise and deliver infrastructure in the future.

Queensland is at an exciting point in time, where our strong plan for a brighter future will deliver major game-changing infrastructure across our state. Today's directions statement is the first step towards the release of a final InfrastructureQ state infrastructure plan, which will be released in early 2015 in time for the people of Queensland to consider our plans when we seek the mandate for the Strong Choices program. InfrastructureQ will be a cohesive strategy for our government to continue to deliver better infrastructure across the state in key sectors such as transport and education. This is especially important given the fiscal repair task that we are facing and the possibility that Queenslanders will support the unlocking of $8.6 billion through asset transactions identified in the *Strongest and smartest choice—Queensland's plan for security finances and a strong economy*. As an ongoing part of that fiscal repair challenge, the Treasurer has engaged with Queenslanders through the Strong Choices campaign to determine how best to tackle the accumulated $80 billion worth of debt and our $4 billion worth of annual interest burden. We are faced with a choice of increasing taxes, reducing services or selling or leasing assets.

We chose to invest in the future of Queensland through strong choices. The aim is to reduce debt and reinvest about $8.6 billion in new economy-building infrastructure through the Strong Choices investment program. The $8.6 billion figure is a conservative estimate by the Treasurer and I am hopeful that, if we can achieve more, then we will have more money to invest in the infrastructure that Queensland badly needs. InfrastructureQ will form part of our government's efforts to clearly and

responsibly identify a genuine pipeline of future projects to ensure that that $8.6 billion, or whatever the figure turns out to be, is invested in sustained growth-producing infrastructure for the state's economy, particularly in regional Queensland.

Before deciding whether to invest in infrastructure, our government will first consider, of course, making better use of existing infrastructure, improving the existing infrastructure, or delivering new infrastructure in an incremental way. The final InfrastructureQ plan will be guided by six common-sense principles, including the proper integration of planned infrastructure, prioritising infrastructure that will promote economic growth and boost productivity and partnering with the private sector in investigating smart financing and funding solutions.

Just to pick up on one of those principles, our government acknowledges far more than Labor ever did the significant role and potential of the private sector to partner with the state government to deliver and operate key infrastructure. We understand that the private sector has the capacity and the experience and is the engine room of economic growth. InfrastructureQ highlights our government's commitment to further involve and partner with the private sector to deliver infrastructure in a modern and efficient way.

We expect that, when released, InfrastructureQ will become an important reference document for industry and will be updated annually to ensure relevance and reliability. Over the next six months we will continue to draw on the expertise and knowledge of the community and industry to build on the progress that this government has already made to ensure that Queensland continues to be a great state with great opportunity. Through this partnership, we will build a healthy economy and a strong jobs market. We have a strong plan to invest in infrastructure. Our government promised to deliver better infrastructure and planning. That is exactly what InfrastructureQ will do.

Toowoomba Second Range Crossing

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (2.17 pm): This government came to office promising better planning and better infrastructure. I say to the Deputy Premier that we are doing just that, even without the Strong Choices program. Imagine how much more we would be able to do.

Today we have taken another step in delivering on those promises. This government is intent on delivering the infrastructure that will help to grow Queensland's economy and open up more of the opportunities that our great state has to offer. One of our top priority infrastructure projects, the Toowoomba second range crossing, took another leap forward today. This morning, along with the Deputy Premier, the agriculture minister and the members for Toowoomba North and Lockyer, I released the names of the short-listed proponents for this vital $1.6 billion project. I also do, of course, acknowledge the role of the federal government in providing some funding for this project.

Three consortia will move to the next stage of providing binding bids for the Toowoomba second range crossing. They are RangeLink, RangeConnect and Nexus. Nexus consists of the Plenary Group, Acciona out of Italy and Samsung C&T. RangeConnect consists of Leighton Contractors, Thiess, Macquarie Capital and Aberdeen Infrastructure providers. RangeLink includes the French construction company Bouygues; Fulton Hogan Construction; local firm Wagners Quarries, based in Toowoomba, and supported by subcontractors like Ostwald Brothers and FK Gardner and Sons as well as Meridiam RangeLink, providing financing opportunities.

These groups are made up of a mix of international, Australian and Queensland companies and were chosen because they have the demonstrated capability to deliver a project of this magnitude. It is an outstanding field of proponents that will ensure a healthy level of competition, reinforce innovation and ensure value for money in all aspects of the project. In coming weeks the three consortia will be provided with request for proposal documents, officially kicking off the formal tendering process. Final bids are due to be submitted by early 2015 and a successful tenderer will be selected by June 2015. In the meantime, preparatory works and geotechnical assessments are getting underway.

This project is exactly the sort of job-creating infrastructure project that Queensland needs to grow the economy. The Toowoomba Second Range Crossing project is expected to create more than 1,800 full-time equivalent jobs over the three-year construction phase. The road is expected to be operational from mid to late 2018. It will open up the Darling Downs and the Surat Basin for further development while at the same time removing thousands of trucks a year from the Toowoomba CBD.

This project has been talked about for 20 years, but it has taken this LNP government to make this project a reality. It is yet another example of a project where Labor was all talk but no action. Since this government established Projects Queensland to manage major projects we stopped just talking and started acting to make projects like the Toowoomba Second Range Crossing a reality. Projects Queensland has been equally successful in progressing the Government Wireless Network that was talked about by Labor for a decade but never delivered; the Queensland Schools Project, delivering 10 new schools in the fastest growing areas of our state, with the first one set to open in January 2015; and the New Generation Rollingstock, providing 75 new six-car train sets for our suburban rail network, effectively double the number for the same price that Labor was able to deliver. What is clear today is that only the LNP has a strong plan to deliver the job-creating infrastructure that will help grow our economy and ensure Queensland has a bright future.

Gateway Upgrade North Project

Hon. SA EMERSON (Indooroopilly—LNP) (Minister for Transport and Main Roads) (2.21 pm): This government promised to deliver better infrastructure and planning. Unlike those opposite, we have a plan to do just that. Today I joined the Deputy Prime Minister to announce the official start of work on the $1 billion Gateway Upgrade North project. This vital project demonstrates how the Queensland and Australian governments are working together to deliver better roads so Queenslanders can travel more safely. As promised one year ago, work is now underway and contractor Fulton Hogan has moved onto the site to begin major earthworks. This is a clear sign that this government delivers what it promises. Over the next 12 months hundreds of thousands of cubic metres of soil and rock will be moved alongside the motorway at Nudgee and to the north of Nundah Creek. This work will prepare the site for major construction to commence mid next year. Once complete, motorists will be able to get home to their families quicker as the motorway is widened from four to six lanes between Nudgee and Bracken Ridge. This is a 11.3-kilometre stretch. Work also includes upgrading the Nudgee interchange and widening the Deagon Deviation to two lanes in each direction. For the 75,000 vehicles on this stretch of motorway every day, this upgrade cannot come soon enough.

While I stand here today proudly discussing this major milestone for this project, the disturbing fact remains that a project like this would not have been funded or delivered if Australia had decided to keep the Labor Party in power federally one year ago. The Abbott government promised at the federal election to have work start on this vital project within one year, and we have kept this promise. This is in stark contrast to federal Labor, which tried to short-change Queenslanders by demanding a 50-50 funding split for National Highway projects like the Gateway. The member for Redcliffe would be well aware of this decision and voted to cut the historic 80-20 funding split down to 50-50. Her ALP colleagues around her should now also be ashamed as they sat back and refused to stand up for Queensland.

Mr Pitt interjected.

Mr EMERSON: Thankfully, the Abbott government worked with the Queensland government and committed to the traditional 80-20 split which means more state funding is available for important state projects. Given the interjection from the member for Mulgrave, let us not forget his infamous statement that state money being spent on the Bruce Highway is a waste of money.

Get Playing Plus

Hon. SL DICKSON (Buderim—LNP) (Minister for National Parks, Recreation, Sport and Racing) (2.24 pm): This morning I visited the Morningside Panthers football club in the seat of Bulimba to announce the new $20 million Get Playing Plus program. Get Playing Plus is adding another string to the bow of one of our best policies, delivering on our election commitment to deliver infrastructure to grassroots sports clubs from Cape York to Coolangatta. Local governments, as well as not-for-profit sport and recreation clubs, can apply for a share of $20 million over the next two years. The Queensland government will provide funding of between $400,000 to $1.5 million for projects that provide new sport and recreation facilities or upgrade existing facilities. What sets this policy apart is that we will co-fund or match contributions made by local councils. That means that this policy could potentially deliver some $40 million worth of new and improved sporting facilities across the state. This initiative is another shot in the arm for sport and recreation clubs and all of those people who volunteer, week in week out, rain, hail or shine, to help Queensland kids get active and stay active.

This initiative is an extension of the government's successful Get in the Game program. Since 2012, Get Started has delivered 60,000 $150 vouchers to kids, Get Going has delivered $6.8 million to more than 870 clubs across Queensland for equipment and Get Playing has delivered 220 club development projects worth $18.6 million. Our government is all about delivering great outcomes in sporting areas. We are about delivering great outcomes for Queenslanders. We are looking to support projects that target the increased participation of women and girls, accommodate multipurpose, shared or co-located facilities or that involve participation in outdoor recreation activities. I am also pleased to inform the House that the most recent round of 'Get' funding closed on 1 September, so there will be many more grassroots sports projects approved over the coming months. I implore all members to ensure that they encourage their local councils and sporting clubs to submit an application to be a part of the Get Playing Plus program. Applications for Get Playing Plus opened today and will close on 20 October. Investment in grassroots sports is an important part of the Newman government's strong plan for a bright future to deliver for all Queenslanders.

Queensland Drive Tourism Strategy

Hon. JA STUCKEY (Currumbin—LNP) (Minister for Tourism, Major Events, Small Business and the Commonwealth Games) (2.26 pm): Many of us will look back to the holidays of our childhoods with fondness—packed into the back of the family car, we were blissfully unaware of any discomfort while we joyfully played I-spy. Recollections of these drive holidays are held dearly in our hearts and are a crucial component of our tourism industry, with some 11 million tourists hitting Queensland roads each year, many on a nostalgic journey down memory lane. Queensland's vast and picturesque landscape provides the ideal backdrop for a drive holiday and we are working to cultivate this market further through the Queensland Drive Tourism Strategy 2013-15 in partnership with the Minister for Transport and Main Roads.

A safe driving environment is pivotal to attracting visitors to venture onto our roads and visit our diverse regional areas. Our Bruce Highway is a main artery responsible for carrying tourists and locals alike right up and down Queensland's coastline. It needs to be secure and well maintained—something Labor failed to do for two decades. Labor neglected roads and tourism. Little wonder both were in such a mess. Thanks to the Newman government the Bruce is finally getting a well deserved spruce, with more than 200 projects currently underway or due to start in the coming months. Work on the Warrego Highway and the Toowoomba second range crossing is supporting tourism throughout the Toowoomba region by taking heavy vehicles off our tourism routes, making it safer and quicker for visitors to see our many wonders. The recent announcement of developments on the Outback Way will be welcome news to our friends out west. Tourists are receiving a warm welcome to many towns, with more than 300 colourful new tourism signs recently installed across our strategic tourism drive routes. In response to a surge in caravan and RV traffic, in March this year I released the Queensland Camping Options Toolkit for local governments. The Newman government is building better roads across the state so Queenslanders and our visitors can travel to our many unique destinations safely.

LEGAL AFFAIRS AND COMMUNITY SAFETY COMMITTEE

Report

Mr BERRY (Ipswich—LNP) (2.29 pm): I lay upon the table of the House a report of the Legal Affairs and Community Safety Committee, report No. 72, *Subordinate legislation tabled between 7 May 2014 and 4 August 2014*, being a committee report to the House.

Tabled paper: Legal Affairs and Community Safety Committee: Report No. 72—Subordinate legislation tabled between 7 May 2014 and 4 August 2014 [5900].

SPEAKER'S STATEMENT

School Group Tours

Madam SPEAKER: I wish to acknowledge schools visiting today: Charters Towers combined state schools from the electorate of Dalrymple, Kilcummin State School from the electorate of Dalrymple and Blackwater North State School from the electorate of Gregory.

QUESTIONS WITHOUT NOTICE

Metro North Hospital and Health Service, Allegations of Corruption

Ms PALASZCZUK (2.30 pm): My question is to the health minister. I refer to reports that a contract awarded by Metro North HHS to Healthcare Procurement Partners is now being investigated by the corruption commission, and I ask: what is the total value of that contract awarded to the company as part of the latest health contracts scandal?

Mr SPRINGBORG: I do not know what sort of a health-scandal-free parallel universe the honourable member opposite lived in only a couple of short years ago, but obviously it was not one that actually involved a fake Tahitian prince who wandered off with some $16 million; $1.253 billion going up in smoke as the Leader of the Opposition and the coterie of others, some of whom actually sit with her now, sat on this side of the House in absolute and complete denial; or the fact that 75 per cent of the entire Queensland Health workforce was either underpaid, overpaid or not paid at all. Indeed, more than half of our nurses were not paid, were underpaid or not paid at all.

Ms PALASZCZUK: I rise to a point of order.

Madam SPEAKER: Pause the clock. What is your point of order?

Ms PALASZCZUK: This is a very simple question—

Madam SPEAKER: What is your point of order?

Ms PALASZCZUK: What is the value—

Madam SPEAKER: Order! I warn the Leader of the Opposition under the standing orders for frivolous interjections. The minister has the call. I warn you under standing order 253A.

Mr SPRINGBORG: The honourable member opposite sat on this side of the House, apparently blissfully unaware of and completely desensitised to the pleas of Queensland nurses who were contacting the opposition of the day to raise their concerns and ask that they be raised in this parliament, seeking some assurance that they could be paid in some way. Thousands of nurses were contacting the Salvation Army and other charities in Queensland. Honourable members opposite who then sat in government were completely dispassionate to the concerns of those nurses and Queensland Health workers who were calling out for help. Who was held to account for that? Not Paul Lucas; not the Labor Party health minister of the day. Indeed, no-one was held to account.

Let us look at the actions of the Metro North Hospital and Health Board in taking clear and divisive action in referring this matter to the CCC and compare that with the actions of honourable members opposite when we heard about the Dr Patel scandal in 2004. What was the action of the then assistant minister for health, the loyal assistant to Gordon Nuttall, the person mentored by Gordon Nuttall, who now languishes in a jail not very far away from here? What did they do? They issued Dr Patel with a one-way business class air ticket out of Queensland. They stood there, waving goodbye, saying, 'Phew, that was a close one!' Then the honourable member for Bundamba turned her gaze towards the Central Pacific and said, 'Aloha, my fake Tahitian prince.' That is the legacy of those opposite.

(Time expired)

Metro North Hospital and Health Service, Allegations of Corruption

Madam SPEAKER: I call the Leader of the Opposition.

Ms PALASZCZUK: Thank you very much, Madam Speaker.

Mrs Miller interjected.

Madam SPEAKER: Pause the clock. I warn the member for Bundamba under standing order 253A for not paying attention and interjecting while a member is asking a question.

Ms PALASZCZUK: My question is to the Premier. Will the Premier order an immediate external audit of every single procurement contract awarded by the two senior health executives from Metro North HHS who have been stood down as part of the government's latest health contract scandal?

Mr NEWMAN: I thank the Leader of the Opposition for the question. It is a pity the member for Bundamba did not want to let her get it out of her mouth, but I move on.

Mr Pitt interjected.

Madam SPEAKER: I warn the member on my left, the member for Mulgrave. I call the Premier.

Mr NEWMAN: Thank you, Madam Speaker. I think I covered this pretty comprehensively yesterday and I think the minister covered it very comprehensively yesterday. We have a local hospital and health board that discovered a matter and within almost hours it had acted and dealt with it. It was referred to the Crime and Corruption Commission. The matter is being investigated by the relevant agencies. Those opposite come in here, as they always do, playing political games and using the Crime and Corruption Commission. One would have thought—

Ms Palaszczuk: No, we just want some answers.

Mr NEWMAN: I take the interjection from the Leader of the Opposition. We all want answers. The relevant authorities in the CCC will do their job and we will see those answers. In the fullness of time they will report back and we will all know what has gone on. They are the right people to investigate these things—not people who play political games in a political forum and in the media, not people who simply want to play games. That is not the way to conduct business in this state.

Ms Palaszczuk: What of democracy?

Mr NEWMAN: Our version of democracy is to refer things to the right corruption-fighting body. Our way of undertaking government democracy is to refer such matters to the right people to do the job, but not to use organisations like the CCC for political smear and innuendo. Clearly, they learnt nothing back in 2011. It is the same raucous voices and the same strident chorus from those opposite that goes all the way back to 2011. At the end of the day, Queenslanders can be assured of this: this is not a subject to do with clinical care or patient safety. The Metro North health service has done a much better job than it was doing a year ago and a much better job than it was doing two years ago and certainly a much better job than it was doing three years ago. Today if you call an ambulance it comes more quickly in Metro North. If you go to the emergency departments in the hospitals, those departments are doing a better job. If you are waiting for elective surgery, the elective surgery waiting times have been slashed. If you were on the long-wait dental waiting list, you have probably been seen by now. That is what matters to Queenslanders. I say to the Australian Labor Party: cease your politics and cease your silly political games; grow up and get some policies; talk to Queenslanders about the things that matter to them.

Royalties for the Regions

Mr HOBBS: My question without notice is to the Premier. Can the Premier please outline the extent of the government's great Royalties for the Regions infrastructure investment in my electorate of Warrego?

Mr NEWMAN: I would be delighted. However, I will need extra time, because this is the list of projects just in his electorate. Warrego has done well. It has done well because Howard Hobbs, the member for Warrego, is a great local member of parliament. I acknowledge that he has announced his retirement. In November this year he will have served his electorate and the people of Queensland for 28 years and I thank him for that.

Let us look at what the people of Warrego have received in the past couple of years. The member has been a champion, firstly, for the program itself. Howard Hobbs, the member for Warrego, saw the need for and was a champion of the creation of a Royalties for the Regions program and he has been a strong supporter of the program. Over the past two and a bit years we have rolled out Royalties for the Regions in his electorate, delivering much needed flood mitigation and road, water and sewage upgrades. There have been 26 projects in the electorate of Warrego, with contributions of over $43 million. Well done, I say. Clearly, he has a great friend in the Deputy Premier, as well.

The total investment in these projects is around $120 million, including a $52 million contribution from private industry. Today, I particularly make special mention of the contribution to the Roma flood levee. I think this is one of the great success stories in terms of the Royalties for the Regions program. It is also going to be a great legacy project for the member and the local council.

We have seen $5 million allocated from the Royalties for the Regions program to build a 6½ kilometre, 2.5 metre levee along Bungil Creek. Building this levee protects 95 per cent of Roma based on the February 2012 event. The exciting thing is that we are hearing major insurers like Suncorp say, 'This has been built. Premiums are going to come down.' How refreshing that is, and that is exactly what the can-do government is all about. A critical thing in delivering that is the Royalties for the Regions program.

There have been many other projects. There have been projects like: the Maranoa water augmentation project, $160,000; the Roma sewerage augmentation project, $2.18 million; the Wallumbilla North bitumen seal, $5.035 million; the Chinchilla wash down bay, $700,000; and the Miles water and sewerage scheme, $1.29 million. Then there is a whole list of road projects, such as: the Winfields Road landfill upgrade; the Beelbee Road sealing; the Bennetts School Road sealing; the Fairymeadow Road seal widening; the Goombi-Fairymeadow Road widening; the Joseph Road upgrade; the Mary Road upgrade; the Weranga North Road upgrade; the Fairview Road upgrade; the Injune to Taroom Road upgrade; the Avenue Road rehabilitation; and the Brownlies Road upgrade. We have seen the construction of the Roma sewerage sludge drying beds. There are still more projects.

(Time expired)

Metro North Hospital and Health Service

Mrs MILLER: My question is to the Premier. Is the Premier aware of a pre-existing relationship between Metro North CEO, Malcolm Stamp, and Healthcare PP managing director, Daniel Williams, dating back to their involvement in the UK's National Health Service?

Mr NEWMAN: I thank the member for Bundamba for her question. I go back to what I have already been saying today. Let us look at another dimension of this. The Crime and Corruption Commission are the people to go and investigate this—independently, diligently, impartially. In contrast, those opposite want to pre-empt investigations, conduct trial by politics and trial by media and essentially run the same smear campaign that the Labor Party is now renowned for in this state.

I provide gratuitous advice for them this afternoon. The people of Queensland want policies from those opposite. They want policies on how to create jobs. It is not about creating a department employing public servants. It is about doing things like we did last night to ensure mining and resource interests in this state can go forward in a sustainable way with agriculture. It is about boosting the tourism industry and policies there instead of crushing it with the red tape that those opposite implemented. It is about getting behind the construction sector.

I remember in 2009 then Premier Anna Bligh ran a growth summit. It was really a no growth summit and was about how we tie up the property development industry with red tape. Again, the Labor Party need to get some policies. They need to get a plan together. They need to stop with the smear and innuendo.

Opposition members interjected.

Madam SPEAKER: Order! I warn members on my left. Your interjections are not being taken. I call the Premier.

Mr NEWMAN: The Crime and Corruption Commission is the one to investigate these matters, and so it will. I do not think it is at all a matter for me to discuss any matter associated with that now that there is a proper, formal investigation underway. May I say, it is not appropriate for any member of this House to engage in the sort of nonsense that they are engaging in this afternoon. I will not answer any questions about what is now a matter under investigation by the CCC.

To conclude, it is for the Labor Party to leave behind sleaze, smear, innuendo and politicking with people's lives—which they have a track record for; people like the member for South Brisbane are steeped in this. It is time for them to get some policies and get a plan together for Queensland. That is my earnest and sincere advice to them this afternoon. I am sure my colleagues here would share my views on the matter.

Royalties for the Regions

Mrs MENKENS: My question without notice is to the Deputy Premier and Minister for State Development, Infrastructure and Planning. Could the Deputy Premier please explain how the Royalties for the Regions program has and will continue to benefit my electorate of Burdekin?

Mr SEENEY: I thank the member for Burdekin for the question. A few moments ago the Premier congratulated the member for Warrego on the way he has represented his electorate. Can I endorse his comments but say that those comments apply equally to the member for Burdekin. Can I congratulate her on the great job she has done representing that great part of Queensland. She has been successful in working with me to deliver a number of Royalties for the Regions projects.

I think the most significant was the Bowen Developmental Road—the road from Collinsville to Bowen. Some $10 million was allocated from round 1 of the Royalties for the Regions program. This was a classic Royalties for the Regions project. This was the sort of project that we addressed in round 1. The Bowen Developmental Road is the arterial link between the coast and the northern Bowen Basin, as well as the link between the northern and central Bowen mines and townships. Previous governments had taken the royalties from the Bowen Basin for many years but had not even bitumened the roads. They had not done the work on the roads.

New mines proposed for the northern and central Bowen Basin, coupled with transport infrastructure construction projects in support of the Galilee Basin, will generate significant traffic flows between Collinsville and Bowen and this road will become increasingly important. We will continue, member for Burdekin, to invest money in this road and other important strategic roads in the Burdekin electorate.

As demand increases and community infrastructure for these townships grows, the need for improved road infrastructure becomes of even greater importance. That project from round 1 will widen and rehabilitate a 7.1 kilometre section of the road between Euri Creek and Bogie River. The Whitsunday Regional Council will construct a sealed road of eight metres in width, comprising two 3.5 metre traffic lanes and half a metre of sealed shoulder on each side to sustain the required heavy tonnage of the vehicles. The project, I am told, is due for completion next month. That will be a great milestone.

We have also been able to fund flood mitigation works in the Home Hill CBD—$1.68 million—from the Royalties for the Regions program. Drainage outlets in Brisbane Street have been allocated $120,000 from Royalties for the Regions. We were also able to contribute money from the Royalties for the Regions program for the Burdekin community redevelopment project of $650,000. This project will construct an extension to the existing Burdekin multitenant service centre in Ayr. These are the sorts of projects that will make the lifestyle choices in our regional communities even better.

We will continue to work, through the RegionsQ strategy, to deliver these sorts of projects to areas such as that represented by the member for Burdekin and all other members in this House who represent regional seats. The Royalties for the Regions program is catching up on some of the backlog of underinvestment in regional Queensland, in Burdekin and Warrego and across the whole of regional Queensland.

Metro North Hospital and Health Service

Mr PITT: My question without notice is to the Minister for Health. Following the suspension of two senior executives from the Metro North Hospital and Health Service, will the minister confirm that Royal Brisbane and Women's Hospital executive director of nursing and midwifery tendered her resignation last week? Is the minister aware of any reason for her resignation?

Mr SPRINGBORG: I thank the honourable member for his question. Is it any wonder the honourable member will not ask a question about his own electorate because since the election of the Newman government we have seen a $97 million increase or 17 per cent increase in the budget to the Cairns Hospital and Health Service, which is quite an extraordinary increase. Already we are seeing in that area the elimination of the surgical long waits, the complete elimination of the dental long waits and an improvement overall with regard to the emergency department performance as well.

I suppose it is no surprise that amongst all of that we see the Labor Party opposite diving as only they can do so well to the bottom of the barrel. If they want us to actually talk about circumstances surrounding the resignation of all individuals from a workforce of 80,000 people, including people who are routinely on suspension from that workforce going back to their time—many of whom are nurses and doctors—I think the unions would be very interested to know. They would want to know if we started disclosing those sorts of things.

Even if I had the information at hand, I do not think those sorts of matters are matters that should be ventilated in this particular place. These are matters between the employer and the employee. Across Queensland Health each and every year we have thousands of resignations, and that happened as well when those members opposite were in government.

What we have here is a circumstance where our conduct stands in stark contrast to that of those members opposite. If we go back to the circumstances of Dr Patel and see what happened in 2004 when those issues were raised in this parliament, there was nothing but vilification and

obfuscation from those members opposite when they sat on this side of the House. They denied everything. Indeed, nurse Toni Hoffman—a wonderful person, a nurse whistleblower—was vilified by those members of the Labor Party when they sat over here. They vilified and they denied and they flew Dr Patel out of the country. Indeed, when the honourable member for Bundamba was slipping the floral necklace over the shoulders of the fake Tahitian prince as she welcomed him to the shores, she said, 'The world is your oyster. Go about it in Queensland Health. Write your own contract,' and he did. Some four years and $16 million later, we had a debacle unlike any ever seen before in Australia.

(Time expired)

Royalties for the Regions

Mr JOHNSON: My question without notice is to the honourable the Premier. Can the Premier please explain to the House the benefits of our government's $495 million Royalties for the Regions program, especially relating to my electorate of Gregory?

Mr NEWMAN: I thank the honourable member for the question. Of course he is another staunch advocate for Western Queensland, like the member for Warrego, and another staunch advocate for the north of the state. He is someone who has lobbied hard for Royalties for the Regions as a program. He has done pretty well for Gregory as well, might I say, because—

Mr Bleijie interjected.

Mr NEWMAN: I take the interjection from the Attorney-General—maybe not on a per square kilometre basis, because Gregory is a vast electorate. We have supported 13 projects in the electorate of Gregory through Royalties for the Regions, with a total project value of $40 million, and I will just list some of the things we have done. There was $500,000 to the Quilpie shire to start the Eromanga Natural History Museum, a real game-changing tourism project which will draw people into the local area and protect some really precious fossils that have been discovered in that part of the world. Vaughan Johnson, the member for Gregory, and Mayor Stuart Mackenzie particularly are the leading lights who have made this happen.

I went up to Emerald with the member some time ago to announce $5 million for flood mitigation works in that regional city to put culverts under the Nogoa rail bridge. That work is proceeding. There is also of course the big issue of roads in the electorate. With an electorate the size of Victoria and Tasmania put together, the road network is vast but incredibly important. Vaughan Johnson has delivered $8 million for the Arcadia Valley Road upgrade—a vital artery for the beef and agriculture sectors as well as the resources and tourism sectors. There is also $1.2 million to upgrade the Alpha-Tambo Road, another vital link that was ignored by previous governments. There is also $1 million from the program to upgrade Kyabra Road between Eromanga and the Diamantina Developmental Road to an all-weather standard.

The honourable member also lobbied furiously and got $5.25 million for six communities in Barcoo shire and another $400,000 for the Quilpie shire to fix phone black spots. The member also secured an $850,000 grant for stage 1 of the Barcaldine child-care centre through Royalties for the Regions, and I was really proud to be part of that one as well. We heard those people, particularly the mums we met with, asking for that support and it was great to see that one delivered. Blackall also got $342,000 for the $1.03 million Blackall child-care centre, which is a real bonus for young families in these two towns. Through RegionsQ and Royalties for the Regions, we are committed to investing in liveability for regional towns in Queensland.

(Time expired)

Cycling Infrastructure

Mr KNUTH: My question without notice is to the Minister for Transport and Main Roads. Given that the minister has announced a strong plan to invest in safe cycle infrastructure, will the minister re-establish the $2.5 million in funding to complete and maintain the missing link in the cycle trails between Mareeba and Atherton so that rural Queensland can also access safe bike trails?

Mr EMERSON: I do not know if the member for Dalrymple is a regular cyclist in the area—and I cannot quite envisage it—but I have to say that if the member is very keen to see this occur there is a very obvious approach he should take: get behind the Strongest and Smartest Choice campaign and lobby for it. That is what we are doing. We have a plan—and the Treasurer has outlined that plan—to

deal with the debt and deficit and a plan to deal with necessary road and rail infrastructure. The contrast is very clear, and I have to keep stressing this to the member for Dalrymple because the member for Dalrymple, over and over again backs and votes with the Labor Party. He is of course part of the north-west branch of the ALP and they back Labor's policies.

The reality is that, in terms of debt and deficit and in terms of necessary road and rail infrastructure, the ALP has no plan, no policy and no idea. That is the reality. I would say to the member for Dalrymple that if there are projects in his area that he wants to see funded, he should get behind the Strongest and Smartest Choice plan because that is the only way to deal with the debt and deficit we inherited and to have the money to deal with necessary road and rail infrastructure.

Look at what we have already announced today in terms of the plans that we are delivering, even on top of any of that infrastructure that would come from the Strong Choices plan. We saw today the Treasurer announce the short list of potential proponents for that much needed piece of infrastructure, the Toowoomba second range crossing. That is something that has been talked about for two decades but has never been delivered. The member's mates in Labor never wanted to fund it and never wanted to do it. Also, the Deputy Prime Minister was in town today to announce that the work has begun on the Gateway north upgrade. They said that within a year the work would begin, and it has begun and we are delivering on that necessary infrastructure.

We are delivering. Across Queensland there is $4.8 billion in our transport and road infrastructure plan. I remind the member that Labor's plan for this year was a third less. I can tell him that his mates in Labor will not do the kind of necessary rail and road infrastructure.

(Time expired)

Royalties for the Regions

Mrs FRECKLINGTON: My question without notice is to the Deputy Premier. Can the Deputy Premier please explain how the Royalties for the Regions program is investing the benefits of the resource development in my electorate of Nanango?

Mr SEENEY: I thank the member for Nanango for the question because there are some great new stories for the South Burnett and for that part of Queensland that have flowed from the Royalties for the Regions program. Labor squandered the mining boom. They did not invest anything in these areas. I used to come in here year after year and look in Labor budgets for any sort of expenditure in the Burnett region of Queensland. They never had a Royalties for the Regions program. They never had any commitment to regional Queensland. Through RegionsQ, our government is committed to ensuring that Queensland regions receive real, long-term royalty benefits through targeted infrastructure investment through Royalties for the Regions.

With $20 million in the Royalties for the Regions investment in the electorate of Nanango, we have leveraged infrastructure worth over $40 million. That is another important part of the Royalties for the Regions. It is not just a cash handout scheme; it is about leveraging other investment. The Royalties for the Regions contributed $10 million to the Kingaroy wastewater treatment plant upgrade. I well remember one of my favourite press conferences with the member for Nanango which was at this very essential piece of infrastructure. Unfortunately, the wind was blowing the wrong way that day. The member for Nanango has remained a strong supporter of the project. By funding this project through Royalties for the Regions residents have been spared huge rate hikes. The resources sector in the South Burnett region has resulted in a significant increase in the population of Kingaroy and the town's surrounding areas. The upgrade of the wastewater treatment plant will replace ageing infrastructure and allow for that growth to continue as well as providing better environmental outcomes. Of course, the South Burnett Regional Council is also contributing $16.3 million to that project.

The Brisbane Valley Highway upgrade project has also been funded through Royalties for the Regions. We will construct 13.9 kilometres of new passing lanes on the Brisbane Valley Highway between Harlin and Toogoolawah. The construction of these new passing lanes will make the Brisbane Valley Highway a lot safer, and the D'Aguilar Highway upgrade will construct a new 1.2 kilometre overtaking lane on what is a very difficult highway.

My favourite Royalties for the Regions project in the South Burnett has been the Kingaroy to Kilkivan rail trail. We are taking a disused railway corridor and turning it into a rail trail in the picturesque South Burnett which will add to the tourism product that is already attracting a lot of

tourists to the South Burnett. To be able to ride or walk from Kingaroy through all of those little towns and villages to Murgon and on to Kilkivan will become one of the great iconic trails in South-East Queensland—all made possible by Royalties for the Regions, well supported by the member for Nanango. I congratulate her on her efforts.

(Time expired)

Sekisui House

Mr WELLINGTON: My question is to the Premier. I ask: what discussions, if any, has the Premier had with promoters of the Japanese property development Sekisui House apartment and hotel redevelopment proposal for Yaroomba on the Sunshine Coast?

Mr NEWMAN: I have great pleasure in answering the honourable member's question. I have met with Sekisui House on at least one occasion. I have probably reported in the past that I have met with them. I believe I have said that. I think that the proposal to spend several hundred million dollars developing a four- or five-star resort and residential component on the Sunshine Coast is a worthy project and is worthy of consideration. I believe that the Sunshine Coast, which has been an economically depressed area for the last five or six years since the Bligh government completely squashed, killed and terminated the property development industry right in the middle of the GFC, needs some development. There are many tradesmen and women who get in their vehicles every weekday morning and drive south. They are probably constituents of the honourable member and constituents of yours, Madam Speaker. People travel south every day. So these things are worthy of consideration.

In relation to the project itself, it must go through the proper processes and they know that. From what I have seen, I think they have worked very hard to actually create a great opportunity for jobs, for that employment, and also for long-term jobs as well as a great addition to the Sunshine Coast. They have also engaged the local council and the department of state development. I hope that the honourable member, as a Sunshine Coast member, can get behind it as well.

I know there are people who have already written letters and signed petitions against that development. I am afraid that is a feature of the world today. I am afraid there are far too many people who think the immediate answer is to say no, that the immediate answer is to oppose. I would say to those people: please think again. Please think about the jobs, particularly for young people who are at risk there. Please think about the opportunity for you and your family. If you want the Sunshine Coast to go forward, at least engage in the process, at least be prepared to sit down with your local council and shape the development. Do not say, 'It can only be four storeys,' because I think, frankly, that is ridiculous. By all means have your say about the architecture, the positioning of the buildings, issues about access to the beach and shadows and things like that. Those are all legitimate and appropriate things to talk about.

I hope that satisfies the honourable member. I look forward to his strong and unequivocal support for jobs on the Sunshine Coast, unlike his usual position which is to sit on the fence or take a negative attitude to most proposals.

Royalties for the Regions

Mr MALONE: My question without notice is to the Premier. Can the Premier please highlight to the House the importance of Royalties for the Regions infrastructure investments that the government has made in my electorate of Mirani?

Mr NEWMAN: I thank the member for Mirani for his question. He is again another long-serving member looking after people in Central Queensland and fighting hard for people in his communities. To particularly address this question, we have committed to three very important and significant projects in the electorate of Mirani through Royalties for the Regions. The three projects are as follows.

The first project, the Dysart Medical Centre, is to build on and improve local health care. The Royalties for the Regions program sees $750,000 towards an $800,000 project, which is a partnership with the Isaac Regional Council. Dysart usually has a population of around 3,450, but it can grow at times to 5½ thousand people with things that are going on in the mining industry. There is a general practice which operates from a house provided by the Department of Communities on a temporary basis. This new project will deliver a vastly improved service: a medical centre with three

consulting rooms and two treatment rooms on Queensland Health land. It will house two GPs, two part-time practice nurses and visiting allied health specialists such as dentists, chiropractors and optometrists. The purpose-built medical centre will provide local residents with greater access to quality medical and healthcare services and deliver long-term benefits to the community.

The second project is the Marian-Mirani wastewater project. There is $6.4 million from Royalties for the Regions towards a $14 million project, a partnership with the Mackay Regional Council to build a new water treatment plant and raw water intake system in the town of Marian. It means a secure water supply for the people of Mirani and Marian. It means that the towns are ready for more growth.

The third and final project I want to refer to is the Hogans Pocket landfill development. An amount of $2.5 million from Royalties for the Regions is going towards the $5 million overall cost of the project. It is another partnership with the Mackay Regional Council. It meets the need for a single landfill site within the Mackay region to safely dispose of waste.

The member for Mirani pushed hard to get the funds for this state-of-the-art facility. Council now has the capacity to deal with the increase in waste that has come along with an ever increasing population over the past decade.

Royalties for the Regions helps to make our regional communities great lifestyle choices for people. They actually give people in regional Queensland the confidence that people down in the south-east and in the seat of government in Brisbane care about what is going on in regional Queensland. I give that assurance this afternoon that we certainly do care about what is going on in regional Queensland, hence this important program.

Royalties for the Regions

Mr YOUNG: My question without notice is to the Deputy Premier and Minister for State Development, Infrastructure and Planning. Can the Deputy Premier please explain how the Royalties for the Regions program is investing in infrastructure for the future of Yeppoon?

Mr SEENEY: I thank the member for Keppel for the question. Before we came to government and while in opposition we promised a Royalties for the Regions program. We worked hard to make sure that the Royalties for the Regions program was put in place from day one because we knew there was a whole range of projects in regional Queensland that communities had wanted to see happen for many years and none more so than the example in Yeppoon. In round 3 of Royalties for the Regions we committed to fund the northern strategic link road, Panorama Drive—some people call it the Yeppoon western bypass stage 2—a road locals have been talking about for 20 years. I remember the day we went up to announce the funding in Yeppoon. The member for Keppel introduced me to an old fellow and he said, 'We've been talking about this forever and we never thought it was going to happen.' But Royalties for the Regions made it happen on a 50-50 funding split with the Livingstone Shire Council so that there would be a bypass for the centre of Yeppoon, so that the traffic snarls that occur around the business area in Yeppoon could be fixed.

I congratulate the member for Keppel on the work that he has done in representing his community and ensuring that it is able to benefit from the Royalties for the Regions program. His community is able to have these sorts of projects, which were consistently ignored by the previous Labor government for so many years, finally come to fruition so that communities like Yeppoon can grow and that businesses in the business centre of Yeppoon can be more profitable because they are not interfered with by the traffic snarls that used to occur there. It is a relatively simple road job, but it makes a huge difference to the business centre and communities of Yeppoon.

Could I take this opportunity to say that I and every other member of the cabinet are looking forward to visiting Yeppoon for our community cabinet meeting in the very near future. As a Central Queenslander who used to spend a bit of time in Yeppoon in my younger days, as most of us did, we look forward to coming to what is a great part of Queensland that is being represented by a great local member who is putting forward projects for consideration under the Royalties for the Regions program and putting forward projects that will make a difference to his community. The RegionsQ strategy is all about making sure that we deliver the aim that was identified in the Queensland Plan to ensure that the population of regional Queensland grows in the years ahead. Yeppoon and the Capricorn Coast is one of those growth areas. A lot more Queenslanders—

(Time expired)

Qantas Services, Wellcamp

Mr JUDGE: My question without notice is to the Premier. Would the Premier please advise what incentives have been offered to Qantas by the government to guarantee that Qantas offers scheduled services from Wellcamp on the Darling Downs?

Mr NEWMAN: Madam Speaker, the answer is: none.

Royalties for the Regions

Mrs MADDERN: My question without notice is the Premier. Can the Premier please outline how the $495 million Royalties for the Regions program will help the people of Maryborough to fight devastating floods?

Mr NEWMAN: I thank the member for her question. I particularly note that the recent floods were very devastating for Maryborough and particularly the Central Business District of that city. I remember visiting with the local member and speaking with Lisa Nielsen from the lolly shop, Anne Proctor, who has a shop in the CBD, and also the owners of the florist shop, the bakery and other businesses. I understand that the member continues to speak with businesses in the CBD on a regular basis, checking on their progress and recovery after the floods. It was heart-rending to see the impact on those local businesses.

I note that the member has worked with councillors, council staff, engineers and members of the community in a series of consultations to find the most economical way to mitigate the flooding. The good news is that through Royalties for the Regions, flood defences in the Maryborough CBD will be significantly bolstered to keep businesses open and keep the local economy open when floods rise. I am pleased to say that through round 3 of Royalties for the Regions we have committed $4.8 million to a 1.8-metre portable flood barrier and a permanent pump station and upgrades at Adelaide Street. It is a partnership with council to deliver a project that is worth just over $6 million.

The government has a plan to get jobs going in the Wide Bay-Burnett, and building critical infrastructure like this will make a huge difference to the region. Adelaide Street will be raised by 300 millimetres and there will be upgrades to stormwater drainage to improve flood resilience to a river gauge level of 11.4 metres. The works will also provide a much needed financial boost to communities through jobs and lower insurance premiums. Again if you have sensible implementation of the appropriate infrastructure, the exciting and positive thing is that insurance premiums can come down.

Lisa Nielsen from the lolly shop was just one of the local business owners who were very excited and pleased that something was finally going to be done to protect shops and future operations in the Maryborough CBD. The Maryborough project is just one of the levees, temporary flood barriers, road raising, major drainage and stormwater upgrades, improvements to evacuation routes, and installation of rainfall and river height warning systems that we are delivering through the Royalties for the Regions partnerships with local government. Our regions will continue to be bolstered through this record investment in returning a share of royalties to support flood and disaster mitigation projects to protect Queensland communities. This is again a practical demonstration of our commitment and care for people outside the popular south-east.

Auxiliary Firefighters, Employment Agreement

Mrs CUNNINGHAM: My question without notice is to the Minister for Police and Community Safety. Minister, there have been protracted negotiations to finalise minimum standards of employment for auxiliary firefighters. Has the agreement been finalised, and does this agreement recognise the invaluable work of auxiliary firefighters?

Mr DEMPSEY: Madam Speaker, this government has a strong plan for a brighter future to ensure that all Queenslanders are safe and to ensure that any person who wants to live, work and visit Queensland is safe. That is why, for the first time in Queensland's history, we committed over $500 million in funding from the last budget to Queensland Fire and Emergency Services.

As a former auxiliary firefighter myself, I thank the member for this important question. Auxiliary firefighters are a crucial part of Queensland's emergency response capabilities. There are more than 2,000 auxiliary firefighters spread out across this great state of Queensland. The government, along with the Fire Commissioner, has signed a charter with the Queensland Auxiliary Firefighters Association, which is again a first in Queensland's history. The charter means that the auxiliary

firefighters will have their voices heard at the negotiating table. This is a new level of arrangement and cooperation with the government and the Queensland Auxiliary Firefighters Association, their association and particularly their members.

For the information of the member, I would like to present a letter from Roger Sambrooks, who is the President of the Queensland Auxiliary Firefighters Association, in relation to a number of misleading comments by the UFU Queensland. It states—

... **UFUQ "Unfair Contracts" class action test case on behalf of auxiliary firefighters.**

QAFA was not consulted by the UFUQ on any action against the Government and QAFA doesn't support the UFUQ's decision.

QAFA and our members have a positive working relationship with the Government and QAFA has recently signed a Charter Agreement improving relationship with Queensland Government through Minister Dempsey and Commissioner Johnson from QFES. More recently a MOU has been signed by QAFA and QFES ...

I would like to table that for the sake of the whole department. It shows that things are happening in that area.

Tabled paper: Auxiliary Update, dated 25 August 2014, regarding workplace conditions for auxiliary firefighters [5901].

While there are only a few seconds left, on a very serious note I would like to thank the brave professional firefighters from the auxiliaries: Lieutenant Jake Sullivan, firefighter Peter Hackwood, firefighter Clint McCarthy and firefighter Nathan Thompson—

Mr Byrne interjected.

Mr DEMPSEY: It is embarrassing for the shadow minister to be interrupting while I am thanking the brave and professional firefighters who attended the Mitchell Highway explosion last Friday and their family and friends. It is an absolute disgrace for you at this time—

(Time expired)

Royalties for the Regions

Mr WATTS: My question without notice is to the Deputy Premier and Minister for State Development, Infrastructure and Planning. Can the Deputy Premier please explain how the Royalties for the Regions program is investing in making Toowoomba a great place to live?

Mr SEENEY: I thank the member for Toowoomba North for the question. I may need extra time to give a comprehensive answer, because the Toowoomba area has done very well out of Royalties for the Regions, as has the Warrego electorate further to the west. It is part of a strategy to correct the underinvestment in this area, which bore the brunt of the growth pressures that flowed from the development of the coal seam gas industry and did not get the investment from the previous government that was required.

To date we have contributed $64 million in Royalties for the Regions funding in Toowoomba. This investment has leveraged investment of just over $80 million for the Toowoomba economy when council and industry contributions are included. I remember that the campaign office of the now member for Toowoomba North was directly opposite one of the main intersections in Toowoomba. Every time the Premier, I and shadow ministers went there, he showed us the traffic congestion and the difficulties that flowed from that intersection. We committed to fixing it in government. We made the commitment that we would fix it.

In round 1 we invested $45 million in the Outer Circulating Road Victoria Street extension in Toowoomba—a project that will fundamentally change the Toowoomba CBD and one that is well on its way to being completed. I had the great pleasure of visiting the construction site recently with the member for Toowoomba North. It is great to see what was a very difficult project come to fruition. It is a project that has been identified as a need in Toowoomba for a long time but was never able to be funded except through Royalties for the Regions. Toowoomba has always been a resources city. The resources sector boomed across the Western Downs and traffic congestion in the CBD grew, but the previous Labor government did not provide the council with any support to get that project happening.

The other projects we have completed in Toowoomba include the O'Mara Road upgrade in the Charlton Wellcamp Enterprise Area. It will upgrade the connection between O'Mara Road and the Warrego Highway which will enhance its capacity to support increased traffic, especially the heavy-vehicle traffic around the Charlton Wellcamp Enterprise Area, which is being established as a major service hub for the Surat Basin. This project is due for completion early next year.

In round 3 we funded the Ruthven Street Flood Mitigation Project. The project will upgrade the existing culvert structures. We also funded the West Creek railway bridge project to construct a three-span railway bridge over West Creek.

I congratulate the member for Toowoomba North—and indeed the member for Toowoomba South, who has also been a strong advocate for Toowoomba. There are some great things happening in Toowoomba with the new attitude and the new strategies that this government has brought to regional Queensland. Regional communities everywhere have a new lease on life, but I think Toowoomba is the stand-out in response to RegionsQ and Royalties for the Regions. It is because of strong representation from two great local members.

(Time expired)

Royalties for the Regions

Mr COX: My question without notice is to the Premier. Can the Premier please provide an update on the progress of Royalties for the Regions projects in the Townsville area that will benefit the people of my electorate of Thuringowa?

Mr NEWMAN: I thank the honourable member for the question. It is great to see government members so fast with the questions this afternoon in this place. I am pleased that North Queensland has benefited from Royalties for the Regions. Two major projects are being delivered in the Townsville region that I should reflect on: the $34 million to the Townsville City Council for works to upgrade the Mather-Woolcock streets intersection and the flood-proofing of Blakeys Crossing.

The Woolcock-Mather streets intersection upgrade is now complete. It used to be Townsville's worst traffic bottleneck. A $10 million investment removed the roundabout and put in new traffic lights and new lanes to hold more traffic. The Blakeys Crossing project had been discussed, delayed and mothballed by government for decades.

Mr Seeney: Endlessly.

Mr NEWMAN: Endlessly. It is a vital arterial road linking Ingham Road to the Bruce Highway. It is flooded with any type of rainfall—a few spits, really. In the wet season it was closed for weeks on end. It seriously impacted on traffic, diverting it to use other roads, and it impacted on access northward from the city. It was so bad that it became a sad, sick political joke, especially as the member's predecessor in Thuringowa was the main roads minister.

Mr Langbroek: He did not build too many.

Mr NEWMAN: I remember that bloke. He was big on the invective but he did not deliver.

In recent years Townsville has been rapidly expanding, particularly in the north-west, so fixing Blakeys was extremely important—a real no-brainer. It took the combined efforts of the members for Thuringowa, Townsville, Mundingburra and indeed Hinchinbrook, as a strong North Queensland team, on behalf of local people, to make this happen and get the $24 million needed. The Blakeys Crossing project is realigning and raising about 800 metres of road. It includes two new bridges and pretty massive earth and drainage works. The Blakeys Crossing project is now nearly complete and on track for December. We promised this and we have delivered this. That is what we on this side of the chamber do. We do not make empty promises; we deliver.

We have also provided $1.1 million to a Townsville City Council flood mitigation project—the Howitt and Rose streets stormwater system upgrade. This will improve flood mitigation in a high flood risk area and fix some structural damage to the drainage system.

With partnership investments, Royalties for the Regions has leveraged a total of around $42 million in investment for the Townsville and Thuringowa areas. Royalties for the Regions is delivering for residents in and around Townsville and across regional Queensland to make sure those regional communities get their fair share.

Toowoomba Airport

Dr DOUGLAS: My question is to the Deputy Premier and Minister for State Development, Infrastructure and Planning. Can the minister please advise what the government, the Toowoomba Regional Council and Wagners have proposed regarding redevelopment of the existing Toowoomba Airport?

Mr Nicholls interjected.

Mr SEENEY: I thank the member for Gaven for the question that Alan Jones wrote. That would be the most accurate way of saying it. I can give him a short answer: none, nothing. I take this opportunity to expand on the great development that is being so strenuously opposed by the member for Gaven and Alan Jones as they pull their tinfoil hats on every day and try to find some conspiracy theory relating to the Wellcamp airport and to the member for Nanango. They comprehensively explore my pedigree most days, I am told—not that I listen to it.

I say to the member for Gaven that he should pull himself out from under his tinfoil hat, forget the conspiracy theories and go and look at what some great Queenslanders have done. He should go and look at a great piece of infrastructure that has been made possible by the investment of private money alone. People have been prepared to put their hands in their pockets and make an investment that will benefit regional Queensland for many years to come. What they have done there fits very closely with what we have been trying to do with regard to regional Queensland. We have the RegionsQ framework. I commend this document to the member for Gaven. If he gives me Alan Jones's address I will send him one as well. It is about developing regional Queensland. It is about ensuring that communities across regional Queensland have an economic future. I table that for the benefit of the House.

Tabled paper: Department of State Development, Infrastructure and Planning: RegionsQ Framework, July 2014 [5902].

While it is fine for people like Alan Jones to sit in a plush apartment in Sydney and rave into a microphone about what the people in regional Queensland should be doing, it is people like those in this government who are getting on with building a future for regional Queensland.

I have noted the interjections from the member for Mackay and other Labor members. I say to them that their electorates, too, have benefited from Royalties for the Regions. Their electorates, too, will benefit from RegionsQ. The member for Mackay hangs his head in shame because he knows that there have been four Royalties for the Regions projects in his electorate totalling over $12½ million. It is a great shame that the member for Condamine is not here this afternoon. If he were, I could tell him about all of the money that has been invested in his electorate under the Royalties for the Regions program.

Dr DOUGLAS: Madam Speaker, I rise to a point of order.

Madam SPEAKER: Pause the clock. What is your point of order?

Dr DOUGLAS: Madam Speaker, as I informed you, the member for Condamine has gone home ill. He fractured a rib.

Madam SPEAKER: Deputy Premier, there is a convention of not referring to the presence or otherwise of members in the chamber. I ask you to pay attention to that.

Mr SEENEY: Thank you, Madam Speaker. I would like an opportunity to explain to the member for Condamine how much money has been allocated for Royalties for the Regions projects in his electorate. None of the members for Condamine, Mackay or Charters Towers has written to me or put forward a project, but we have funded projects.

(Time expired)

Royalties for the Regions

Mr KEMPTON: My question without notice is to the Deputy Premier. Can the Deputy Premier please explain how the Royalties for the Regions program is investing in economic development in Cape York?

Madam SPEAKER: I call the Deputy Premier. You have one minute.

Mr SEENEY: I thank the member for Cook for the question because, unlike those other members, he is a strong advocate for his electorate and is closely engaged with his electorate—in fact, probably more closely engaged with communities on the cape than any other member I know in relation to their electorate. We have funded things such as the Cooktown Esplanade—a little mini South Bank in Cooktown that will benefit the tourism industry that is of great importance to Cooktown. We have put bitumen surfacing on the barge landing at Aurukun. The previous government took the royalties out of Weipa for years and years and years and could not even fund a barge landing for the people of Aurukun. They now have all-weather access to their town. In Napranum we have built the precinct ring-road. We have bitumened roads and we have widened and upgraded Napranum Road.

We have made sure that these communities share for the first time in the benefits that flow from the resources industry. The member for Cook needs to be congratulated, because he has done more for the electorate of Cook than the former member ever did in all the years he was in this place.

(Time expired)

Madam SPEAKER: The time for questions has expired.

MINISTERIAL PAPER

Consolidated Fund Financial Report

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.30 pm), by leave: I lay upon the table of the House the *Consolidated Fund financial report 2013-14*.

Tabled paper: Queensland Government: Consolidated Fund Financial Report 2013-14 [5903].

APPROPRIATION (PARLIAMENT) BILL (NO. 2)

Message from Governor

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.31 pm): I present a message from His Excellency the Governor.

Madam SPEAKER: The message from His Excellency the Governor recommends the Appropriation (Parliament) Bill (No. 2) 2014, the contents of which will be incorporated in the records of the parliament. I table the message for the information of members.

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MESSAGE

APPROPRIATION (PARLIAMENT) BILL (NO. 2) 2014

Constitution of Queensland 2001, section 68

I, PAUL de JERSEY AC, Governor, recommend to the Legislative Assembly a Bill intituled—

> A Bill for an Act authorising the Treasurer to pay an amount from the consolidated fund for the Legislative Assembly and parliamentary service for the financial year starting 1 July 2013

(sgd)

GOVERNOR

Date: 9 SEP 2014

Tabled paper: Message, dated 9 September 2014, from His Excellency the Governor, recommending the Appropriation (Parliament) Bill (No. 2) 2014 [5904].

Introduction

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.31 pm): I present a bill for an act authorising the Treasurer to pay amounts from the Consolidated Fund for the Legislative Assembly and Parliamentary Service for the financial year starting 1 July 2013. I table the bill and explanatory notes. I nominate the Finance and Administration Committee to consider the bill.

Tabled paper: Appropriation (Parliament) Bill (No. 2) 2014 [5905].

Tabled paper: Appropriation (Parliament) Bill (No. 2) 2014, explanatory notes [5906].

The Appropriation (Parliament) Bill (No. 2) 2014 seeks parliamentary approval of supplementary appropriation for unforeseen expenditure incurred by the Legislative Assembly and Parliamentary Service in the 2013-14 financial year of $5.6 million. This partly relates to determinations by the Queensland Independent Remuneration Tribunal, and members will recall that that determination was made predominantly in the second half of 2013 with effect from the beginning of 2014. Reflecting the practice for annual appropriation bills, supplementary appropriation for the Legislative Assembly and Parliamentary Service is sought via a separate bill, hence there are two bills for supplementary appropriation this year.

First Reading

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.32 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to the Finance and Administration Committee

Mr DEPUTY SPEAKER (Mr Berry): Order! In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.

Portfolio Committee, Reporting Date

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.33 pm), by leave, without notice: I move—

That under the provisions of standing order 136 the Finance and Administration Committee report to the House on the Appropriation (Parliament) Bill (No. 2) by 9 October 2014.

Question put—That the motion be agreed to.

Motion agreed to.

APPROPRIATION BILL (NO. 2)

Message from Governor

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.34 pm): I present a message from His Excellency the Governor.

Mr DEPUTY SPEAKER (Mr Berry): The message from His Excellency the Governor recommends the Appropriation Bill (No. 2) 2014, the contents of which will be incorporated in the records of the parliament. I table the message for the information of members.

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MESSAGE

APPROPRIATION BILL (NO. 2) 2014

Constitution of Queensland 2001, section 68

I, PAUL de JERSEY AC, Governor, recommend to the Legislative Assembly a Bill intituled—

A Bill for an Act authorising the Treasurer to pay amounts from the consolidated fund for particular departments for the financial year starting 1 July 2013

(sgd)

GOVERNOR

Date: 9 SEP 2014

Tabled paper: Message, dated 9 September 2014, from His Excellency the Governor, recommending the Appropriation Bill (No. 2) 2014 [5907].

Introduction

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.34 pm): I present a bill for an act authorising the Treasurer to pay amounts from the Consolidated Fund for particular departments for the financial year starting 1 July 2013. I table the bill and explanatory notes. I nominate the Finance and Administration Committee to consider the bill.

Tabled paper: Appropriation Bill (No. 2) 2014 [5908].

Tabled paper: Appropriation Bill (No. 2) 2014, explanatory notes [5909].

The Appropriation Bill (No. 2) 2014 provides supplementary appropriation for unforeseen expenditure in 2013-14. Unforeseen expenditure is expenditure from the Consolidated Fund above the amount approved by annual appropriation on an individual department basis. Supplementary appropriation sought is based on the 2013-14 Consolidated Fund Financial Report, which I will refer

to as the CFFR, which I have just tabled today. The CFFR outlines appropriation from the Consolidated Fund and provides explanations by department for variations from the amount approved by annual appropriation. Aligning the introduction of appropriation bills for supplementary appropriation with the tabling of the CFFR enhances parliamentary scrutiny of unforeseen expenditure.

This government remains committed to transparency and accountability. The introduction of a separate bill for supplementary appropriation demonstrates this commitment by ensuring timely consideration by parliament of unforeseen expenditure incurred during 2013-14, just shortly after the end of the financial year. Under the approach used by the previous Labor government, parliamentary approval would not have been sought until mid-2015, resulting in less scrutiny and an unnecessary delay between when the expenditure is incurred and when it is approved by parliament—a deliberate attempt to avoid scrutiny cynically introduced by the last Labor government at a time when its unforeseen expenditure was over $9 billion. Today this bill seeks parliamentary approval of supplementary appropriation for unforeseen expenditure incurred by nine departments in the 2013-14 financial year of $442 million. Over half of this is for Queensland Treasury and Trade under the 'Administered items' heading and primarily relates to Treasury's responsibility as the whole-of-government financial manager. In particular, the appropriation covers increases in superannuation benefit payments and long service leave scheme claims, including payments to the defined benefit fund superannuation scheme as public servants retire. This is considered normal practice.

Departments also incurred unforeseen expenditure related to this government's support for those affected by natural disasters and drought—specifically additional expenditure for natural disaster recovery, the emergency water infrastructure rebate and Queensland's donation to the people of the Philippines as a result of Typhoon Haiyan. Other unforeseen expenditure related to this government's commitment to revitalise front-line services and included additional expenditure for the One Stop Shop, Smart Services Queensland, New Generation Rollingstock project—that is, 75 new six-car train sets—as well as the Government Wireless Network and planning ahead of the G20 event for November 2014. Along with the Appropriation (Parliament) Bill (No. 2) 2014, supplementary appropriation totalling $447.6 million will be provided for 2013-14. This represents less than one per cent of total appropriation approved as part of the 2013-14 budget. Unforeseen expenditure in the first year of this government, in 2012-13, and in the second year of this government, in 2013-14, as a percentage of total appropriation is the lowest and third lowest respectively over the past 15 years, demonstrating this government's commitment to fiscal discipline. By financial year, total unforeseen expenditure sought in prior years was $327.489 million in 1999-2000; $295.912 million in 2000-01; $375.910 million in 2001-02; $1.530 billion in 2002-03; $2.376 billion in 2003-04; $77.538 million in 2004-05; $1.874 billion in 2005-06; $3.990 billion in 2006-07; $2.152 billion in 2007-08; $2.957 billion in 2008-09, and there seems to be a pattern here; $1.054 billion in 2009-10; $9.305 billion in 2010-11; and $2.826 billion in 2011-12. Members can see how former Labor governments failed to keep their expenditure under control and to bring in balanced budgets.

For 2012-13, unforeseen expenditure—as I said, at this time last year—was only $63.445 million, the lowest level in over 15 years. Further, while nine departments and the Legislative Assembly and Parliamentary Service required a supplementary appropriation in 2013-14, most departments did not reach their appropriation limit last year. Overall, total appropriation in 2013-14 was actually less than the total amount approved as part of the 2013-14 budget.

This is an outstanding result. I want to place on the record my thanks to my ministerial colleagues for their hard work in ensuring that the profligate ways of the past Labor government, which put Queensland on the path to an $85 billion debt, are a thing of the past. We continue to cut the waste, we continue to plan and deliver better services and better front-line services for Queensland as we promised.

First Reading

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.40 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to the Finance and Administration Committee

Mr DEPUTY SPEAKER (Mr Berry): Order! In accordance with standing order 131, the bill is now referred to the Finance and Administration Committee.

Portfolio Committee, Reporting Date

Hon. TJ NICHOLLS (Clayfield—LNP) (Treasurer and Minister for Trade) (3.41 pm), by leave, without notice: I move—

That under the provisions of standing order 136 the Finance and Administration Committee report to the House on the Appropriation Bill (No. 2) by 9 October 2014.

Question put—That the motion be agreed to.

Motion agreed to.

ELECTRICITY COMPETITION AND PROTECTION LEGISLATION AMENDMENT BILL

NATIONAL ENERGY RETAIL LAW (QUEENSLAND) BILL

Electricity Competition and Protection Legislation Amendment Bill resumed from 20 May (see p. 1552), and National Energy Retail Law (Queensland) Bill resumed from 20 May (see p. 1553).

Second Reading (Cognate Debate)

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (3.41 pm): I move—

That the bills be now read a second time.

At the outset I thank the State Development, Infrastructure and Industry Committee for its consideration of the bills. I table copies of the government's responses to the committee's reports.

Tabled paper: State Development, Infrastructure and Industry Committee: Report No. 47—Electricity Competition and Protection Legislation Amendment Bill 2014, government response [5910].

Tabled paper: State Development, Infrastructure and Industry Committee: Report No. 48—National Energy Retail Law (Queensland) Bill 2014, government response [5911].

Reform is not easy. If reform were easy, no doubt Labor would have done it. Reform takes courage and reform takes commitment. The parliament can be under no illusion as to this government's resolve to implement reforms for the benefit of all Queenslanders. These bills represent a significant element of the reform of the electricity sector in Queensland.

When this government came to office, it inherited an electricity system that was, to say the least, broken. Electricity prices had risen by over 80 per cent in a five-year period. The generators were losing money at a rapid rate, costing Queensland taxpayers millions of dollars. The network companies were bloated minibureaucracies that were more interested in increasing returns to government and building infrastructure than getting outcomes for consumers. They carried a combined debt of around $12 billion being paid back by Queenslanders with interest of half a billion dollars per annum. The Labor Party's carbon tax existed, putting further financial burden on households and businesses. The 44c Solar Bonus Scheme existed for those who could afford to purchase PV systems, yet undeniably it passed the cost onto those who did not have solar panels on their roof. The retail sector was a market that was dominated by three main players with an unengaged customer base compared to that of other industries.

These are the reasons the Newman government has embarked on arguably the largest reform to the energy sector in Queensland. The way our electricity system looks at the moment will be vastly different to that in five years time, let alone in 30 years time. This government has recognised that, if we want a sustainable and affordable electricity system, we need to make comprehensive reform and not just tinker around the edges.

During this term of government we have reduced the overbuild on infrastructure and gold-plating, which will save $2 billion over 15 years. We have closed the 44c Solar Bonus Scheme to new customers and at the closure of the 8c solar feed-in tariff in South-East Queensland, we would have saved $110 million to 2020. We have removed red tape by closing the Queensland Gas Scheme, saving industry $1 million each year in compliance costs and removed restrictions against new coal fired power stations.

The next step in the reform of the electricity sector is the reform of the retail electricity market. That is the content of these two pieces of legislation. These two bills introduce a market monitoring regime for the retail electricity industry in South-East Queensland, replacing the current system of price regulation. They also introduce a new customer protection framework for electricity customers across Queensland, which will ensure that all customers, particularly those most vulnerable, have the best protections possible. In relation to the steps that this government is taking in these two bills, the protection of the consumer is absolutely paramount. It is absolutely paramount that we put in place legislation that ensures that every consumer in this state, no matter who they are, where they live or what they do, gets the best possible protections. That is the mainstay of this government's move in this direction.

The National Energy Customer Framework, which I will refer to as NECF, is a legal framework that regulates the relationship between retailers and distributors with customers for the sale and supply of electricity and gas. It was developed jointly between Queensland and the Australian government, New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory. It works by each state and territory applying the framework as a law of its jurisdiction.

The National Energy Retail Law (Queensland) Bill 2014 is the principal vehicle for applying the NECF in Queensland. In relation to the customer relationship with the retailer, NECF does the following: it deals with who can sell energy; it includes set non-price terms and conditions for standard contracts; it includes minimum non-price terms and conditions for market contracts; and it sets out the requirements around bills and billing information, security deposits, late payments, the treatment of customers with particular needs—for example, in hardship, in financial difficulty and requiring life-support equipment at home—disconnections for nonpayment, reconnections, presentation of price information, marketing conduct, complaints and dispute resolution and retailer failures.

In relation to the customer relationship with the distributor, the NECF includes set terms and conditions for standard supply contracts and provides a framework for negotiated contracts; sets out notification requirements for planned and unplanned interruptions and the treatment of customers with life support at premises; and starts the operation of a new connections framework, which includes clear requirements around applications for new physical connections to the network including the installation of solar PV. Time frames for assessing applications and responding to requests are also included.

We have committed to adopt the NECF in Queensland to improve customer protection and competition and to reduce red tape. Customer protection includes the following benefits: a more integrated approach to protection for customers, including a more integrated approach to retailers' and distributors' responsibilities to customers in financial hardship and a more fully developed approach to regulating and placing customer focused obligations on energy sellers who are not retailers, such as shopping centre and retirement village owners; clearer and more effective price comparison information to help customers choose the most appropriate customer retail contract for their needs; clearer processes and requirements for reticulated natural gas customers around billing and credit management; and a national connections framework that sets out clear processes for new connections, including response times to applications and customer requests.

Competition will be enhanced by better comparison tools for customers and by reducing barriers to the entry of interstate retailers into the Queensland market. A single licence regime and consistent regulatory requirements will make it easier for interstate retailers to expand their base to include Queensland.

Queensland modifications to the NECF, including requirements on retailers to give advance notice to customers of price and benefit changes, will further strengthen competitive tension. Red-tape reduction will be achieved by applying more consistent rules between fuel types—electricity and reticulated natural gas—and across state boundaries. This will make it simpler for dual fuel customers and for businesses operating across states to understand and exercise their rights and obligations. It will also reduce compliance and operating costs for retail businesses, allowing retailers to become more efficient as their regulatory obligations—with a small number of modifications—will not require system adjustments or different processes for each energy type and for each state.

New South Wales, South Australia, Tasmania and the Australian Capital Territory have already implemented the NECF. Jurisdictions in the national electricity market have adopted NECF with state-specific derogations, additions and transitional arrangements to address state-specific issues. While all stakeholders support the introduction of the NECF, there are different perspectives that need to be taken into account. For example, retailers generally do not support the state-specific variations to the package on the basis any variation limits the potential efficiency gains. Distributors and consumer bodies have advocated for more state-specific variations. The distributors would like more exemptions from the arrangements. Consumer bodies, while recognising that NECF will strengthen consumer protections, would like the state to place additional obligations on retailers and distributors. The need for state-specific derogations in Queensland has been carefully considered prior to the inclusion in the NECF package and we have learned from the experience of those other states. As a result, this government has made variations to the national law as it will apply in Queensland, ensuring state-specific issues are addressed, particularly those affecting regional customers, and customer protections generally are strengthened. The variations that have been included represent a reasonable balance between the views of each stakeholder group. Variations have only been included where they will provide a net benefit to Queensland and have been restricted to ensure the overall efficiency benefits of applying the regime are not undermined.

The package regulates the sale and supply of electricity and natural gas and enhances protections and support, particularly for those customers struggling with their energy bills. Key benefits of the package for Queensland energy consumers include: a requirement on retailers to develop and maintain policies, approved by the Australian Energy Regulator, that help identify and assist energy customers experiencing financial hardship; provisions to ensure that customers on hardship programs cannot be charged late payment fees by their retailer—I repeat that: cannot be charged late payment fees by their retailer—obligations on retailers to provide flexible payment options for domestic customers experiencing payment difficulties; additional obligations on retailers so that disconnecting a small customer for nonpayment only occurs after all other efforts have been exhausted; better tools to help customers compare offers in the market and get a better deal; national retailer of last resort arrangements to ensure continued supply to customers in the event of a retailer failure; a comprehensive exempt seller framework that gives small customers in on-supply situations, such as retirement villages, caravan parks and businesses in shopping centres, comparable protections to grid connected customers including better access to concessions; and giving consumers in remote Indigenous communities using card operated meters greater protections, including a right to a standard meter at no cost if they have life support equipment needs at their premises.

The bills will also establish a comprehensive regime applying to new connections to electricity and gas networks, providing clear time frames for distribution businesses to process connection applications and give information to customers about the arrangements and cost of their connection. For industry, the package will promote competition by applying a single national licensing regime to make it easier for retailers to expand their operations into Queensland. Industry will also benefit from a more streamlined regulatory compliance regime administered largely by the Australian Energy Regulator. However, the Queensland Competition Authority will be given regulatory oversight of some state-specific elements within the framework, including arrangements for card operated meter customers. As a result, Queensland energy retailers can expect an overall reduction in the costs and administrative burden associated with licensing fees and compliance reporting in separate jurisdictions.

The national package will be altered to provide support to regional Queenslanders and to better support sector outcomes. For example, regional Queensland provisions will support the continued delivery of the uniform tariff policy. Queensland parliament will retain the power to oversee and vary the National Energy Customer Framework as it applies in Queensland if needed. The legislation will be reviewed by 1 January 2018 to ensure it is working for the benefit of Queenslanders. Implementing national retail reforms in Queensland will complement other electricity reforms including the move to market monitoring in the south-east contained in the Electricity Competition and Protection Legislation Amendment Bill. Market monitoring is designed to increase competition and will ultimately drive better outcomes for customers in terms of choice, efficiency, customer service and price discounts. This reform is a central plank of the Queensland government's substantial energy reform package aimed at driving a more responsive and sustainable electricity sector.

Queensland is the last remaining mainland state in the national electricity market to remove price controls. Price deregulation has already commenced in Victoria and South Australia, with New South Wales announcing that retail electricity prices would be deregulated from 1 July 2014. The

benefits of increased competition are well documented. Customers in Victoria and South Australia are already benefiting from the move to a deregulated market. In South Australia, independent analysis by St Vincent de Paul has found that an average South Australian household could save up to $280 per year by switching from a standard contract to the best available market contract. In Victoria customers could make significant savings of up to $600 to $800 per year by switching from a standard contract to the best available market contract depending upon their network area. I add to that that it is always important that when people sign contracts they make themselves acutely aware of the full terms of the contract and not just sign contracts on the basis of a proposal put by a retailer.

The Australian Energy Market Commission has also found that customers in Victoria and South Australia have a high awareness of their ability to switch between retailers for a better deal and have good levels of customer satisfaction. We know competition in the South-East Queensland retail electricity sector is working because the market is already offering prices lower than those set by the regulator. The Australian Energy Market Commission has also confirmed that competition is effective in South-East Queensland and is delivering customers a choice of retailers and plans. But more can be done to challenge retailers to offer better prices and a greater range of products and services. A key step towards achieving this is removing the remaining barriers to competition in South-East Queensland, such as price regulation. This will open up the retail market to greater competition and innovation by reducing red tape and allowing retailers greater flexibility to offer products and price offerings that better suit the needs of their customers.

Variations will be introduced to support the introduction of market monitoring in South-East Queensland, including ensuring customers see no new types of fees and charges for the first two years of market monitoring. While government will no longer have a role in regulating prices in the south-east, it will maintain a key market oversight role to ensure competition remains effective. To inform the government's oversight, the Queensland Competition Authority will have an important role in monitoring the market and keeping government fully informed about how the market is developing. Amendments to the Electricity Act contained in the Electricity Competition and Protection Legislation Amendment Bill will allow the relevant minister to direct the Queensland Competition Authority to monitor and report on the operation of the South-East Queensland retail electricity market. The framework also provides sufficient flexibility for the relevant minister to tailor the authority's reporting requirements to meet the information needs of consumers, industry and government.

Successful outcomes for consumers will only occur in the context of a competitive market. However, the bill also establishes a reserve power that will allow the relevant minister to reintroduce price controls in the unlikely event that competition becomes ineffective. To minimise any regulatory uncertainty for industry, the specific criteria that must be met before this power can be triggered will be prescribed in the Electricity Act.

To maximise the success of market monitoring, the government is working closely with retailers and consumer advocacy groups to develop an education campaign aimed at improving customer understanding of the retail market so that they can make informed choices and secure a better deal for themselves. The campaign will also provide support to non-government organisations and community groups to enable them to assist vulnerable and disadvantaged customers to understand and navigate the market. Improving levels of customer awareness and engagement in the market is a precondition for market monitoring and the government will ensure that there are adequate measures in place to support vulnerable consumers and enable them to benefit from increased competition. Ultimately, through the move to market monitoring, we are aiming to encourage retailers to be more competitive, innovative and flexible in their products and the services they provide. In the longer term, this will drive a more efficient market and assist in placing downward pressure on costs. Again, I stress the importance, as far as I am concerned, of the consumer protection and that is why we have taken so much time to inform the House today of some of the protections that we have put in place in regard to NECF.

I will now address the committee's reports on the bills. I thank the committee for the great work that it did on those reports. I thank the chairman, the member for Gympie, Mr David Gibson. The reports were balanced. I note that the committee firstly recommended that the bill be passed. I thank both sides of the House for that and all members of the committee. In addition, the committee recommended that: retailers be required to provide customers at least 10 business days' notice of a price increase; early termination fees, also known as exit fees, be capped at $20; and, for the purposes of life-support customers who are currently using card operated meters, the bill be amended to clarify beyond any doubt the definition of a standard meter in proposed new section 60D(5). The committee also recommended that the Department of Energy and Water Supply consult further with

consumer groups, particularly those representing older Queenslanders and those from non-English speaking backgrounds, to develop suitable tools to enable them to interpret their energy bills; facilitate a discussion between energy retailers and peak customer groups about simplifying and standardising energy bills; and monitor distributor guaranteed service level payments for any significant fluctuations following the transition to a deregulated market.

The government has decided to accept the recommendations as they support the intent of the bill to promote competition and strengthen protections for Queensland energy consumers. The government has accepted the committee's recommendation to provide customers with a minimum of 10 business days' notice of price increases. This notification period will not be applied to customers in regional Queensland who are charged the notified price for electricity, as the price is set by the regulator and not by retailers. I believe that a mandatory advance notice period will give market customers and standard retail contract customers in the south-east the opportunity to plan for and respond to price increases by shopping around for a better deal before a price increase takes effect. This amendment will be made during consideration in detail, alongside a number of minor amendments that have come about as a result of issues raised informally by stakeholders since the bills were first tabled.

The committee also recommended that exit fees for market retail contracts be capped at $20 on the basis that it provides consistency for consumers and could foster greater competition by enabling consumers to easily switch providers. Exit fees can act as a barrier to competition by preventing customers from switching to another retailer when prices increase. Variations in exit fees can also make it difficult for customers to choose which product is the best for their situation. I believe that capping early termination fees may also help build customer confidence in the new market monitoring environment and complement other proposed transitional measures, preventing retailers from increasing prices in the first year or charging customers any new fees in the first two years of market monitoring. However, I acknowledge that this measure has the potential to put upward pressure on energy prices, and stifle product choice and innovation and may, therefore, not be in the long-term interests of Queenslanders. That is why the $20 cap on exit fees will be reviewed by 1 January 2018 to assess whether it is meeting its objectives and to ensure that it is delivering a net benefit to Queensland energy consumers. The provisions giving effect to the cap on the exit fees will be contained in the National Energy Retail Law (Queensland) Regulation 2014.

The committee recommended that the department undertake additional consultation with consumer groups, particularly those representing older Queenslanders and people from non-English speaking backgrounds, to develop suitable tools to equip them to interpret their energy bills. It also asked that the department facilitate a discussion between energy retailers and peak consumer groups about simplifying and standardising energy bills. My department has been working closely with both retailers and consumer groups to identify the most effective way to engage with and equip all customer groups, including vulnerable groups, so that they can get the best out of market monitoring. We will need to work with community groups and industry groups to ensure that the tools, messaging and communication channels that are used in the consumer education campaign will be effective for all customers.

The government is boosting consumer advocacy services for domestic and small business customers. In the next few weeks, we will be announcing the successful tenderer to receive funding to expand small business and domestic advocacy services in Queensland. The focus of this new arrangement will be to ensure issues affecting those consumer groups are brought to the attention of government and to provide support through the reforms. This agreement will complement the existing funding agreement the government has with QCOSS for $450,000 over the next two years to strengthen water and energy advocacy for low-income and vulnerable customers. These arrangements with key advocacy groups will ensure that engagement activities with consumers are effective and will benefit consumers. Improving consumers' understanding of their electricity bills is an issue affecting all small customers in the national electricity market, not solely Queensland small customers. Stakeholder consultation has begun in earnest and I am confident we can continue to drive and guide it for the benefit of all customers, through forums such as the consumer and industry reference group that I oversee.

Finally, the committee recommended that payments to customers by electricity distributors that fail to meet guaranteed service levels relating to the timeliness of connections, reconnections and notices of planned interruptions be monitored for any impacts following the transition to a deregulated market. Further to the committee recommendations, in the consideration in detail stage of the Electricity Competition and Protection Legislation Amendment Bill I will move to remove the

requirement on electricity retailers to display a carbon and renewable energy target cost statement on domestic customer bills. This was a Newman government election commitment, the aim of which was to provide transparency in highlighting the cost impacts of those schemes on Queensland households. However, given the recent repeal of the carbon tax by the federal government, this requirement is no longer relevant.

I note that of all the stakeholders that made submissions to the committee, all but one—all but one—supported these reforms. Some stakeholders suggested amendments and possible changes. However, they still supported the reforms. The only stakeholder that opposed the reforms outright was the Electrical Trades Union of Employees Queensland branch, known affectionately as the ETU. The Labor Party in Victoria and the Labor Party in South Australia introduced these reforms in those states. It is supported by all stakeholders in the sector, except for the extremist and militant ETU. St Vincent de Paul supported it and the ANC supported it. The Energy Retailers Association and the Energy Supply Association supported the reforms. QCOSS, the Queensland Consumers Association and National Seniors also supported the reforms in principle and we have taken on board most of their concerns.

The question now is: when the shadow minister stands in the House will he support the reforms or will he follow the lead of the ETU and be a puppet for the ETU and not support what is good legislation and a solid set of bills before the House that provides for the future of this state with regard to this sector? This is an important time in the history of Queensland with regard to this sector. It is important that the Labor Party listen to the stakeholders and come up with a well thought out, considered position. Or will it be Simmo and the ETU who win the day? These bills represent reform of the retail sector enabling better deals for customers and stronger consumer protections. I commend the bills to the House.

Mr PITT (Mulgrave—ALP) (4.10 pm): When the LNP was elected in March 2012 they promised to lower electricity bills by $120 a year. That promise has proved to be hollow. We will never know whether the Premier believed what he was promising to be true or not. All we know is that the government has failed spectacularly to deliver on that promise. In fact, they missed the promise by $560 a year, with electricity bills rising by more than $440 a year on average. That is even after the removal of the price on carbon.

I have previously quoted the now Deputy Premier's statement in this place on 22 April 2009 in relation to electricity prices. He stated—

> What has happened with electricity prices in Queensland is symptomatic of what has happened with this government in so many other areas. Government members make promises that mean nothing. They set targets that are absurdly ridiculous. They set out with all sorts of theories and propositions that never become reality—that produce the opposite of what was promised when it was introduced into this parliament.
>
> Electricity pricing in Queensland is the responsibility of the government, and that responsibility is exercised by the minister. It is in the legislation. It is in section 90 of the Queensland Electricity Act 1994 and the minister should read it. When every Queenslander opens their electricity bills from this day forward, they should sheet blame home to the minister and the government. It is the government that is responsible ...

Those words perfectly capture the LNP's failures to date on electricity policy. What they promised at the election appears to have meant nothing. They were just words that were designed to help them win an election, not a plan to govern. Except now the LNP has decided that if they cannot deliver lower electricity prices like they promised, with the Electricity Competition and Protection Legislation Amendment Bill 2014, they are now wiping their hands of the situation and aim to get out of the game so somebody else can set the price and so somebody else can wear the blame.

As we have seen time and time again with this government, when they outsource services or government functions, they also try to outsource political responsibility. I am here today to tell the minister and this government that this is one political hot button issue that they cannot divest themselves of, no matter how hard they try.

Before I talk in detail about the changes these two bills may make to the electricity market, I need to set the scene for these reforms. As I said, I fear the LNP is going to use this legislation as an excuse to avoid the blame for rising electricity prices. Just like they have done since taking office, they have blamed somebody else for their failings and shortcomings.

The fact is that electricity bills have gone up under the LNP, after they promised they would go down. Yesterday in this place the Premier said that we had reached the high point of power prices and that 'We will see some very firm downward pressure on power prices from now on.' Well the fact is that Queenslanders have heard it all before. Queenslanders have heard it all before when the LNP promised to lower bills by $120 a year. Instead, they have gone up by an average of $442 a year.

Suppose for a moment that we give the Premier the benefit of the doubt, and that he is referring to the tapering off of investment in the transmission network that most agree will likely put some downward pressure on electricity prices. The minister has frequently blamed gold-plating as one of the reasons for increasing electricity bills.

However, when he was asked about this at this year's estimates hearing by the Deputy Leader of the Opposition, the minister was unable to nominate a piece of infrastructure that represented the kind of gold-plating he so often talks about. Maybe that is because the minister is aware that Queenslanders do not consider reliability of supply gold-plating. Maybe the minister realises that Queenslanders do not wish to go back to the old days of dreaded brownouts and blackouts.

For the record, the review of electricity infrastructure spending was commenced by the previous government. It is disingenuous for the government to claim any future downward pressure on prices, as the Premier may have alluded to today, due to this tapering of investment as though it were their idea or the result of any LNP policy. Even if the reduction of infrastructure spending does lead to a flattening of electricity prices in the years to come, it does not let the Premier off the hook for his broken promise to save Queenslanders $120 each year on their power bills.

The government has also spruiked the reduction in electricity prices caused by the removal of the carbon price. Surely that reduction was not the key plank of their election promise? The fact is that the LNP promised a $120 reduction in yearly electricity bills knowing full well that the carbon price was in place. Again, the fact that we no longer have a carbon price does not let the Premier off the hook nor does it deliver the promised savings.

This government just does not understand what people are telling them. They cannot accept that cost-of-living issues have gotten worse under the LNP, not better. They have stopped listening. People right across the state are struggling to pay their bills, but it becomes even harder to pay your electricity bill if you do not have a job. Under the LNP there are now 14,200 fewer full-time jobs than when the LNP was elected in March 2012. Those people who have lost their jobs still have to pay their electricity bills.

When the LNP was elected the unemployment rate was 5.5 per cent. Today it is a staggering 6.8 per cent—the highest since 2003. How are the thousands of people who are out of work thanks to this government supposed to afford electricity bills that have skyrocketed under the LNP? We know that many Queenslanders, especially pensioners, are struggling with the rising cost of electricity. Since the LNP was elected, there have been 43,810 residential electricity disconnections due to nonpayment across Queensland. More than 8,800 of those disconnections were pensioners.

Business has also struggled to cope with the massive increases in electricity prices. Since the LNP was elected, 4,031 businesses have had their electricity disconnected due to nonpayment. In the year to the March 2014 quarter, the Queensland Competition Authority reports that retailers fielded more than 55,000 complaints from residential customers and more than 4,000 complaints from business customers.

The Energy and Water Ombudsman's last annual report stated that the number of electricity and gas complaints that have been finalised by that agency has risen from 11,634 in 2008-09 to 13,239 in the 2012-13 year. Billing issues are by far the most common complaint that residential and business customers have with their electricity provider.

We may also be on the cusp of large scale privatisation of electricity generation assets that the government is determined to push through if they win the election. That has not stopped them spending tens of millions of dollars of taxpayers money on getting these electricity assets ready for sale without having asked the question they have made such a virtue of saying they will ask at an election.

The LNP's model for attracting private investors to the transmission network to relieve government debt and future capital expenditure is still unclear and yet to be finalised. What is clear is that our electricity assets currently return to the taxpayer around $1.5 billion per year. On today's money, that is $15 billion gone over the next decade. Over the lifespan of the minister's PowerQ document, that is $45 billion in revenue that will need to be found over the next 30 years. It is against this backdrop—an electricity market in which customers are experiencing major cost pressures and one in which the future ownership of assets is uncertain—that these bills are being debated.

These two bills make major changes to the way the retail electricity market will operate in Queensland, but particularly in South-East Queensland. First I will deal with the National Energy Retail Law (Queensland) Bill 2014, which will introduce the National Energy Customer Framework,

the NECF, to regulate the sale and supply of energy, both electricity and gas, to consumers in Queensland. The NECF is a set of national laws, rules and regulations governing the sale and supply of energy to residential and small business energy customers.

The NECF package has been developed over a period of 10 years, alongside a significant level of consultation with stakeholders at a national level and at a state level by participating jurisdictions. The NECF has three legislative components: the National Energy Retail Law (South Australia) Act 2011, the NERL; the National Energy Retail Regulations, the NER Regulations; and the National Energy Retail Rules, the NER Rules.

The NECF was introduced following consultation by the Council of Australian Governments Energy Council. The NECF brings the whole energy supply chain—that is, wholesale markets, transmission networks, distribution networks and retail markets—under national regulation. The opposition supports the introduction of the NECF, which is the product of many years of work by successive governments across the country.

There will be some transitional restrictions preventing retailers from levying new fees and charges on customers in South-East Queensland on standard retail contracts for two years. These provisions do bell the cat a little and flag that after two years new fees and charges will be on the way for customers.

During the committee investigation, QCOSS supported the transitional provisions, but called for a permanent restriction on fees and charges for standard retail contracts. That submission has been opposed by the retailers who argue that a permanent ban on fees and charges for standard retail contracts would restrict product development and innovation resulting in limited customer choice. Further, they argue that if costs associated with the provision of services or products could not be passed on, then the costs would be spread across the business which may result in higher prices for all customers.

With respect to early termination or contract exit fees, standard retail contracts do not have a fixed period and a consumer can exit the contract at any time without having to pay an early termination fee, or exit fee. However, if a consumer chooses to leave a market retail contract before the term is up, a consumer may have to pay an early termination fee. Both QCOSS and National Seniors Australia submitted that early termination fees acted as a barrier to competition as they prevent customers from responding to price increases by switching to another retailer.

The committee has recommended that the National Energy Retail Law (Queensland) Regulation provide a $20 cap on early termination fees. That recommendation has been adopted, but even a $20 fee could be a significant disincentive to people looking to shop around and get the best possible deal. If retailers argue that in order to compete effectively they need to be able to levy exit fees to keep their customers, then they are not really competing.

With respect to late payment fees, the application of the national law and regulations in Queensland will restrict late payment fees in a number of ways. The first restriction applies to regional Queensland customers on standard retail contracts. Late payment fees will only be able to be levied if they have been included in the notified prices, and as late payment fees do not form part of the notified price they cannot be levied. For residents in South-East Queensland, because the bill restricts retailers' ability to introduce any new charges for a period of two years, this includes late payment fees.

The proposed new framework continues the current status of allowing late payment fees on market retail contracts, which customers have agreed to. It should be noted that late payment fees are not charged to customers who have registered with their retailer and entered into a hardship payment arrangement under the provisions of the NERR. Retailers have argued that, if late payment fees were banned entirely, the financial risk associated with an inability to charge late payment fees would be factored into standing offer prices on 1 July 2015 and prices could increase as a result. The opposition does have some problems with that argument because it suggests that the retailers are designing into their business models a reliance on late payment fees, such that, if they were removed, that revenue would need to be sourced or made up elsewhere in the business. It also suggests to me that as soon as the two-year ban on new fees and charges expires retailers may move to introduce late payment fees for residents in South-East Queensland on standard retail contracts.

Another matter that I want to draw the House's attention to is the new way that changes in prices are going to be notified. Currently, all customers are advised of price changes for standard and market retail contracts in their next bill, which is after the price change has come into effect. These current provisions will continue to apply in regional Queensland and there will be no change, but the

bill proposes to require retailers to provide advance notice of price increases to customers on standard retail contracts in South-East Queensland. The committee has recommended that retailers be required to provide at least 10 business days notice of a price increase on all contracts. That recommendation has been accepted and is welcomed by the opposition.

According to retailers, a more prescriptive approach to specifying a time frame and the mechanism for advising customers for particular groups may add to operational costs and put upward pressure on energy prices. This is a spurious argument. Retailers do not make commercial decisions on a whim, and I am sure that a lot of planning, modelling and thought goes into making pricing decisions. Requiring them to notify customers 10 days in advance of any price increase on contracts is the least they can do.

The second bill in this cognate debate is the Electricity Competition and Protection Legislation Amendment Bill 2014, which will amend the Electricity Act 1994 to remove retail price regulation in South-East Queensland and establish a market monitoring regime. The minister will no longer be responsible for setting the price of electricity in South-East Queensland. Electricity retailers will set their own price without any guidance or benchmark from the government. Currently, as the Deputy Premier helpfully pointed out in the quote I read earlier, the Minister for Energy and Water Supply is responsible under section 90 of the Electricity Act 1994 for setting the electricity tariffs for non-market customers across the state. Section 90 states that the minister must, for each tariff year, decide the prices, or the methodology for fixing the prices, that a retail entity may charge its non-market customers. In practice, that responsibility is delegated under section 90AA to the QCA, which assesses and determines prices on behalf of the minister, but the minister is still responsible for gazetting the prices and giving them legal effect.

Under the new arrangements proposed by this bill, there will be no set price for electricity in South-East Queensland. From July 2015 the retailers will set their own prices in competition with one another. So let us look at what may happen in practice. There will be no regulation of the prices retailers will charge. To determine how much they are going to charge their customers in a competitive environment, one will have to look at their inputs. One of those inputs is the wholesale price of power—that is, how much it costs the retailers to buy power to sell on to customers. In reality, the unit cost of producing electricity is fluctuating as the market undergoes rapid changes. Gas is becoming more expensive as LNG plants come online, and demand increases and coal has become cheaper as a result of the federal government's scrapping of any form of carbon pricing. Where renewables fit into this mix is anybody's guess, as the federal government's political posturing and failure to make a decision on the Renewable Energy Target, aided and abetted by the Queensland government, has introduced a great level of uncertainty into the wholesale electricity market.

It was disappointing to learn during the public briefing on the legislation that the department had done no modelling on where the wholesale price of electricity was going in the future. So the department effectively at this point has no idea what will happen, whether the price will go up or down, and what impact that will have on future electricity prices in South-East Queensland. When asked whether the department had done any modelling on how the proposed changes would impact on electricity prices, the answer was no. The department has not modelled the impacts and cannot say whether the price of electricity will go up or down. It is not a very firm knowledge base on which to be making important policy decisions.

The factor that has driven the largest part of electricity price increases in recent years—as the minister has already admitted on a number of occasions—is network costs, and they will continue to be passed through to customers, as will the wholesale cost of electricity. Barring significant drops in the wholesale and network costs, any benefit that could accrue to customers will be at the periphery and probably driven by customers doing a lot of research into their electricity needs and the types of market contracts on offer and being able to find one that suits their specific needs.

I am advised that this was a topic of discussion during the committee hearing, and that even some of the committee members at times struggled to understand the information given to them on their electricity bills. It goes without saying that this is a very difficult area to understand, and a lot of Queenslanders do not have the time to spend researching their electricity costs in that level of detail. So when we talk in broadbrush strokes about what these reforms will mean for consumers, it is because consumers want to understand what it will mean for them. They do not need to be told to go and do their homework and find the best deal for them by a government that admits it has not done the modelling or its own homework to understand where prices are going in the short, medium and long term.

The people who will be impacted the most by these changes are the 30 per cent of people in South-East Queensland who have not signed up to a market contract for various reasons. Those people are more likely to be seniors or people on lower incomes who have difficulty accessing information to make an informed decision on what sort of market contract would be best for them. As the minister said earlier, the Electrical Trades Union expressed concern in its submission about the welfare of these consumers, and that is a concern I share. There needs to be very careful and serious engagement with those customers to ensure they are not being ripped off by unscrupulous operators. There are certainly savings that can be made if they pick the right market contract to suit them, but I would like to hear a bit more detail from the minister about exactly what the community education and engagement he talks about will include. My understanding is that he is speaking more from a general advocacy perspective rather than an individual advocacy perspective. Perhaps consideration needs to be given to a specialist organisation that can provide consumers with advice, not unlike the Tenancy Advocacy and Advice Service once did for tenants in the private rental market—that is, until it had its funding axed by the Newman government. That consumer advice agency could help people assess their energy needs and usage in order to help get them onto the right market contract for their circumstances.

As I said, it is a very complicated area and some people need a bit more help than others when dealing with contracts that are often very difficult to understand. Confidence is the key, and if people do not feel confident to make the decision then they will stick with their current arrangement as a default.

The Electricity Competition and Protection Legislation Amendment Bill 2014 also establishes a market monitoring regime that will be used to assess the level of competition in the electricity market in the deregulated area. The bill will enable the minister to direct the QCA to provide a written report on the operation of market monitoring in South-East Queensland. This report will provide information to consumers and the government on the effectiveness of market monitoring in South-East Queensland, including the price outcomes for customers. At the public briefing, the department stated—

> The Queensland Competition Authority will do a yearly report on price in particular. That report will provide detail of the price outcomes, so there will be visibility about where prices have gone over the introduction of market monitoring, both on standard and on market contracts.

The bill also establishes a limited reserve power to allow the minister responsible for energy to re-introduce price controls in South-East Queensland should competition become ineffective and subject to an independent review. That review presumably will be commissioned on the basis of the findings of the annual market monitoring report. At this stage we are not prepared to support this bill because we do not believe that the government should be able to abrogate its responsibility for setting prices entirely and hand it to the private sector. I quoted some figures earlier about the number of complaints the retailers had received in the past year—it was more than 55,000 and it is trending upwards. I am not satisfied that retailers have earned the trust of Queenslanders that would entitle them to be the sole determiner of electricity prices for the most vulnerable Queenslanders. We do not believe there is enough support for people on standard retail contracts, who will be forced to move onto a market contract.

We also have concerns that the market monitoring regime will do little to make it easier for people to effectively compare prices and make informed decisions. But I am not alone in holding the view that full deregulation should not occur. The minister talked a bit earlier about who is paying puppets of various organisations. Perhaps the minister should ask his own leader what his view about deregulation was. On 16 January 2013 Premier Newman said in the *Cairns Post*—

> I believe the electricity assets that we own as a state of Queensland should be owned by the people. I don't support privatisation, nor do I support deregulation ...

Fundamentally, we will not allow the government to simply wash their hands and walk away, because they have failed to deliver on their promise to reduce electricity bills.

One of the issues that has also not been addressed to the satisfaction of the opposition is how electricity prices will be set for regional Queenslanders under Ergon Energy, where 99 per cent of people are on standard retail contracts. I understand that work is still in progress to work out the precise methodology and that the QCA is going to be delegated to carry out the price determination. It would be good to receive an update as to how that work is progressing. I am sure the minister will provide that at the appropriate time.

I have dealt with some of the committee recommendations already, but I will touch briefly on some of those that I have not already mentioned. I note that they have all been accepted. I wish to thank the department and the minister's office for the quick briefing that I received yesterday on behalf of the opposition in terms of the minister's amendments in response to the committee recommendations. In relation to the National Energy Retail Law (Queensland) Bill 2014, the committee also recommended: that the department undertakes additional consultation with consumer groups, including those representing older Queenslanders and people from non-English speaking backgrounds, to develop suitable tools to equip them to interpret their energy bills; that the department facilitates a discussion between energy retailers and peak consumer groups on the issue of simplifying and standardising energy bills; and that clause 17 of the bill be amended to clarify beyond any doubt the intent of the definition of 'standard meter' in proposed new section 60D(5). The first two recommendations touch on an issue I raised earlier, which is that electricity bills are often very difficult to interpret. Any work that can be done to simplify the presentation and legibility of information will assist consumers to make educated decisions when it comes to their electricity bills. The opposition supports those recommendations and we look forward to seeing some tangible progress and outcomes in the near future.

As I have said, we are supporting the National Energy Retail Law (Queensland) Bill 2014. The original consumer protections proposed by the minister in the bills did not go far enough, but I am pleased that some additional protections have been added on the recommendation of the committee. But we do believe that there are too many unanswered questions to support the Electricity Competition and Protection Legislation Amendment Bill 2014. For the reasons I have outlined we will not be supporting that bill. I have said it before and I will say it again—and for the minister's benefit this has been on the record since May. He can talk all he likes about the ETU and what position they hold. The Labor opposition has a view—we have held it since May—and that is that deregulation of the South-East Queensland electricity market is another step towards privatisation of Queensland's electricity assets. Before the 2012 election—and I will reiterate this for the minister—the LNP said they had a plan to lower power bills and they promised to cut bills by $120 a year. There was no talk of deregulating prices in South-East Queensland, no talk of depot closures, no talk of job cuts and no talk of asset sales. Since then we have seen bills jump on average by more than $440. The LNP said they would take responsibility for power prices, but now they are walking away and saying it should be up to private companies to set the prices. As I said earlier, we do not believe that the retailers have earned the trust of Queenslanders to allow full deregulation. For that purpose, I recommit to the fact that we will not be supporting the second of the two bills, as I stated earlier.

Mr GIBSON (Gympie—LNP) (4.33 pm): I rise to speak on the cognate debate of the Electricity Competition and Protection Legislation Amendment Bill and the National Energy Retail Law (Queensland) Bill 2014. As chair of the State Development, Infrastructure and Industry Committee, I thank the minister and his departmental staff for their assistance to the committee in its inquiry. I also thank the minister for adopting our recommendations. We believe that what we put forward was based on the feedback that was received. I think it highlights again the very value of our committee process and how we can bring benefit to good legislation to make it better by listening, by having the deliberations and by putting recommendations forward in our report to this parliament. I want to thank the minister and his department for their responses to the recommendations.

The most disappointing element in both reports was the opposition's statement of reservations. In fact, it was not a statement of reservations; it was simply a letter that said, 'Well, we haven't really worked out our position, despite having been involved. What we'll do is we'll let you know in the chamber.' What that really meant was, 'We haven't checked with the ETU. We haven't got our riding instructions and we weren't prepared to put it in the report.' I have been in opposition. I know how hard it is to work, and this opposition is nothing more than lazy. They are well resourced. That statement of reservations goes down in this parliament as an utter disgrace. For them to table that in a report to say, 'Our reservations are—oh you'll have to wait and see because we haven't worked them out yet,' is an absolute disgrace. It highlights the contempt that this Labor opposition has for the committee process.

I want to put on the record that I actually feel sorry for the member for Mackay, the Deputy Leader of the Opposition, because he was the one who had to sign that letter. I have great respect for that individual. He has been our deputy chair on the committee for some time. He has only just departed. As a committee we recognise his great work. I do not believe that that is his standard of contribution because I have seen his work in the past. I have seen what he has contributed to our debates within the committee process. He must just be shaking his head thinking, 'Why on earth is

this well-resourced opposition so lazy?' What were their staffers doing that they could not put something together to make a contribution that is worthy of being in there? That is not a statement of reservations; it is nothing more than a squib. That is what it was in the reports.

What we have heard from the opposition today is that they are supporting the National Energy Retail Law (Queensland) Bill but they are not supporting the Electricity Competition and Protection Legislation Amendment Bill. In effect, they are saying that they do not support Queenslanders getting better energy deals. We heard it from the opposition spokesman when he said, 'We don't trust the retailers.' During the inquiry we had concerns about the consumer protections that needed to be in place. If they still had those concerns, why did they not raise them during the committee process? Why did they not say, 'You're not going far enough'? Why did they not come into the committee process and say, 'Look, we think your recommendations are good, but we want more consumer protection in there'? Why? Because they are not prepared to do the hard yards. We are not seeing them put forward policy in the lead-up to the election. We are not even seeing them put forward ideas with regard to legislation that we have.

A government member: They're worried about their preselection.

Mr GIBSON: Around that time they were probably worried about how the leader of their party was going to be chosen because they had their state conference. No doubt they were doing the numbers trying to work out, 'How do we protect Annastacia? What will Cameron be doing?' I do not know that; I am only speculating.

Let me come back to the elements contained within this bill and, more importantly, the recommendations that are being adopted. I want to thank the minister for accepting recommendation 2 of the national energy retail law relating to there being at least 10 business days because we think that is a very important one. We heard a great deal of evidence with regard to the concern that people have with the notification period as it stood in the original bill without any amendments being put forward. We could have had a situation where someone received notification at 5 pm on one day that their electricity prices would rise the next. It is a very fair and reasonable period to request 10 business days so that consumers can shop around, so that consumers can make decisions based on where they are getting the best deal in that space.

I also want to thank the minister with regard to the provision of a cap on early termination fees. This was one of the things we noted in our report and in discussions. We had concerns that with other states having caps on early termination fees and there being national players, potentially a situation could have arisen where Queensland consumers may have been cross-subsidising operations in other states where there was a cap in place.

By accepting this recommendation it puts us in line with Victoria and other states that have looked at caps. As was quite rightly pointed out, retailers may choose not to have an early termination fee and that may be a product offering that they wish to put forward, but having it capped at $20 will ensure consistency across the area.

The committee heard evidence from both National Seniors and QCOSS in relation to those consumers who are most at risk with regards to understanding their energy bills and, as has been discussed, it is a complex document and can be challenging. There was discussion as to why, when we can have other bills that are very simple and produce information in a clear format so that we can make a comparison billing period on billing period and billing period to the same time last year, why we have not seen that being adopted in the energy retail sector. I am glad that the department will be working in that sector to look at simplifying and standardising energy bills and providing support to those groups that are vulnerable so that they are able to better understand.

The report also made a range of points of clarification. I want to thank the minister and the department for their response in that area. I think they addressed the concerns that were raised to the committee and their response will, I am sure, be well regarded by those who had those concerns.

What we are seeing here today is an opportunity. There are no guarantees. Some of us will remember when Peter Beattie was stuck with the moniker 'Power Point Pete' by the *Courier-Mail* back in 2005, I think it was, when he guaranteed that energy prices would be cheaper. That was a bold claim, and as Premier of this state he stepped forward and gave a guarantee. We heard from the opposition about their concerns but, as they do, they misrepresented what we guaranteed to deliver on, and that was freezing the tariff for the first year. That is what we agreed to do and that is what we delivered on, unlike what the Labor Premier of the day, 'Power Point Pete', said when he guaranteed that electricity prices would not go up. Then I note in the lead-up to this state election, I think it was, he regretted making that statement because he felt that he had misled the people of Queensland. It

was very clear by that stage that 'Power Point Pete' and the Labor Party had misled the people of Queensland. To have the Labor Party stand up in this House today and wax lyrical that somehow they are concerned and to now try and be the champion of the people, when from 2005 the Premier of the day guaranteed prices would not go up, is just pure hypocrisy.

I wish to make one final point and that is, as was pointed out by the minister, there was one submission that did not support the proposed changes within these bills. We invited the ETU to appear before the committee so that we could better understand and draw out from them what their key objections were. They declined, and that is disappointing. There may have been reasons that I am not aware of as to why they declined to appear before the committee, but one would think that if you held such a strong view you would rearrange your day from doing the numbers to ensure which Labor member is going to become the next Leader of the Opposition and that you would find the time to put aside 20 or 30 minutes to appear before a parliamentary committee to articulate your point of view as to why you oppose the bills that we put forward. For whatever reason the ETU did not accept our invitation, but let it be very clear that this committee invited them to appear before us so they could explain their position.

Mr Deputy Speaker, there are few opportunities to make major reform: this is one of them. I commend the minister and I commend the government for having the courage to do so. There are no guarantees, but there is a process now in place where Queenslanders will hopefully be able to see better deals and pressure placed on prices to drive them down. I commend these bills to the House.

Mr YOUNG (Keppel—LNP) (4.44 pm): I rise to speak in support of the National Energy Retail Law (Queensland) Bill 2014 and the Electricity Competition and Protection Legislation Amendment Bill 2014. I want to start by congratulating the minister and his departmental staff for their work in the area of these bills to introduce electricity reform.

Prior to entering politics I met with Stephen Robertson, who was the then energy minister, in relation to the 44c feed-in tariff. He told me point-blank that it was in an incentive to get people into solar energy. The reality is that it was such a good incentive that it will go on to cost $2.8 billion by the time it reaches maturity. I was the first person to put on solar in my patch. I paid the premium price for it: it cost me $22,000. I was prepared to pay it because it was so advantageous for people to make money. We now have a high—

Mr Rickuss interjected.

Mr YOUNG: Thank you, Ricko. There is a large percentage of customers out there now who do not pay for their power, and they get paid for their power because they export power back into the grid. The 44c feed-in tariff created three scenarios: people who do not pay for their power; people who are paid to put power back into the grid; and the third scenario—and this is where the big harm comes from, because I am an old maintenance man—is that you are removing that percentage of customers who are not paying for the poles and wire. We have a perfect storm out there affecting power.

In terms of renewal energy targets, the federal government said that 20 per cent of all renewable energy had to come from renewables by 2020. There was a great article in the *Australian* on 29 May this year that points out that that scheme will cost households and industry $20 billion by 2020. I would suggest that people have a look at the article. The carbon tax was another one, of course. It was just another tax—another harm—but for householders that could not afford power because of climbing costs, there was nine per cent. I am very fortunate that the federal government removed that.

But the gold-plating was the big one. We heard the member for Gympie talk about 'Power Point Pete' back in 2004, 2005 and 2006 and we saw the brownouts. Beattie, who was the Premier at the time, threw money at the problem as if there was no tomorrow. He borrowed money at a time when interest rates were extremely high, thus gold-plating it so that 44 per cent of people's power costs now are their network costs. I applaud the Premier. There is not a lot of movement in the area of power pricing, but he is certainly putting a lot of energy into it.

I will touch on some of the points of the bill. The bill proposes to introduce a National Energy Customer Framework, or NECF, in Queensland to protect customers of electricity and reticulated natural gas, and it also strengthens assistance for vulnerable customers. I will touch on that later. The bill currently before the House proposes changes to the national legislation so that packages can be applied to customers right across Queensland—and that is most important—including remote and regional communities. The amendments will enhance existing customer protection safeguards for regional Queenslanders.

The government is proposing to retain the existing restrictions that prohibit Ergon Energy's retail business from competing with retail markets, and they do that for a very good reason. It is important that this limited retail competition exists in regional Queensland, and I know that it sometimes frustrates regional customers, but it is there because of the fact that the government currently puts in $600 million to support Queenslanders as it considers and progresses further electricity reforms to drive greater competition in the regions. Furthermore, the bill before the House proposes that large customers in Queensland will continue to be able to access supply at regulated retail prices. This ensures the safety net for these large customers regarding the maximum price they pay, as competition remains limited.

In contrast, large customers in South-East Queensland have access to a competitive market—that is what it is all about—so must enter into a market contract with their preferred retailer. In recognition of the community service provided by Maranoa and Western Downs regional councils in providing energy to these areas, they will now become exempt sellers of reticulated natural gas, allowing continuation of current practices.

I will talk about some of the recommendations that come out of the two reports—reports 47 and 48. There were six recommendations in report No. 48 and three in report No. 47. I thank the minister for his staff—for the support and guidance they gave us on the day of the public hearings. I also want to acknowledge some of the people who we interviewed—the Council of Social Service, the low-income consumer advocacy groups and National Seniors, who gave us some valuable feedback. I really thank the chair, the member for Gympie; my fellow committee members; and the committee secretariat, who have done a mountain of work on these two very important bills. I commend the bills to the House.

Mr KNUTH (Dalrymple—KAP) (4.50 pm): I do have reservations about these electricity bills. I recall that in around 2006 or 2007 the then Labor government privatised the retail arm of our energy sector, with the support and backing of the LNP, in the belief that it would increase competition and decrease electricity prices. Since that time we have seen electricity prices double, if not triple. We were continually told that this would be good for Queensland. I do remember that the LNP members had a spring in their step. They were very excited, too. The only disappointment they had was that it was the Labor Party that was introducing it and not them.

Time and time again we have been told the benefits of privatisation and, likewise, of giving more autonomy to the big corporates to make these decisions, but it has not worked. That is the case across-the-board—whether it is the sale of Telstra or the sale of the Suncorp bank. They are all ripping us off. But we do have a protective safeguard—that is, to ensure it can be retained in government hands by whatever means necessary. I know that Peter Beattie admitted in the *Courier-Mail* that the greatest mistake he made was the privatisation of the retail arm of our energy sector. He admitted that, but he admitted that he did not believe that the greedy corporates would rob the poor old pensioner, the consumers and those paying the electricity bills, as they have to this day. The same thing will happen under privatisation. I believe that this bill is laying the foundation for the privatisation of our retail arm.

People do not trust these retailers. I know that a member earlier criticised our lack of trust in them. We do not trust them. We do not trust government. At the same time, the LNP is telling us to trust these retailers, to trust these corporates: 'Don't worry. They will look after it. They will care for you and they will be responsible. So we are going to push this bill forward to give more responsibility to the market based retail contracts.' I know that an old lady will have a lot of difficulty bargaining over a contract with these electricity giants. We need to ensure the minister retains the responsibility to regulate prices or plays a part in retaining that responsibility.

Those in rural and regional Queensland are concerned. We have been pushing for a base load power station for the last 20 or 25 years. One of the main reasons is that we are importing our power from Gladstone and down south and it is costing us an extra $600 million a year. But it has been subsidised by the state government—the taxpayer—which is a good thing. But that would never need to happen if we had a base load power station in North Queensland and we had the Tully hydroelectric scheme and the Penton project available. Our biggest fear is that if there is privatisation then a person living in the bush will be paying for the power to be transmitted to their rural property, which will increase their costs.

I cannot not criticise the LNP for pointing the finger at the Labor Party over the privatisation of this, because they did have a spring in their step when the retail arm was privatised. At the same time, they are going to the next election on the grounds of selling and privatising the energy network. I

do not believe this will be good for anyone or good for Queensland. To see that, we only need to look at the facts and at what has occurred in the past. If we give more autonomy to these big corporate buyers to sell us electricity, they will not go out there and say, 'We will care for you. We will look after you by whatever means necessary.' They are about profits. That is why I cannot support these bills.

Mrs CUNNINGHAM (Gladstone—Ind) (4.56 pm): I rise to speak in this cognate debate of the National Energy Retail Law (Queensland) Bill and the Electricity Competition and Protection Legislation Amendment Bill. The title of that bill appears to me to be a contradiction. Competition should ensure there are low prices but historically that has not occurred. Indeed, in the southern states where there has been full competition—that is, the privatisation of power—certainly there have not been savings, at least for the domestic consumer.

As the previous speaker outlined in relation to his electorate, I know that people in my electorate are completely opposed to privatisation of power. However, that is not the intent—or at least not the specific intent—of this bill. It is to remove retail price regulation. I guess the guinea pig is the south-east corner of Queensland. I can only guess the impact on South-East Queensland consumers in terms of the practical implications of this change.

I do understand that the minister has been slapped about the head, figuratively speaking, for the last few years because of price increases that have been pretty much beyond his control. So I guess if he steps out of that responsibility and passes all of the responsibility to the generators and the retailers, he can be hands-off. I saw the former Labor member for Rockhampton do that in relation to the racing industry. He stepped out of any involvement in the racing industry and gave it to a board. Therefore, in response to any brickbats subsequent to that, whenever a question was asked in this place, the former member for Rockhampton, the then minister for racing, would step back and say that it was not his responsibility. I certainly hope that this minister will not do that, because there will be people in the community—as the member for Dalrymple referred to—who just want electricity supplied at an affordable rate, who will not be able to negotiate with suppliers, who will not be able to be there for the negotiations. Some people will relish it; most will not.

I have another question for the minister to clarify. When deregulation occurs—it has happened in the petrol industry and it has happened in other industries—there are concerns about collusion. Collusion is illegal. It cannot be justified and it is not allowed. My observation is that collusion is only proven once the damage is done—that is, the damage is done because prices have been set between themselves surreptitiously, and have been for some time, before it has been detected. In terms of protection, other than the usual palaver such as the ACCC, the QCC and other watchdogs that will make sure that there is not collusion, what practical means are there to ensure that if we are going to remove this regulation consumers are protected?

The explanatory notes under the policy objectives in terms of market monitoring state—

The Bill will achieve its objective of introducing market monitoring in SEQ by amending the Electricity Act to:

- remove the Ministerial power to decide regulated retail electricity prices for standard contract (non-market) customers in SEQ
- establish a limited reserve power to allow the Minister responsible for Energy to re-introduce price controls in SEQ should competition become ineffective and subject to an independent review
- allow the Minister responsible for Energy to direct the Queensland Competition Authority ... to undertake a market monitoring function and publish an annual market comparison report.

One could say that those three dot points contradict what I have just said. However, my clarification is that the minister will re-enter the market by reintroducing price controls should competition become effective and subject to an independent review, and I would seek some clarification about how that will practically play out. I also note that the community service obligation is to be retained. I would like the minister to confirm on the record that tariff equalisation will be retained across the state and that there will be no opportunity for retailers to impose higher prices on people who do not live in the south-east corner. Again, members could say that this bill only relates to the south-east corner. For those of us who live in rural and regional Queensland, we are intensively sensitive when attention is being paid to things that happen in the south-east corner and as a side issue rural and regional people are disadvantaged.

In relation to electricity prices generally—and people are sick of hearing me say this—there are quite a number of large industries in my electorate, some of which consume significant amounts of electricity. Boyne Smelter is one. All of those industries are trade exposed in that their input costs are particularly sensitive. Some months ago I raised in this place that within the contract to sell Gladstone Power Station Boyne Smelter was to take most of its power from the power station and 15 per cent

would come off the grid. That is a legislated obligation on BSL and it found it incredibly difficult to renew the contracts with the energy suppliers at a reasonable rate. I remember speaking in this place about the price that it was offered most recently, and it was significantly above the commercial price for power in New South Wales, Victoria and South Australia. When I made inquiries to the department as to why, there was no reason able to be given. It has now secured a contract for 12 months, but I think that giving an enterprise the size of Boyne Smelter a 12-month power contract—whilst it is grateful for it, and I am not speaking on its behalf in this comment; it is my comment only—is a nonsense.

When it could not get that contract renewed, it had already closed part of its production down. That takes some time. It also takes some time to reintroduce full production. With commodity prices the way they are, Boyne Smelter needs to be in full production all of the time. I would ask that whoever is responsible for these negotiations consider the real problem of job security for people who work at the smelter and the real problem of capacity at Boyne Smelter being reduced and increased arbitrarily simply because these contracts cannot be negotiated in that Boyne Smelter is effectively held over a barrel, and I am not naive. I am sure that Boyne Smelter in its negotiations is pushing for a pretty hard deal, but I do believe that it makes sense to offer it more than a 12-month contract when it contributes to the state economic situation on a regular basis. It offers a significant amount of employment in the Gladstone electorate not only at Boyne Smelter but also at the power station. I would certainly ask that in relation to electricity competition and protection—what this bill is about—that side issue be considered in real terms because Boyne Smelter is a major employer in our community.

In summing up, I do not have confidence in the competition with these strategic infrastructure suppliers. I do believe that government has a role in strategic infrastructure—water, power and those sorts of inputs into community that are essential for quality of life, safety and security. I certainly believe that the minister has a retained responsibility to be involved to ensure that our consumers get power at the best price possible.

Mr RUTHENBERG (Kallangur—LNP) (5.06 pm): I rise to speak in support of these bills. The bills remove retail price regulations in South-East Queensland and implement a more effective market monitoring regime for domestic and small business customers commencing from 1 July 2015. The legislation also improves customer protection and reduces the regulatory burden on retailers by applying the National Energy Customer Framework to Queensland, subject to specific state based variations to support consumers. The move to market monitoring in South-East Queensland is designed to improve competition and enhance customer protection. Let us compare a couple of different industries. For example, householders already buy cars in a very competitive market. We already buy houses in a competitive market and we buy a whole range of things in a competitive market. In the same way, we determine where our superannuation goes and we determine what bank accounts we use. There are a whole heap of things we do that are market based and that are price driven. Surely to goodness with the sophistication and education of a community like ours we should be given the opportunity in a market based economy to also include electricity prices in this process.

Just to allay the fears of my constituents—fears probably placed there by the ETU—that prices will invariably rise as a consequence of this legislation, prices will rise as a consequence of market mechanisms, not as a consequence of this mechanism coming into place. The Victorian and South Australian Labor governments have already deregulated the retail electricity markets in their states and the good news is that indications are that prices have gone down, not up. For example, St Vincent de Paul—everyone would trust that organisation—has found that average South Australian households could save up to $280 per year by switching from a standard contract to the best available market offer. That implies that we need to go looking and we need to try to find the best offer. Best offers are available and people can save money. In Victoria customers could make significant savings of somewhere between $600 and $800 per year by switching from a standard contract to best available market offers, depending on where they are within network areas.

So the indications are, certainly within those two states—and at the time they were Labor government states—that we could make savings. These bills will open up the retail market to greater competition and innovation by reducing red tape and allowing retailers greater flexibility to offer products and price offerings that better suit the needs of their customers. For example, we will find that particular companies will focus on particular demographics. They will become very good and very competitive at offering products to those particular demographics. I want to reassure people that the minister is not going to be hands off. The minister will be closely monitoring this progress and has triggers available to him if things do not go as expected. That is a reassurance.

I want to finish my contribution by addressing a myth being put out by the Labor Party through its master, the ETU. At the 2012 state election we promised to lower the cost of living. In fact, one of the first bills introduced into this place was the cost-of-living bill. In that bill we reduced the price of tariff 11 electricity for that first year. Why is it that the price of electricity still went up that year? Hang on. Let us wind back the memory a little bit. That is right. Labor introduced the carbon tax. Unbelievable! Here we are talking about mechanisms that cause electricity prices to go up. Let us talk to Labor about the carbon tax. Between 2006 and 2012, under Labor, electricity prices rose nearly 80 per cent. In 2006, the average family's electricity bill was about $1,000 a year. It rose to nearly $1,780 a year.

During that time, a significant thing occurred, which was that then Premier Beattie ripped about $3.2 billion out of Ergon and Energex in dividends. Where does that $3.2 billion come from? Those companies have to go and find savings across the whole company. Areas such as maintenance suffered. Everyone says, 'So what.' Let me tell members about 'So what.' I am a maintenance engineer by profession. I used to travel the globe dealing with and working with very large organisations and advising them on their maintenance practices, especially in the electricity generation, transmission and distribution industries. I could spend several hours informing this House why maintenance is so important, but let me give members a simple illustration. Let us take your average family car. Your car has a maintenance schedule attached to it. You can choose to ignore that maintenance schedule if you like, but what is going to happen is that, eventually, the oil in your engine and gearbox is going to get so bad and so gritty and so heavy that it will be ineffective and eventually your engine will fail. So instead of just doing an oil change that would cost maybe a couple of hundred dollars every year and a half or so, what will happen is that you will have to replace your engine. The cost of replacing the engine would be many thousands of dollars as opposed to the accumulated cost of your car services. The cost of reintroducing reliability, because you have to reintroduce reliable pieces of equipment into the network, costs many times more than just simply doing regular maintenance.

Ripping that much money out of a network that size caused loss of reliability. Do members remember the brownouts and the blackouts? They occurred because the system became unreliable because those electricity companies did not have enough money to do basic maintenance. We are dealing with that right now.

So I say to my colleagues in that corner: do not be so sanctimonious. I call on them to join us and, in a united effort, fix up what they created in the first place. They should stand up to their ETU masters and help Queenslanders, or get out of the road and let the grown-ups go to work.

Mr CRANDON (Coomera—LNP) (5.14 pm): I rise to speak in this cognate debate on the Electricity Competition and Protection Legislation Amendment Bill 2014 and the National Energy Retail Law (Queensland) Bill 2014. A key precondition for the implementation of market monitoring, which is what the Electricity Competition and Protection Legislation Amendment Bill is all about, has been the development of a robust regulatory framework for monitoring the market to ensure that retailers are acting competitively and that the price that customers are paying for their electricity is fair. Although the Queensland government will no longer have a role in regulating retail electricity prices for small customers in South-East Queensland, it will play an important and ongoing role in monitoring the development of the market to ensure that competition remains effective. The cornerstone of this market, as I mentioned a moment ago, is the monitoring function.

Members in this House will remember a conversation that I had some time ago with my retailer of choice, Origin Energy, about solar panelling and billing issues. May I say that the saga continues. I use myself as a bit of a guinea pig in relation to this matter. By the way, I should say that it was my pleasure and honour to be involved in the committee in the development of report No. 47 and report No. 48 to the Legislative Assembly in relation to these two bills. But I digress. I will come back to what I was saying. Origin Energy is my retailer of choice. I stayed with them after the debacle that we had. Just over 12 months ago I negotiated a discounted price for my electricity on two properties. At the time Origin advised me that it was not necessary for them to remind me in 12 months time that, in fact, I would go back to the standard or regulated rate. I proceeded to argue my position, 'Why wouldn't you let me know that I'm about to run out?' The answer they gave me some 12 or 13 months ago was, 'Because we don't have to.' Since then this House has ensured that they have to. All retailers have to notify customers towards the end of their contract period—I believe it is at least 20 days before the contract period expires—to give people the opportunity to make contact with them.

In my reminder notice I saw that I could go to the Origin website. I went to that website. I think I am pretty web savvy. I am certainly capable of getting around most websites. But I ran into problems. I discovered that the offer that I could have was a seven per cent discount and if I paid in advance, or paid on time, there was an extra one per cent, so an eight per cent discount. I proceeded to go into that website to make that arrangement to take up that offer. The sad thing is that I ran into difficulties straightaway. I could not get into the website. I tried a few times. It was a little bit of a muck around. Eventually, in frustration, as most of us would do, I decided to ring the 1300 number to advise them of my difficulty and to ask them for some help. The conversations were interesting. I advised the first person I spoke to that I had had problems getting on to the site and I asked if she could help me. Yes, she could and she proceeded to start to tell me some of their rates. I said to her, 'Don't worry about that. Just go to the seven per cent deal. That's the one I want—the seven and one.'

Having advised her that I could not get on to the site, she advised me that she could not help me with that one and that the best that she could offer me was five per cent and one per cent, because that was a website rate. Of course, I had explained to her that I could not get on to the website. Eventually she said, 'Would you like me to transfer you to someone who can help you with that?' I said that would be good. She transferred me to another retail person. I did not realise it was a retail person, I thought it was someone in the technical area. This person proceeded to go through the same spiel. This is all recorded. I have not had an opportunity to listen to the recording because they denied access to actual copies that I could take away. They said I could go to their office and listen to them but I am not allowed to take them away, which I thought was interesting. She went through the whole process again. I said, 'No, hang on, the seven per cent, one per cent deal.' She said, 'Oh no, that's online.' I said, 'But the previous person I was speaking to said that she was putting me through to someone who was going to help me with the online deal, the seven per cent, one per cent deal,' and she said, 'Oh no, I don't know anything about that. I can only offer you the five per cent, one per cent deal. I can't offer you the online deal because you are not online,' or words to that effect. I said, 'Look, I'm not happy about this. Can you put me through to a supervisor?' By the way, they were all very lovely people. They had a great phone manner. I said, 'I'm not happy.' She put me through to a third person.

This person I assumed was a supervisor. In fact, she identified herself along the lines that she was, indeed, a supervisor. I asked her some fairly straight questions. I asked, 'Are you telling me that the only way I can get this seven per cent, one per cent deal is on the website?' She said, 'Yes, that's correct.' I said, 'The previous person I was talking to told me that she is not allowed to offer me the seven per cent, one per cent deal, or even tell me about the website deal, unless I knock back the offer that she makes to me, which is the five per cent, one per cent deal. She is not allowed to even mention the website deal. Is that right?' She said, in a nutshell, yes, she was not allowed. That is their practice. That is their process. They are not allowed to, in fact, go through that process of offering me the seven per cent, one per cent deal. I said I was not happy and I would be wanting a copy of the tapes and so forth. She said that will not happen. I said, 'I can assure you it will happen.'

Immediately after that, having not been able to get my seven per cent, one per cent deal by the way, I then contacted the government liaison person and said, 'I've had a very bad experience with Origin yet again.' I went through all of the issues with them. They said, 'Let us check it out and we will get back to you,' and away they went. In amongst some missed calls and someone getting the flu they came back to me. I received an email from Tim O'Grady, general manager, public policy and government engagement. Let me read from the email—

> Further to our conversation yesterday I would like to apologise again for your recent experience when signing up to a contract with us. When you indicated during your first call to us that you were experiencing difficulties in signing up to our eSaver online 7% discount offer we should have moved you to this contract on that call. This would have saved you unnecessary subsequent conversations, calls and frustration. I understand that your new contracts with the higher eSaver discount started on 28 August.

That is because I made a fourth call to them and said, 'Look, this is where I want to go. This is the problem that I have had. Can you help me?' This final fourth person said, 'Yes, of course I can. I am more than happy to do that. Because you could not get online I am allowed to offer you the seven per cent, one per cent deal. You don't have to go through this other process.' Anyway, she was good enough to help me and it was all done. To read further from the email from Tim O'Grady—

> To clarify our standard process, we make our best offers available to all customers when they call us for an offer. This does not include the eSaver offer which is a bigger discount available through our lower cost online channel only. However, if the customer is experiencing any difficulties in accessing the eSaver offer online we then fulfil that offer on the phone as part of the standard process. We are continually training our staff—

and it continues on. I have to tell members that it did not happen. I spoke to three people in a row and on three occasions I was told that they could not assist me in giving me that seven per cent, one per cent deal. That is my example and my concern in relation to this industry.

Origin is not on its own. Today I made a phone call to the Big Electricity Switch. By the way, first I went online. I clicked on 'See Group-Discounted Offers'. It did not take me to the group discounted offers, it took me to an area where, if you are a customer, you can get in and have a look. I thought, 'How strange is that?' So I contacted them by telephone and after a long wait, five to seven minutes waiting for them to answer, a fellow came on the line. He asked me a couple of questions. He asked me about whether I have solar panels to which I replied that I did and I am in South-East Queensland. He said that as a retailer they can offer a 12c discount off their rate of 28.42c per kilowatt plus GST and their per day cost of 87.58c plus GST. I said, 'What is the regulated rate?' He had no idea what I was talking about. The industry in South-East Queensland has a regulated rate. I double-checked that with the people sitting over in the corner. We have a regulated rate in South-East Queensland. I took my own recording this time so I do have it on tape, and this fellow assured me that there is no such thing as a regulated rate in South-East Queensland. He assured me that there is not one anymore. I have got news for the second retailer and that is that, yes, there is a regulated rate and it stays in place until 1 July 2015. Once again we have a retailer that is supposedly on our side. These are the Big Electricity Switch people; they are supposed to be doing the right thing by all and sundry, but I can assure members they are not.

Where do I go with all of this? I voiced some of my concerns in the committee process. My concern is that we have a long way to go with the retailers that are servicing the people in South-East Queensland. The two contacts I made—one to Origin, and remember it took me four calls to get there, and one to this other mob, the Big Electricity Switch—both failed the test of honesty and integrity. They failed the test. We are less than 12 months out from going to a monitoring process. These people have a long way to go to get their act together. I will be monitoring them between now and 1 July 2015. I am going to be having people ringing them on my behalf and asking questions and if they do not tidy up their act between now and then I will come back to this House and pinpoint them as individual organisations. Every one of them is on notice. I will name them and go through the experience that the individual that makes that call on my behalf provides to me. I will probably be in the room with a recorder to make sure I have got everything right. My concern is we have a long way to go. I think we have 13 retailers in the South-East Queensland corner at the moment. If it is like Victoria, it is expected to go to something like 19 retailers in South-East Queensland. They are all going to be out there scrambling. They are all going to be out there inclined to not want to tell you the full story when you phone them. They will be inclined to make it difficult for you to work through the mire of their website. As I said, I could not get into their website. I had to be one of their people already. I had to already be registered to get into the website of these second people and with the first one I just could not get online. I could not do it.

I commend the minister for the effort that he has put in over the past two and a half years to come to grips with this massive issue for people in not only South-East Queensland but also right across Queensland. There are massive cost-of-living and electricity pricing issues. It was a big job and he has done it well. I congratulate him for the effort he has put in. At the end of the day, we want electricity prices held down by market forces and I commend the minister for his efforts in that regard. I put on notice all electricity suppliers and retailers in South-East Queensland: I am going to be watching you between now and 1 July and I will bring you back to this House each and every time I discover that you have improper practices in your retail sector.

Dr DOUGLAS (Gaven—Ind) (5.30 pm): This cognate legislation is curious in many ways, but it is also somewhat of a Trojan-horse legislative step. I say that because the second bill, the Electricity Competition and Protection Legislation Amendment Bill, contrasts with a variety of statements from government members in that it is nothing less than a mechanism to facilitate asset sales. The initial bill, the National Energy Retail Law (Queensland) Bill 2014, is in contrast to the straightforward national template piece. I support that legislation and I endorse the committee's recommendations. I do not intend to discuss that legislation beyond that. I will confine my comments to the local legislation and the LNP's approach to the pricing bill. I will not be supporting this legislation as it sets up the state for asset sales and will do exactly what has been stated very elegantly by the member for Coomera in terms of what has gone on. In raising some of those matters the member may be unaware of what has gone on in Victoria, particularly with regards to some reports in a variety of press outlets in recent months. Certainly I believe the objectives are flawed and are based around asset sales.

This legislation appears to be setting up a base for the market in a situation where there is a transfer of ownership from government to private monopoly owners of our power generators and our networks. I say that, on the one hand, the legislation claims to be a light-handed monitoring approach, that is, it will allow the market to determine price, with market forces removing market regulation and monitoring prices. On the other hand, it is a hollow attempt to justify to a very sceptical market that this government is doing something to address the market volatility that is likely to follow, as has occurred in Victoria. The government is justifying this on a basis of its very lopsided view of the market in preparation for asset sales. Clearly it wants to flog off our power generation and network assets monopoly supply to a very eager waiting group of investors. It is helped by the fact that, after very obvious price signalling by the Treasurer, most of those assets will be sold for what could be historically low prices. Members need to know that within two years, by 2017, those assets will produce $3.2 billion in revenue, after borrowing costs are factored in. Currently they are earning a nine per cent return after servicing debt.

One business, CS Energy, has been atrociously managed. The current aim of this disgraceful government is to enable it to sell the most cost-efficient thermal-energy coal fired power generator in Australia. The Kogan Creek 750 megawatt Chinchilla power generator is also Australia's newest. When completed in 2008, it cost $1.2 billion and it has a 30-plus year lifespan. Two steam turbines were switched off for inexplicable reasons when older and more inefficient turbines at Callide A and B needed repair. They were not repaired and they subsequently ran into problems. It is no wonder that CS Energy lost money, market volatility ensued and consumers were hammered in terms of pricing. That has all happened since the LNP government took office. I say to the backbenchers: that is what you are not being told. CS Energy was intentionally financially compromised to drive down its market valuation.

The whole basis of this legislative step is to reinforce false statements or embellish those that could be stated as second-tier complaints. The first strategy is the gold-plating argument repeatedly stated by the minister. Firstly, there is no base-load power generator north of Rockhampton. That is the argument that was raised by the member for Dalrymple and, sadly, it is in contrast to what was stated by the member for Caloundra that, while the current problem is that, yes, there is duplication of the network, it is not run down to the levels that one might think.

Secondly, the gold-plating occurred only when network redundancy was created and it justified our big energy users at a time when they needed power. Members should remember that there have been a lot of disasters and that is what drives the income for the state. It is the little things that people may not know about. We were attracting a lot of people from overseas to build this network. While looking at things such as not using the right sort of oil is a nice little analogy, the problem was that instead of the expensive steel cross processors that they thought they were going to be putting in, they put in fibreglass. The upgrades to the major overseas contractors did not happen; they were done on a lesser scale. A sum of $4 billion was underdone, but it is not as if that has caused such a catastrophe that those sorts of costs cannot be easily recovered over time. That money can be brought back into the system.

Thirdly, the network is efficient but demand has been declining, historically, for the past 10 years. The rebate and the success of the residential solar feed-in tariff support massively diminished residential demand by providing, effectively, two 750-magawatt power stations at a limited cost to the government other than by tariff support, with a net saving of $4.5 billion. That is before the impact of the RET and the carbon emissions. At this stage I table the report by Richard Denniss for the benefit of those members who have not seen it. It is from the *Australian Financial Review*. It is a great summary of what came out of the Warburton review. Dick Warburton, who is a former director of Caltex, amongst other things, has decided that he will not even follow his own report. Basically, the RET has driven down power prices in the country. I table that article.

Tabled paper: Article from the Australia Institute: Research that matters, dated 29 July 2014, titled 'The big freeze for green energy', by Richard Denniss [5912].

Finally, the network businesses are expensive, especially in the regional environment. However, ours is a regional economy and that is how we drive our income. It is part of the operating costs of our business. We will not save 50 per cent of the total cost by selling off those businesses. We will not save that at all and the view that we will is mythical. It will drive down revenue, because it will decrease the pricing that we can provide to the big consumers in more distant parts. The purchaser will want a return on their investment and the consumer will pay for it. A nine per cent yield is very attractive. For those who do not know, compounding money makes a lot of money; that is the way you make money over time.

The second strategy is about maximising competitive benefits while supposedly addressing consumer protection. This point was elegantly raised by the member for Coomera. It is the theory that privatising utility monopolies will release inherent savings due to overmanning excessive bureaucracy and price competitiveness. This is being stated at a time when the latest 10-year review of energy deregulation and sale of power generation capacity in Victoria—and the most authoritative review is the Consumer Utilities Advocacy Centre report by Jo Benvenuti, which was authorised by the government—basically showed that some savings had been made, but overall there were no essentially neutral savings; there was no new investment in the market, and that is the worst problem; there was a 33 per cent increase in disconnections; the market had amongst the highest churn rates in the world; and 30 per cent still found it difficult to compare prices and then to get a different supplier once they did so. That is what is going on in that market and that is what we are facing. That is what members will find people will be complaining about.

In terms of consumer protection, this legislation is about the opposite. Essentially, it paves the way for a mixture of buyer beware and the government saying that it will watch what is going on but that the consumers are on their own. The default option, that is, self-regulation, will work because of market forces and the referral of powers to the Australian Energy Regulator from the QCA, except for the retail pricing element. However, the market is not being told that retail pricing only makes up somewhere between eight and 15 per cent of the overall price of energy. The Victorian experience was that retail prices went up by 20 per cent on what it was thought they would go up by. That is where the 20 per cent figure comes in.

Consumers still have access to the Energy and Water Ombudsman, but there will not be much to offer customers under the changes. Together with a reserve power to reintroduce retail price regulation, this should not be seen by any serious person as likely to be used and it will not maintain sanity in an insane market. These additions should be seen for exactly what they are: a fraud by a corrupt government that is diverting consumers to monopoly utility providers with very little chance of reasonable redress. No sensible economist will support this, but simpletons do. I ask, are you all mice here? At what point will you stand up to this nonsense? Are members waiting for their local businesses and residents to stand outside their offices protesting that they cannot afford their power bills, they cannot negotiate the problems and they really want something better? What do they honestly think will occur? This is not good and solar will not fix it. The fastest way to become a millionaire is to start with a billion dollars—

(Time expired)

Mr KRAUSE (Beaudesert—LNP) (5.40 pm): I rise to make a short contribution in the cognate debate on the National Energy Retail Law (Queensland) Bill and the Electricity Competition and Protection Legislation Amendment Bill. The bills are designed to improve and increase competition in South-East Queensland and to implement a new customer protection framework for all Queensland electricity customers—that is everybody.

In talking about the new customer protection framework, I want to touch on the minister's visit to the Beaudesert electorate last week. He met with a number of consumers, mainly irrigators and primary producers, who have been seriously affected by the rise in electricity prices over the last few years. In talking about the customer protection framework, the National Energy Customer Framework, the words of the member for Coomera in relation to the conduct of retailers resonated with me. They were some of the experiences relayed to the minister last week. Irrigators have been trying to access transitional irrigation tariffs—tariffs 62, 65 and 66. These are tariffs that were reinstated and reopened by the Queensland Competition Authority in 2013 for new entry. Those tariffs have been subsidised by the government. Some of the off-peak rates for irrigation under those tariffs are significantly lower than the off-peak rates under other tariffs like tariff 20 or 22.

Some of the experiences relayed to the minister related to the conduct of retailers. Despite consumers calling the retailers and asking to be put onto the transitional tariffs they are not being put onto those tariffs in a timely manner. Furthermore, there were instances of billing errors relayed to the minister. There appears to be a reluctance or severe tardiness on the part of retailers to deal with consumer issues.

In one case a dairy farmer has been billed for electricity use from 2½ years ago. They have been presented with a bill for $18,000 or $19,000 at a time when returns on farm are incredibly low, due to other factors. A drought has been declared in my region of Queensland and in much of Queensland. Due to errors in the billing process of a retailer this dairy farmer has been presented with a bill for $18,000. Can members imagine the horror that goes through people's minds when they receive these sorts of bills?

I understand that that matter is being sorted out, but it brings into focus the need for a consumer protection framework. There needs to be a set of strong regulations that retailers need to adhere to and the Energy and Water Ombudsman or another body needs to have the teeth to deal with complaints and issues where retailers are not doing what they should be doing.

Where the QCA reopens transitional tariffs for the benefit of primary producers, primary producers should be able to access them and not have to go to their local member, whoever it may be, the Ombudsman or the retailer to make sure they can access these tariffs. It is not good enough for them to give people the runaround. That is what seems to be happening in some cases.

The National Energy Customer Framework should be extended to certain users who, at the moment, are considered to be large users of electricity. The threshold for being a large user at the moment is that they use 100 megawatts per year. At the present time, as I understand it, that takes them out of the consumer protection framework and prevents them accessing the Energy and Water Ombudsman. That is, in my view, an anomaly that should be addressed, particularly in respect of consumers like primary producers who irrigate a lot and irrigate on a seasonal basis and whose demand for electricity fluctuates from year to year and season to season depending on the conditions. There are a lot of different factors that go into their electricity bill.

One of those factors is the demand network charges. Where a person uses more than 100 megawatts of electricity per year they become a large user and then they have to pay a demand network charge based on their peak consumption of electricity per quarter. If someone is a large user they will generate a demand charge based on their highest demand on the network for a 30-minute period within a quarter. That can be quite a considerable charge. I have one producer who, at the flick of a switch for his 120 horsepower irrigation pump, will incur a demand charge of $4½ thousand per quarter.

Mr Costigan: And they're all around the state.

Mr KRAUSE: They are all around the state. The National Energy Customer Framework should be extended to these users. If they have difficulties with their retailer, with their metering points, with their charges or with their customer classification then they should be able to access that recourse.

One of the other things that came out of our meeting was that that threshold for becoming a large user should be lifted. The imposition of network demand charges is killing businesses. It is literally making people sick when they receive their bills for network demand charges. The threshold is too low in respect of primary producers who during very hot times and very dry times sometimes irrigate 24 hours a day simply to get their crops out of the ground let alone try to make a profit out of those crops. Dairy farmers, lucerne growers—all horticultural growers—are copping it both in terms of the demand charges and also the conduct of retailers. As the member for Coomera said, the retailers do not seem to be dealing with these consumers as they should be.

There is a need to lower prices in all sectors of the electricity market, but no more so than in the irrigation sector. What the irrigators to whom I talk to are saying is that they want to see a point in time where prices are going to level off for them. That will give them the assurance that they can continue planning what they are going to do in their businesses in the future and that they will have a steady and stable price for electricity.

There are industries in my area that are at risk from issues like demand charges. I am very grateful for the work that is being done by the government to take costs out of the network. We have seen that with the carbon tax being repealed this year. Some business tariffs and domestic tariffs have actually reduced somewhat.

We need to continue that work and take costs out of the network. I understand that the government, Energex, Ergon and Powerlink will be preparing a submission to the Australian Energy Regulator later in the year or early next year in relation to the next pricing period for network charges. We need to ensure in terms of that submission that the work to be done on our networks and the costs to be incurred by our network businesses—costs that are always passed onto the consumer and always passed onto our irrigators—and prices level off so we give some certainty to our irrigators in my electorate and also in the member for Whitsunday's electorate. Cane growers have a big stake in this as well. I know that they have made a lot of submissions in relation to network charges and other electricity issues.

One other thing that came out of last week's forum was that in many cases it is not actually the variable charges for electricity that are causing the most problems for consumers; it is the network demand charges, the fact that people are not being billed correctly and the fact that retailers are not

dealing with them appropriately and not enabling them to get on to the transitional tariffs for irrigation as they should be able to. The bills here are introducing a system for more competition in South-East Queensland. We know that most people in South-East Queensland are already on a market contract with their electricity retailer, not a regulated tariff. The bills also introduce a new consumer protection framework, which as I have said needs to extend to a broader range of consumers than the present regulatory system does. We need to work on bringing network charges down, look at the threshold for a large energy user and also look at ways to give certainty and stability to electricity prices in agriculture.

Mrs FRANCE (Pumicestone—LNP) (5.50 pm): I rise to make a contribution in tonight's cognate debate and particularly on the Electricity Competition and Protection Legislation Amendment Bill. This bill addresses the commitments given by the Newman government to reduce the cost of living for Queenslanders. The objectives of the bill are: to amend the Electricity Act 1994 to remove the retail price regulation in South-East Queensland and establish an effective market monitoring regime; to remove or amend provisions of existing Queensland energy legislation to avoid duplication upon commencement of the National Energy Retail Law (Queensland) Bill; and to ensure that the remaining provisions continue to operate effectively.

The Newman government announced its intention to increase competition in South-East Queensland by replacing retail price controls with a lighter touch in its market monitoring approach and applying the National Energy Retail Law as a law of Queensland following an interdepartmental committee review of the electricity sector here in Queensland. The review arose out of: a longstanding concern about the cost of electricity supply; the viability, sustainability and competitiveness of the electricity sector; and the financial sustainability of arrangements for the government.

Introducing market monitoring in South-East Queensland and applying the National Energy Retail Law forms part of a wide-ranging reform announced by the Newman government in response to the review. Underpinning the reforms are three strategies: strategy 1 is to stop building unnecessary infrastructure and improve the efficiency of network businesses; strategy 2 is to maximise the benefits of competition while protecting customers; and strategy 3 is to have a more effective role for government. The measures in this bill effectively support strategies 2 and 3.

The bill will make amendments to the Electricity Act to remove retail electricity price controls in South-East Queensland and establish an appropriate regulatory framework for monitoring the South-East Queensland retail electricity market. The bill will also make amendments to the Electricity Act, the Gas Supply Act 2003 and other legislation to ensure that the remaining consumer protections in these acts continue to operate effectively. Amendments to remove duplication and align terminology with the National Energy Retail Law (Queensland) Bill 2014 are intended to reduce the regulatory burden and increase efficiency for energy businesses, and obviously contribute to more effective government.

The bill will achieve its objective through these specific amendments to the Electricity Act: to remove the ministerial power to decide regulated retail electricity prices for standard contract customers here in South-East Queensland; to establish a limited reserve power to allow the minister responsible for energy to re-introduce price controls in South-East Queensland should competition become ineffective and subject to an independent review; and to allow the minister responsible for energy to direct the Queensland Competition Authority to undertake a market monitoring function and publish an annual market comparison report. Significantly, regulated retail electricity prices will continue to be set for standard contract customers in regional Queensland. The minister responsible for energy will retain the power to decide the regulated prices, or the methodology for fixing the prices, that a retailer can charge standard contract customers in regional Queensland.

The reserve power to reintroduce retail price regulation provides an additional safeguard for customers should competition in the South-East Queensland retail electricity market become ineffective. However, the exercise of this power will only be triggered subject to an independent review of the South-East Queensland market which concludes that competition has become ineffective and recommends price controls be reinstated. The establishment of an effective market monitoring and reporting framework will allow the Newman government to monitor the operation of the South-East Queensland retail electricity market in order to ensure that customers have the opportunity to benefit from increased competition.

As detailed, this bill will achieve its objectives by removing duplication and aligning terminology with the National Energy Retail Law (Queensland) Bill to reduce the regulatory burden and increase efficiency for electricity businesses by amending the Electricity Act 1994, the Gas Supply Act, the

Energy and Water Ombudsman Act, the Electrical Safety Act 2002 and the Queensland Competition Authority Act 2003. The National Energy Retail Law is an applied law arrangement, whereby a harmonised legislative framework is applied by participating jurisdictions to improve the efficiency of retailers operating across state borders. These legislative amendments will assist in delivering reduced cost of living for Queenslanders.

The power to fix on-supply pricing has been removed. This aligns with pricing related conditions that the Australian Energy Regulator may place on on-suppliers under the National Energy Retail Law (Queensland). The market monitoring amendments in this bill are specific to the state of Queensland and not uniform with or complementary to any other Commonwealth or state legislation. The National Energy Retail Law has been applied to New South Wales, South Australia, Tasmania and the Australian Capital Territory. The proposed Queensland mechanisms are broadly consistent with equivalent arrangements of other jurisdictions.

This bill and these amendments are a simple part of the policy framework of the Newman government as it delivers on its commitments made to the people of Queensland. I support this bill before the House.

Mr HART (Burleigh—LNP) (5.56 pm): It is great to stand here tonight as part of a government that is doing something about the increasing cost of living for the people in my electorate of Burleigh and the people of Queensland in general. It is great to support this minister in another one of his bills he has brought to this parliament that has an effect on the price of electricity. That is what we are doing tonight—we are having an effect on the price of electricity. We all know that electricity makes up a large part of our cost of living nowadays. We all dread those electricity bills when they arrive because we know that they are going to hurt our back pocket. We know that we are going to have to write out a big cheque that we really do not want to write out. It is part of our cost of living and it is something we really cannot avoid.

I support these two bills currently before the House—the Electricity Competition and Protection Legislation Amendment Bill and the National Energy Retail Law (Queensland) Bill. These two bills in cognate will introduce the National Energy Customer Framework, or NECF, in Queensland and introduce reforms to the retail electricity sector. The National Energy Retail Law (Queensland) Bill will give residential and small business energy consumers across Queensland much more flexibility and information when it comes to managing their energy bills, while simultaneously maintaining and introducing strong consumer protection measures. The bill will cut red tape for both businesses and government and facilitate increased retail competition. This means more choices and options for Queensland's energy consumers.

I remind the House that the latest report card on red-tape reduction shows that the government is on track to deliver on its commitment to reduce red tape by 20 per cent over six years, and this legislation further adds to that agenda. We have already started work on more than 500 reforms—350 of which have already been implemented—and we have successfully removed over 9,000 regulatory requirements imposed on business by the former Labor government. While I acknowledge that progress has been made in the fight against red tape, much more needs to be done. I will continue to look for ways to make doing business in Queensland easier.

In mid-2012, the Interdepartmental Committee on Electricity Sector Reform was formed by the then Queensland government to scrutinise cost pressures on electricity prices, focusing on network costs, electricity supply and retail competition. In May 2013 the IDC provided a report to government which recommended the Newman government commit to increased retail competition as a key energy policy goal; stimulate investment and competition for the benefit of customers; remove price controls in South-East Queensland by 1 July 2015 if consumer protection engagement in the markets are judged to be adequate; and consult on pathways to remove price controls in South-East Queensland including the precondition that would need to be met to ensure consumers benefit, a timetable to achieve the conditions and the development of alternative customer safeguards such as the power to reregulate under certain conditions. The government has accepted those recommendations and committed to increasing retail competition and removing price controls in South-East Queensland by 1 July 2015.

Being a part of the national framework, energy consumers will have access to online, up-to-date market information. For instance, Queensland energy consumers can access the Energy Made Easy website maintained by the Australian Energy Regulator. On one hand it is an educational tool and, on the other, it provides reliable information about energy offers available in the market.

Customers can compare all electricity and gas retailers in their area to see whether they are taking advantage of the best energy offer. Customers who do not have internet access can use their telephone to access the same information through the Australian Energy Regulator's info line.

The two bills will provide a strong safety net to protect vulnerable customers. This will boost consumer confidence and empower customers when it comes to maintaining their energy usage and expenditure to fit their household needs and budgets. Under the bills energy retailers will be required to have uniform hardship policies approved by the national regulator in place to help identify and assist energy customers experiencing financial hardship. In addition, retailers will have an obligation to provide flexible payment options for small customers experiencing bill payment difficulties. There is also an additional obligation on retailers so that instances where small customers are disconnected for nonpayment are only in extreme circumstances. These improved levels of customer protection will apply to small electricity and gas customers across the state.

The electricity competition and protection legislation also proposes some additional protection measures for energy customers in South-East Queensland, including those in Burleigh, to support retail price deregulation. To ensure that South-East Queensland customers will benefit from the removal of price regulation, the government is requiring that the preconditions recommended by the interdepartmental committee are met, and they are to: on the advice of the Australian Energy Market Commission report, confirm that there is sufficient competition in South-East Queensland, ensure that the consumer protections are in place and are effective; improve customer engagement in the market so that customers understand and can engage in the market; establish, with oversight of the Queensland Competition Authority, a strong framework that ensures retailers act fairly and a fair price is paid; and establish a suitable price-setting method for regional Queensland in 2015-16.

The electricity consumers of South-East Queensland will benefit from these measures as they will be provided with a more competitive market and up-to-date information about prices to assist their decision making. Consumers will be protected in the case of a market failure resulting in a non-competitive market as the minister has the power to reintroduce price regulation. These strengthened protections include: a minimum of 10 business days advance notice to customers requiring price increases—and I am glad the minister has accepted that recommendation from our committee—and at least 20 business days advance notice of expiry of benefits such as discounts; availability of at least one market contract with no exit fee and otherwise capping exit fees to $20—another recommendation of the committee on which I serve—for the first year of market monitoring; and for the first two years of market monitoring retailers are not allowed to introduce new types of fees and charges for consumers on standard retail contracts.

The committee received quite a few submissions on these two bills. I would like to talk about a couple of things that were brought up that maybe have not been highlighted today. We heard from QCOSS and the National Seniors that one of the things that affects their members—and I would suggest that it affects a lot of people—is not knowing how much their electricity bill will be until they receive it. They would like to know in real time or almost real time how much electricity they have been using so they can budget for future electricity bills. I do not know about other members in this place, but my electricity bill comes in at $600 to $1,000 every time, and that is a shock to the hip pocket. QCOSS and the National Seniors said to the committee that it would be great to have some sort of information as to what the bill is going to be when it does arrive in the mail. I asked them whether they would like to see real-time electricity meters and they said yes, they would. That surprised me a little bit because there has been a bit of angst about real-time meters and those sorts of things because of the cost involved. It is seen that that may add to people's electricity bills. They see it as more important to have up-to-date information. They would be quite happy to have so-called smart meters, and we clarified that during the debate.

Like many members in this House or many people out on the street, they would like to have a clear and identified electricity bill, maybe on a template basis—and I am glad to see that the government will have a look at that. It is very hard to come up with some sort of template or standardised bill so that people can, in one glance, see how their electricity bill would compare under another supplier. We want to make it easier for those people to change. If they do change from one supplier to another, when they receive their new electricity bill they often find that it comes in a completely different format. At the very least, I would like to see one page of that electricity bill be in a set format so that people can compare their last bill with this bill and see what may have changed. That was something that was really important to QCOSS and to National Seniors. I fully support that. We made sure that that flowed through to our report in the committee.

I think this is a great step forward as are some of the other things that the minister has done such as with regard to slowing down increases in electricity costs. The previous government went willy-nilly at things. They gold plated our infrastructure. They introduced things like the 44c feed-in tariff which at the time might have seemed like a good idea but it has now been proven to add about $256 a year to the price of electricity. They did not care. They thought it was some sort of green incentive. It was not fair. It is not fair on other people who do not have solar who have to pay for the necessary infrastructure for which people with solar panels do not have to pay. Having said that, people committed to 44c in good faith and it was not appropriate for this government to take that away. So we said, 'No, we're not going to do that.'

The minister has now removed that regulated 8c feed-in tariff. We expect as a government to see our energy retailers and wholesalers offering more money for the feed-in tariff in a competitive market. If your electricity company wants to keep your electricity and they want you to keep paying the money, they are going to have to be competitive and they are going to have to compete with the other people who we anticipate coming into this market. We have already seen in Victoria that the number of retailers has increased. A number of those retailers that operate in Victoria are basically champing at the bit to get up here to Queensland and take on the people who have been in this regulated market. Deregulating the market will be a fantastic thing. I really commend the government for having the guts to get in there, make these decisions and put in place things that will have an effect on the cost of living for the people in my electorate and the cost of living for the people in all of our electorates. All of us should support both of these bills.

Mr SHUTTLEWORTH (Ferny Grove—LNP) (6.09 pm): I rise in the House to speak in support of the Electricity Competition Legislation Amendment Bill and the National Energy Retail Law (Queensland) Bill. I speak to the bill primarily from a position of understanding, frustration and compassion for those consumers within the electorate of Ferny Grove who have, under years of ineffective or poorly implemented policy by those opposite, suffered through increase after increase with not one glimmer of hope that an action plan was being developed to address the year-on-year rises.

Collectively these bills have the following objectives: to amend the Electricity Act to remove price regulation in South-East Queensland; to apply the National Energy Retail Law to ensure provision of the supply to regional Queensland fairly and equitably, despite the lack of competition in those areas; and to support the government's reform priorities through the provision of customer protection and support to small business after the removal of regulated pricing in South-East Queensland.

The objects are likely to be delivered by: ensuring that the access to regulated pricing is maintained in regional areas until such time as the level of competition within the regions increases to a point where it is likely to deliver the same benefits to those regions as we enjoy in the south-east area; and by removing the price controls in the south-east corner, which will have the effect of creating a true marketplace for electricity supply where flexibility, price, customer service and network efficiency all play a part in informing consumers, who have the capacity to make a final choice of their service provider.

Across the seat of Ferny Grove, and perhaps many others, in recent days and weeks consumers have received notices from their providers outlining what savings will be delivered through the abolition of the carbon tax. Remember, this is a tax that the member for Redcliffe and many others on that side of the House advocated so strongly in support of. It, like many other poorly constructed tax systems, serves only to constrain, impose and disadvantage the very people that we are meant to serve. On this side of the House we focus on change to ensure that market forces are unshackled as much as possible so that through competition, productivity and efficiency gains a supplier is able—and in fact should be driven—to offer the best product at the very best price.

Of course the costs of resilience and reliabilities of networks at a competitive price point is an area that governments right across the country have been grappling with for some time; however, we are not embarking down this path for the first time. As has been mentioned throughout the course of this debate, this is a harmonised implementation which has occurred across a number of jurisdictions. Whilst we might not implement all of those components, it is based on paths have which have been well trodden and there is many a case in point to attest to the success of the implementation.

While in power, the Labor governments in Victoria and South Australia have deregulated their energy supply markets, and in New South Wales they have recently undertaken to do so effective 1 July. In South Australia they recently commissioned a report comparing the price of electricity

supply in that state on 30 June 2013 compared to 30 June this year. The report found that residential consumers had an increase of around 1.7 per cent, which is markedly lower than the CPI over the same period of time. Small business customers were in fact enjoying an average reduction of 0.3 per cent. There are obviously great benefits from competition being delivered in those marketplaces. The South Australian market saw an average saving of approximately $280 per annum for their retail customers, while in Victoria it was a very healthy $600 to $800 per annum. The analysis of both jurisdictions also found that there was a very high level of consumer awareness about their ability to switch providers.

Of course not every consumer has the information, the capacity or the inclination to regularly test the market and switch providers. Unfortunately, some are simply treading water from day to day with the supply of electricity not featuring highly on their list of priorities. There are those suffering hardship who are not in a position where they can achieve a competitive outcome, and for these customers this bill will ensure that the new customer protection frameworks include measures to ensure that customers suffering hardships are clearly identified and protected through the removal of late payment fees to those on hardship payments, payment options, disconnection as a last resort and a supply guarantee if retailers fold. The measures that are being implemented as a result of this bill have received some acclaim from people who have submitted to the committee, for example QCOSS.

I recently met a small business owner, a baker, in my electorate of Ferny Grove, who contacted my office and said that the abolition of the carbon tax had delivered an 8.9 per cent saving on the electricity supplied to his business. These savings mean that he will now be able to employ a casual worker from the local high school. While this is just one small business and just one part-time job, it is not difficult to extrapolate this out across the South-East Queensland marketplace to see that there are significant benefits to be derived by the deregulation of this market not only through employment but also, of course, through lower electricity charges.

There are many local economies that will be positively impacted by the move to abolish that insidious carbon tax, and similarly the savings that many small businesses will derive through these measures too will provide a market buoyed by confidence which will begin a long and strong march ahead. These bills collectively ensure that this government is continuing in its pursuit of an economic environment that will deliver alternatives and choices for all the people of Queensland and that there is true cost-of-living relief when compared to the environment we inherited and the mismanagement that was perpetuated by those opposite. It is with this very short speech that I support the passage of the bill through the House.

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (6.16 pm), in reply: I do thank all honourable members for their contributions to this debate and also the members of the committee who spent some time going over these bills. This is a prime example of how beneficial the processes of the committee are in that they allow issues to be formally raised and discussed and an informed and considered report to be prepared and tabled to which the government replies.

It is clear that Queensland's electricity system is under pressure on many fronts. People are using less electricity as a result of new technology, but poles, wires and other equipment still needs to be paid for. As a result, wide-scale reform is essential to address rising prices and provide a fairer system. The reforms that we are delivering create a solid foundation for the future. Supporting frameworks such as those in today's bills will help get our electricity sector ready for the future and deliver a more resilient, competitive, cost-effective and consumer focused industry.

I would now like to turn to some of the contributions by members of this House and make comment on concerns that were raised. If I can start with the shadow minister, the member for Mulgrave, Mr Curtis Pitt. When I concluded my comments I posed the question: would he follow his own dictates, the Labor Party dictates or would he be led by the ETU? There is no doubt that the ETU will not allow the Labor Party to pass the Electricity Competition and Protection Legislation Amendment Bill 2014. It was quite prepared, and rightly so, to support the passage of the National Energy Retail Law (Queensland) Bill 2014, but its true masters reached out their hand and would not allow it to do something for the people of Queensland because they did not—

Mr Krause: Their dead hand.

Mr McARDLE: I will take that interjection. The dead hand of the ETU reached out and pulled the Labor Party back because the ETU'S campaign might be frustrated. Not the Labor Party's campaign, because the Labor Party does not really exist in this state anymore. It is a sad irony, but it

was right here several years ago that Peter Beattie stood. He was a tower of the ALP. Now it is a shallow rump of what was a mighty individual state based ALP. It is controlled and dictated to by the ETU. I think it is quite right to comment that the member for Mulgrave has rolled over like a little labrador wanting his little tummy tickled by the ETU. He cannot make up his own mind about what he should do. Maybe Simmo had a word in his shell-like. Maybe Simmo said, 'Hey, fella. Come over here. We'll give you the words to say.' That is exactly what took place. It is all about the ETU. As far as Labor is concerned, it is not about the people of this state; it is about the ETU. Some comments made in the chamber by a couple of members really highlight what this issue is about for the Labor Party. It certainly is not about helping consumers in this state, I guarantee that.

The member for Mulgrave raised the issue of the LNP commitment to freeze tariff 11. We made that commitment during the election campaign and we kept that commitment. We froze tariff 11. The member for Mulgrave raised the issue of rising power prices. Well, the legacy that goes back to 2003-04 paints a very dark picture. It paints a dark picture of dividends being torn out of the energy GOCs to prop up a budget. That led to a situation of blackouts and brownouts. That led to the Somerville report. That led to the overspend on poles and wires.

They have a legacy of incompetence when it comes to electricity delivered to this state—a debt of some $12 billion in 2012. Those opposite seem to be proud of debt. They seem to embrace debt as the way forward. They leave a legacy of debt wherever they go. As the Treasurer has said many times in the past, debt is in their DNA. They live by it. They then walk away and exonerate themselves from all obligation, all responsibility. We have to come back in and fix it up. It is the same at the state and federal level. We have to pick up the pieces and get things working again. We are the ones who understand what to do. The $12 billion debt attracts an interest payment of $500 million a year.

The member then referred to gold-plating and denied that that even existed. He denied there was an overinvestment in the energy network. Energex found that it could have saved around $34 million in today's dollars on just three projects—in Griffin, Buranda and Burleigh Heads/Currimundi. And three of Ergon's energy projects—one in Rockhampton and two in Townsville—would have saved about $29 million in today's dollars. I will quote from an article by Julia Gillard dated 2 December 2012. In her wisdom—it is a very rare thing for Julia to have wisdom—she made this comment—

Mr Bleijie: She did not say it at the royal commission today, did she?

Mr McARDLE: She may have been at the commission today. The article states—

Ms Gillard said under the current system there was a 'perverse incentive' for electricity companies to keep 'gold-plating' or overinvesting in poles and wires in the system and keep passing on the full cost to consumers.

Elevation and elevation. The member for Mulgrave is clearly deluded if he does not believe that gold-plating occurred under the Beattie and Bligh governments.

Then of course we have the carbon tax. What a wonderful initiative that was! I still recall the day on which beloved Julia, hand on heart, made the comment that under her government there would never be a carbon tax. Sad to say, there was a carbon tax—a grubby little deal done with the Greens. The Queensland Competition Authority now estimates that that imposed an additional $170 on Queensland power bills. The Labor Party in this state had the chance to walk away from it and had the chance to say, 'No, we do not want it,' but it did not take it. It could not do it because its mates in Canberra would not let it do it.

Mr Bleijie: She is sitting over there.

Mr McARDLE: Who are you referring to, Attorney-General?

Mr Bleijie: The member for Redcliffe.

Mr McARDLE: I was going to leave that alone. There is one member in this House who had an opportunity to vote against the carbon tax. Only one member directly had the capacity—

Mrs Frecklington: Who, Minister? What did she do?

Mr McARDLE: I do want to answer that question, but take it easy. We learned that the member for Redcliffe, whilst a member in the federal parliament, had the chance to say, 'No. Enough is enough. I will protect the people of Queensland. I will not impose this tax on the people of Queensland. I will walk away.' What happened when that call came? She crumbled. Certainly—

Mrs Miller: Come on. Three minutes. Hurry up!

Mr McARDLE: Ages to go yet. She crumbled and certainly voted for the carbon tax. She is the only member in this House who voted for the carbon tax. Even now she will not refer to the fact that she got it wrong.

There were a number of comments made with regard to asset sales. That is what this is all about for members in the Labor Party. It is a charade that they are putting together. They do not care about the consumer. The facade they are building around this is some sort of pretext for the asset sales they think are going to happen overnight. We have made it very clear that the process with regard to CS, Stanwell and the investment in the other three entities will not take place until we get a clear mandate from the people of this state. We will not do anything until we get a clear mandate from the people of this state. The amazing contrast is that only a few years ago we sat on the other side of the chamber and watched the Labor Party in government make commitments that it would not be taking that sort of action. Suddenly, lo and behold, after the election it flogged them off.

I also remind the member for Mulgrave that the Australian Productivity Commission report, commissioned by the Gillard government and released in July 2013—in fact under the Labor Party—recommended the privatisation of networks. Their own party recommended the privatisation of networks. We are going to the people seeking what we can do with certain assets but certainly not selling any assets without the consent of the public.

The member also announced that Labor will support the National Energy Retail Law (Queensland) Bill and then raised the concern that after two years of a freeze on late payments et cetera retailers might hike exit fees. However, because of increased competition it is unlikely that any retailer will enthusiastically embrace exit-fee increases. I will give an example. Origin does not charge any exit fees at this point.

Sitting suspended from 6.30 pm to 7.30 pm.

Mr McARDLE: Prior to the dinner adjournment I was making the comment that Origin Energy does not charge exit fees at all at this point in time. I suspect, but of course cannot guarantee, that as time goes by that will become more the norm than the exception, and I hope that that is in fact the case. I now turn to members and their contributions. The member for Gympie made a very good contribution and highlighted the fact that the Labor Party placed a statement of reservation in the committee report but the statement did not contain any details as to what its concerns were. That is perhaps not unusual given the opposition in this House at this point in time. It has been made quite clear that the Labor Party at the moment in this House is certainly the best resourced opposition in the history of the state. I think it has a ratio of around about three or 2.5 staff members to each member of parliament, and maybe one to get the coffee and start the Tarago van! It is certainly the best resourced but quite clearly the laziest opposition that I have ever seen in this House. It could not even put together a few sentences in the statement of reservation to indicate what its concerns were.

A government member interjected.

Mr McARDLE: That is right. I take that interjection from the member. Why should it tell us what its views or ideas are? Of course, I would have thought that that is an anathema to the whole committee process. The whole process of the committee is in fact to vent, to air, to give rise to concerns—

Mr Cripps interjected.

Mr McARDLE: I am quite concerned that the member is quite right in that it now uses the committee process for its own purposes. Forget the parliament! Forget the fact that on this side of the House not more than three or four years ago those opposite stood here saying that this would air all of the grievances and this would be the panacea to all our problems because we could sit around a table and we could actually work things out. It was not a statement indicating that they were not going to support the bill or have their concerns listed; they had something going on, and we know what that was. It was a con job. It was a con job by the ALP put up to it by the ETU. The member for Gympie was spot-on—spot-on—when he said that the statement of reservation contained no detail whatsoever. In fact, the ETU was even invited to come to the committee and make its views known. It would not even do that. It would not even come in the front door and raise concerns, but what did it do? It went around the back door to the members opposite and put them on the straight and narrow, saying, ‘Don’t you support this bill, fellows. Don’t you support this bill.’

The member for Keppel also made a very good contribution in terms of raising concerns in relation to the impact on power prices of such things as the Solar Bonus Scheme, making it very clear from the government's perspective that the Solar Bonus Scheme is very beneficial to those who have the capacity to obtain and pay for the solar panels. As I said quite clearly, there is clearly a cost borne by all consumers as a consequence thereof.

Turning to the member for Dalrymple, where do you start? I think he got down to two things, and one of them was baseload power stations somewhere up north. That was the whole crux of his contribution—some baseload power station. We have the capacity now to generate around 12,500 megawatts of power across this state every day and we have used about 8,500 at the peak in the past two or three years, if I recall correctly. A baseload power station up north is certainly viable, but this government will not be paying for it. A private sector investor may look at doing that and we would look at that, but that was the whole crux of the argument made by the member for Dalrymple—that and of course that this is some sort of conspiracy theory that we are going to flog the assets off. Mind you, Peter Beattie deregulated retail in the south-east corner back in 2005, so what we are going to flog off is beyond my comprehension at this point in time. We have made it quite clear that the people of this state will only allow us to do that after the election campaign.

The member for Kallangur also made some very important points with regard to the issue of pricing of electricity and the fact that we still have a way to go in this state with regard to electricity prices. No-one denies that. Anybody who has been involved in this industry and anybody who has looked at this industry knows how complicated and how in depth it is, knows that you cannot unravel this puzzle overnight, that it is a ship that takes a long time to turn around, and I make the point clearly that that is what this government has been doing. I have sat in this House since 2004, mainly on the other side of the chamber, and listened to a series of ministers such as Geoff Wilson, Steven Robertson and John Mickel. I think of all of them John Mickel was probably the best. John Mickel was probably the best on two levels: (1) because he tried and, (2) he was a gentleman.

Mrs Miller: Decent.

Mr McARDLE: I accept that point. I make the point, however, that none of them actually changed the system. Nothing changed. The intention may have been there, but the actual outcome did not eventuate—did not happen—and it was left to an LNP government to take up the cudgels and make some tough choices with regard to reform in this sector.

I would have loved to have stood here tonight and said that I could point to a minister in the Labor Party in government who actually took the reform agenda forward, but I cannot. I cannot, but in the past 2½ years we have moved to start unravelling this sector to get a better outcome for Queenslanders. We have had price regulation in this state now for a number of years. It has not worked. We cannot continue to inflict the outcomes that we have had over the past five, six, seven or eight et cetera years on this state. We need to move forward with a new model and a model that has been shown, at least on the basis of the St Vincent de Paul report, as being viable as a strong alternative. It is simply the fact that the system did not work. Historically, there is no doubt about that. There is no question about that. There is clear evidence from the Productivity Commission and from the report by St Vincent de Paul and the report into Queensland that moving down the road of deregulation in the south-east corner is sustainable.

We now have in the south-east corner of this state 70 per cent of people on market contracts. If I recall correctly, there are up to 36 contracts that are available on domestic tariffs at this point in time in the south-east corner and, if I again recall correctly, you can earn a 12.6 per cent discount. This legislation is simply enlarging that scope by removing price regulation. It has worked in states where it has been put in place by the Labor Party. There is no reason it cannot work in Queensland.

The member for Coomera made a very important contribution to this debate that, I think, could be echoed by many members in this House and, indeed, by people across the state. He highlighted quite clearly the necessity for retailers to be watched, to be accountable and, if things did not take place in accordance with what they were promising to the consumer, to be taken to task. That is what this legislation does. It provides the QCA with the authority to report to me on contestability.

This legislation is just not about prices. It is about the whole concept of contracts in terms of how electricity suppliers interact with their clients, how they interact with the community and how contracts allow the community access with the individual retailer. That is equally important. The member also reinforced the necessity for an education program so that consumers can engage with the market. That will not be easy. But clearly the point is, as raised by the member, we have mobile telephone contracts that 25 years ago would not have even been thought of as being in existence.

We live in a world where entering into a contract for what we want is very common. In fact, for many of us it is a matter of course. Recently, a new mobile telephone was released. That will cause people to enter into contracts. I guarantee that members of this House will enter into such contracts between now and 12 months time. It is a matter of evolution and revolution of choice. This bill, in this case, is simply replacing the situation with a mobile telephone contract with a power contract.

However, we need to make certain that older people who do not readily have access to information and technology also get a program of education to allow them to correctly and, more importantly, accurately choose a contract that suits them. The member for Beaudesert referred to the forum that I attended in Beaudesert last week and outlined the issues that were raised at the meeting. I say to the member that that form of feedback is so important. With regard to these changes, that is the education process that we need to undertake moving forward. We need to make certain that irrigators, that mums and dads, that small business proprietors, that people across the state understand exactly why we are introducing these bills and, equally, why the NECF is required to provide them with the protections that they need.

I say to the other members who spoke to the bills that I value their contributions. It is most important that protection is first, second and third. Education must go with protection to ensure that consumers understand their rights and also who to contact in situations where they are of the opinion that the retailer is not acting in their best interests. I want to also thank very sincerely the staff of the department who are here tonight for the great work that they have done. This has not been an easy bill. It is a bill that will revolutionise the way we deal with power in this state and it is one that we hope to model in the Ergon sector from 1 July 2016. In addition, I want to thank the staff of my office who worked very hard to achieve what we have done here tonight. It is not easy putting together a bill of this nature when we are changing the way we think, act and feel about electricity.

This is the genesis of a reform. These bills are good news for Queensland power consumers. The bills implement a commitment that the government made to improve protection for consumers, particularly those struggling to pay their energy bills, and to provide incentives for retailers to provide strong contracts that offer realistic savings, competition and a benefit to all of those who are engaged in those contracts. I commend these bills to the House.

Division: Question put—That the Electricity Competition and Protection Legislation Amendment Bill be now read a second time.

AYES, 60:

LNP, 60—Barton, Bates, Bennett, Berry, Bleijie, Boothman, Cavallucci, Choat, Cox, Crandon, Cripps, Crisafulli, Davies, T Davis, Dickson, Dillaway, Dowling, Emerson, Flegg, France, Frecklington, Gibson, Grant, Grimwade, Gulley, Hart, Hathaway, Hobbs, Holswich, Kaye, Kempton, King, Krause, Latter, Maddern, Malone, Mander, McArdle, Menkens, Millard, Minnikin, Molhoek, Ostapovitch, Powell, Pucci, Rickuss, Robinson, Ruthenberg, Seeney, Shorten, Shuttleworth, Smith, Sorensen, Springborg, Stevens, Stewart, Stuckey, Symes, Trout, Young.

NOES, 9:

ALP, 4—D'Ath, Miller, Scott, Trad.

KAP, 1—Knuth.

PUP, 1—Judge.

INDEPENDENTS, 3—Cunningham, Douglas, Wellington.

Resolved in the affirmative.

Bill read a second time.

Question put—That the National Energy Retail Law (Queensland) Bill be now read a second time.

Motion agreed to.

Bill read a second time.

Consideration in Detail

Electricity Competition and Protection Legislation Amendment Bill

Clauses 1 to 183—

Mr McARDLE (7.54 pm): I seek leave to move amendments en bloc.

Leave granted.

Mr McARDLE: I move the following amendments and table the explanatory notes to my amendments—

1 Clause 2 (Commencement)

Page 12, line 7, after 'Act'—

insert—

, other than section 31,

2 Clause 25 (Omission of ss 46–48B)

Page 19, lines 6 to 8—

omit, insert—

25 Omission of ch 2, pt 6, div 1 (Preliminary)

Chapter 2, part 6, division 1—

omit.

3 Clause 28 (Replacement of s 55DA (Additional condition about community services agreement))

Page 20, line 9—

omit.

4 Clause 29 (Amendment of s 55DB (Additional condition about electricity produced by small photovoltaic generators))

Page 20, lines 15 and 18 to 19, 'small photovoltaic generators'—

omit, insert—

qualifying generator

5 Clause 29 (Amendment of s 55DB (Additional condition about electricity produced by small photovoltaic generators))

Page 20, lines 29 and 30 and page 21, line 1—

omit.

6 After clause 29

Page 21, after line 1—

insert—

29A Amendment of s 55DBA (Additional condition about electricity produced by small photovoltaic generator)

(1) Section 55DBA, heading, 'Additional condition about electricity'—

omit, insert—

Electricity

(2) Section 55DBA(1)(a), 'prescribed retail entity'—

omit, insert—

prescribed retailer

(3) Section 55DBA(1)(a) and (3), definition *feed-in tariff amount*, paragraph (a), 'small customer's'—

omit, insert—

qualifying customer's

(4) Section 55DBA(1)(b) and note, 'small customer'—

omit, insert—

qualifying customer

(5) Section 55DBA(2), from 'It' to 'entity'—

omit, insert—

The prescribed retailer

7 Clause 30 (Omission of ss 55DC and 55E)

Page 21, line 3, '55D'—

omit, insert—

55DC

8 Clause 31 (Amendment of s 55GA (Additional condition about inclusion of carbon and renewable energy target cost estimates in residential customer accounts))

Page 21, lines 5 to 25—

omit, insert—

31 Omission of s 55GA (Additional condition about inclusion of carbon and renewable energy target cost estimates in residential customer accounts)

Section 55GA—

omit.

9 Clause 39 (Amendment of s 61B (Additional condition for electricity produced by photovoltaic generators))

Page 23, line 10, after '61B(2)'—

insert—

and (3)

10 Clause 40 (Insertion of new s 64A)

Page 23, line 14, 's 64A'—

omit, insert—

s 64B

11 Clause 40 (Insertion of new s 64A)

Page 23, line 17, '64A'—

omit, insert—

64B

12 Clause 49 (Amendment of s 91A (Retail entity must comply with notification or direction))

Page 30, line 21, after '91A(2)'—

insert—

and (5)

13 After clause 50

Page 32, after line 5—

insert—

50A Amendment of s 92 (Definitions for pt 2A)

(1) Section 92, definitions *prescribed retail entity* and *relevant small customer*—

omit.

(2) Section 92—

insert—

local area retailer has the meaning given by the NERL (Qld).

prescribed retailer means a local area retailer other than a local area retailer for a designated retail market area.

relevant qualifying customer, of a prescribed retailer, means a qualifying customer if—

(a) the retailer provides customer retail services to the customer's premises; and

(b) 1 small photovoltaic generator is connected at the customer's premises to a supply network.

(3) Section 92, definition *feed-in tariff*, 'retail entity'—

omit, insert—

retailer

(4) Section 92, definition *feed-in tariff*, 'small customer'—

omit, insert—

qualifying customer

14 Clause 74 (Insertion of new ch 5, pt 5)

Page 39, line 2, 'and 55DB(1)'—

omit, insert—

, 55DB(1) and 55DBA(2)

15 Clause 74 (Insertion of new ch 5, pt 5)

Page 39, lines 8 and 16, page 42, lines 6 and 27, page 43, lines 2 to 3 and 5, page 44, lines 11 to 12 and 14 and page 46, line 33, 'or 55DB(1)'—

omit, insert—

, 55DB(1) or 55DBA(2)

16 Clause 86 (Amendment of s 218 (Decision on reconsideration))

Page 50, after line 12—

insert—

omit, insert—

17 Clause 94 (Insertion of new ch 14, pt 16)

Page 51, line 23, 'pt 16'—

omit, insert—

pt 17

18 Clause 94 (Insertion of new ch 14, pt 16)

Page 51, line 24, '343'—

omit, insert—

351

19 Clause 94 (Insertion of new ch 14, pt 16)

Page 52, line 2, 'Part 16'—

omit, insert—

Part 17

20 Clause 94 (Insertion of new ch 14, pt 16)

Page 52, lines 7 to 10—

omit.

21 Clause 94 (Insertion of new ch 14, pt 16)

Page 52, line 11, '345'—

omit, insert—

352

22 Clause 94 (Insertion of new ch 14, pt 16)

Page 52, line 18, '346'—

omit, insert—

353

23 Clause 94 (Insertion of new ch 14, pt 16)

Page 53, line 13, '347'—

omit, insert—

354

24 Clause 94 (Insertion of new ch 14, pt 16)

Page 53, line 22, '348'—

omit, insert—

355

25 Clause 94 (Insertion of new ch 14, pt 16)

Page 54, line 1, '349'—

omit, insert—

356

26 Clause 94 (Insertion of new ch 14, pt 16)

Page 54, line 20, '350'—

omit, insert—

357

27 Clause 94 (Insertion of new ch 14, pt 16)

Page 55, line 1, '351'—

omit, insert—

358

28 Clause 94 (Insertion of new ch 14, pt 16)

Page 56, line 1, '352'—

omit, insert—

359

29 Clause 95 (Amendment of sch 1 (Review of administrative decisions))

Page 56, line 14, 'part 3'—

omit, insert—

part 2

30 Clause 97 (Amendment of sch 5 (Dictionary))

Page 57, line 13, after '*agreement*,'

insert—

prescribed retail entity,

31 Clause 97 (Amendment of sch 5 (Dictionary))

Page 57, line 14, before '*retail area'*

insert—

relevant small customer,

32 Clause 97 (Amendment of sch 5 (Dictionary))

Page 57, line 15, '*retailer*,'

omit.

33 Clause 97 (Amendment of sch 5 (Dictionary))

Page 57, lines 29 and 30, ', for chapter 4, part 2,'—

omit.

34 Clause 97 (Amendment of sch 5 (Dictionary))

Page 58, line 3, 'section 64A'

omit, insert—

section 64B

35 Clause 97 (Amendment of sch 5 (Dictionary))

Page 58, after line 17—

insert—

local area retailer, for chapter 4, part 2A, see section 92.

36 Clause 97 (Amendment of sch 5 (Dictionary))

Page 58, after line 23—

insert—

prescribed retailer see section 92.

37 Clause 97 (Amendment of sch 5 (Dictionary))

Page 58, line 28—

omit, insert—

relevant qualifying customer see section 92.

Tabled paper: Electricity Competition and Protection Legislation Amendment Bill 2014, explanatory notes to Hon. Mark McArdle's amendments [5913].

Amendments agreed to.

Clauses 1 to 183, as amended, agreed to.

Schedule, as read, agreed to.

National Energy Retail Law (Queensland) Bill

Clauses 1 to 40—

Mr McARDLE (7.55 pm): I seek leave to move amendments en bloc.

Leave granted.

Mr McARDLE: I move the following amendments and table the explanatory notes to my amendments—

1 Clause 12 (Modification regulation-making power)

Page 11, after line 33—

insert—

(3) Without limiting subsection (2)(b), a modification regulation that modifies the Regulations or Rules mentioned in subsection (1)(b) or (c) may nominate an entity (the ***nominated entity***) other than the AER to be the Regulator for the modification.

(4) To the extent the AER would otherwise have had, but for subsection (3), a function or power under the NERL (Qld), the NER Regulations (Qld) or the Rules for monitoring, investigating or enforcing the modification, the nominated entity is taken to have the function or power.

2 Clause 12 (Modification regulation-making power)

Page 11, line 34, '(3)'—

omit, insert—

(5)

3 Clause 12 (Modification regulation-making power)

Page 12, line 1, '(4)'—

omit, insert—

(6)

4 Clause 12 (Modification regulation-making power)

Page 12, line 6, '(5)'—

omit, insert—

(7)

5 Clause 17 (Exempt sellers under the NER Regulations (Qld))

Page 15, line 25—

omit, insert—

(3) The AER may, under the NERL (Qld), deal with an exempt seller exemption applying under subsection (2) in the same way the AER may, under that Law, deal with an exemption granted under section 110 of that Law.

(4) In this section—

6 Clause 18 (Other exempt sellers)

Page 16, lines 2 to 27—

omit, insert—

(1) On the commencement, each generation authority (retail) holder and each special approval (retail) holder is taken to hold an exemption for electricity for the NERL (Qld) (a ***transitional exemption***).

(2) A transitional exemption stops applying 1 year after the commencement.

(3) In this section—

7 Clause 18 (Other exempt sellers)

Page 16, lines 32 to 34—

omit.

8 Clause 18 (Other exempt sellers)

Page 17, lines 5 and 6—

omit, insert—

(b) does not include—

(i) Origin Energy in relation to special approval no. SA02/11; or

(ii) the holder of licence no. 960, issued under the *Gladstone Power Station Agreement Act 1993*, section 13.

Tabled paper: National Energy Retail Law (Queensland) Bill 2014, explanatory notes to Hon. Mark McArdle's amendments [5914].

Amendments agreed to.

Clauses 1 to 40, as amended, agreed to.

Schedule 1—

Mr McARDLE (7.56 pm): I move the following amendments—

9 Schedule (Modification of application of National Energy Retail Law)

Page 37, after line 23—

insert—

3A Section 2(1), definition *meter identifier*

omit, insert—

meter identifier means—

(a) for electricity—

(i) generally—the NMI; or

(ii) for premises supplied electricity on a distribution system of Ergon Energy Distribution—a unique identification number allocated by Ergon Energy Distribution to a meter at the premises; or

(b) for gas—the MIRN or the delivery point identifier;

Editor's note—

This definition is a substituted Queensland provision.

3B Section 2(1)—

insert—

10 Schedule (Modification of application of National Energy Retail Law)

Page 44, after line 25—

insert—

(7) This section does not prevent an assigned retailer entering into a separate arrangement with a qualifying customer of the retailer to buy electricity produced at the qualifying customer's premises and supplied to a distribution system.

(8) In this section—

qualifying customer means a customer whose annual consumption at the customer's premises is, or is estimated by the distributor who provides customer connection services to the premises to be, less than 100 megawatt hours.

11 Schedule (Modification of application of National Energy Retail Law)

Page 47, line 6, after 'variation'—

insert—

at least 10 business days

12 Schedule (Modification of application of National Energy Retail Law)

Page 51, line 18—

omit, insert—

the customer, other than a card-operated meter.

60DA When standard retail contract (card-operated meters) takes effect

Despite section 26, a standard retail contract (card-operated meters) between a retailer and a small customer takes effect when the customer starts consuming electricity at the customer's premises.

13 Schedule (Modification of application of National Energy Retail Law)

Page 67, line 6—

omit, insert—

(3) Further, a person does not contravene section 88 for the sale of electricity if the person is the holder of licence no. 960, issued under section 13 of the *Gladstone Power Station Agreement Act 1993* of Queensland.

(4) In this section—

14 Schedule (Modification of application of National Energy Retail Law)

Page 68, after line 31—

insert—

21A Section 122, definition *failed retailer*—

omit, insert—

failed retailer—

(a) generally, means a retailer or former retailer in relation to whom a RoLR event has occurred; but

(b) for gas, does not include a retailer or former retailer who sells gas to more than 15% of the small gas customers in Queensland;

Editor's note—

This definition is a substituted Queensland provision.

Amendments agreed to.

Schedule, as amended, agreed to.

Third Reading (Cognate Debate)

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (7.57 pm): I move—

That the Electricity Competition and Protection Legislation Amendment Bill, as amended, be now read a third time.

Question put—That the Electricity Competition and Protection Legislation Amendment Bill, as amended, be now read a third time.

Motion agreed to.

Bill read a third time.

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (7.57 pm): I move—

That the National Energy Retail Law (Queensland) Bill, as amended, be now read a third time.

Question put—That the National Energy Retail Law (Queensland) Bill, as amended, be now read a third time.

Motion agreed to.

Bill read a third time.

Long Title (Cognate Debate)

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (7.58 pm): I move—

That the long title of the Electricity Competition and Protection Legislation Amendment Bill be agreed to.

Question put—That the long title of the Electricity Competition and Protection Legislation Amendment Bill be agreed to.

Motion agreed to.

Hon. MF McARDLE (Caloundra—LNP) (Minister for Energy and Water Supply) (7.58 pm): I move—

That the long title of the National Energy Retail Law (Queensland) Bill be agreed to.

Question put—That the long title of the National Energy Retail Law (Queensland) Bill be agreed to.

Motion agreed to.

BUILDING AND CONSTRUCTION INDUSTRY PAYMENTS AMENDMENT BILL

Resumed from 21 May (see p. 1683).

Second Reading

Hon. TL MANDER (Everton—LNP) (Minister for Housing and Public Works) (7.58 pm): I move—

That the bill be now read a second time.

In opening, I thank the Transport, Housing and Local Government Committee for its consideration of the Building and Construction Industry Payments Amendment Bill 2014. In particular I thank the committee and the chairman, the member for Warrego, for their deliberation and report on the bill which was tabled on 1 September 2014. I am now pleased to table the government's response to the committee's report.

Tabled paper: Transport, Housing and Local Government Committee: Report No. 52—Building and Construction Industry Payments Amendment Bill 2014, government response [5915].

I would also like to thank those who made submissions regarding the bill to the committee. I appreciate the time that they have invested in conveying their feedback. I would also like to particularly thank Mr Andrew Wallace for the very hard work he has undertaken to review this act.

The construction industry is one of the main pillars of the Queensland economy. It is therefore vital that we have a system of payment which is fair for all. The Building and Construction Industry Payments Act, or BCIPA, was created to provide an alternative to the court system and is intended to be a quick and easy way to resolve payment disputes. Anything that allows payment disputes to be resolved quickly is worth supporting and, for the most part, BCIPA has operated reasonably well. The amendments being debated here tonight are intended to rectify a few issues which have been undermining confidence in the system.

One of the key areas of reform deals with the way adjudicators are appointed to decide cases. Under the new legislation an adjudication registry will be set up within the Queensland Building and Construction Commission from which adjudicators will be appointed by an impartial registrar. This will address the perception of bias that cannot help but exist in a situation such as we have at present,

where adjudicators are appointed by private entities, known as authorised nominated authorities or ANAs, who could be seen to have a commercial interest in the outcome. Consultation conducted as part of Mr Wallace's review of the act delivered up example after example of this perceived bias. A sample of some of the submissions received by Mr Wallace include a statement from a lawyer that—

The current system effectively promotes 'ANA shopping' and 'adjudicator shopping' as the claimant has the right to elect which ANA to choose and therefore the claimant is likely to choose an ANA whose adjudicators are perceived to be more favourable to claimants.

A quantity surveyor submitted that—

The current system of profit motivated ANAs appointing adjudicators detracts from the operation of the act. It leads to claims, real or imagined, of bias, places undue pressure on adjudicators and does nothing to facilitate the proper operation of the Act.

An adjudicator stated that—

The present ANA system is open to and is presently being performed with undisclosed conflicts of interest. One of the main problems is with the ANAs maintaining an unhealthy relationship with what they refer to as preparers. These preparers are recommended to claimants by the ANA with the expectation that the preparer will direct the application to the ANA. There is an unhealthy chain of involvement which must inevitably one day end up with a Court action once someone is sufficiently aggrieved and has sufficient liquidity to run the case. The reputation of the BCIPA process will be shattered if this is allowed to continue.

A committee of the Queensland Law Society stated that—

Any process which allows one party to unilaterally appoint a decision maker (or in this case, an ANA) is open to abuse and may lead to the apprehension of bias and prejudice.

In my consultation I heard stories detailing what can only be described as a completely inappropriate cycle of inter-dependence between ANAs, adjudicators and claims preparers, many of whom are also adjudicators. Let us consider a situation where claim preparers, who are also adjudicators for a particular ANA, would allegedly recommend that the claimant use that ANA in exchange for the ANA providing said adjudicator with work on another claim. Other stories involved claimants approaching ANAs for advice and ANAs recommending claimants use a particular claims preparer, who just so happens to also be one of the adjudicators on the ANA's panel, on the proviso that the claims preparer uses them as an ANA. When it is open to this kind of mutual back scratching, the current system is totally untenable. Justice must not only be done, but also be seen to be done. Under these changes, adjudicators will now be appointed by the independent and impartial Queensland Building and Construction Commission based on their skills, knowledge, experience and area of expertise. Adjudicators would also be subject to a more comprehensive professional development regime, ensuring that they are better trained and more accountable.

The second area of reform is needed to make sure the time frames relating to responding to claims are fair. It stands to reason that complex claims—that is, those valued at more than $750,000—should be treated differently to smaller claims. However, at the moment, claims are subject to the same time frames whether the dispute is over $500 or $5 million. The changes would also help put an end to what are commonly known as ambush claims, which are cases where one party might take a whole year methodically putting together a claim to which the respondent has less than a fortnight to reply. Often those sorts of ambush claims would be served a few days out from Christmas or at other periods when businesses normally shut down, making the task of formulating a meaningful response even harder. That kind of creative use of the existing time frames in the act has resulted in all sorts of bizarre consequences. Believe it or not, some law firms have had to put on what they call a night crew, specifically to work on responses to those kinds of ambush claims.

Under the proposed amendments, the time frame in which a payment claim can be made has been reduced from 12 months to six months from the time work was last carried out or goods and services were supplied. Given that the intent of the act is to help people get paid quickly, this is a common-sense change. Time frames for respondents to provide a payment schedule for claims of less than $750,000, which represent 90 per cent of all claims, will remain unchanged at 10 days. For claims involving more than $750,000, respondents will have an extra five days to provide a payment schedule. In cases that proceed to adjudication, the time for a respondent to provide an adjudication response will increase from five business days to 10 business days and up to 15 business days for complex claims, with discretion for the adjudicator to grant extra time under certain circumstances.

I now turn to the committee's recommendations in relation to the bill. The first recommendation is that the bill be passed, and I thank the committee for its endorsement of the bill.

The second recommendation seeks to develop and include high-level guiding principles regarding the appointment process of adjudicators in the bill, with which agency staff must comply. While the government agrees that criteria and principles need to be established to rank and appoint adjudicators, this could be best accomplished via a policy that is approved by the QBCC Board and published on the commission's website. It is also important to note that the appointment of adjudicators by the registrar will be under the jurisdiction of the Crime and Corruption Commission and the Ombudsman. Therefore, while the proposed amendment to the bill is not supported, the spirit of the recommendation will be achieved by other means.

The third recommendation is to implement an alternative model for the appointment of adjudicators to matters where the Queensland government is a party. The government is of the view that the appointment of adjudicators is best undertaken by the registrar in all instances. Furthermore, the registrar will be selecting adjudicators based on a QBCC Board approved policy and all activities undertaken by the registrar will be under the jurisdiction of the CCC and the Ombudsman. Contrast those heightened levels of accountability with the current arrangements where adjudicators are appointed by private companies that are not accountable to anyone.

In addition to these measures, the QBCC will publish the appointment of adjudicators and adjudication decisions on its website on a daily basis. These measures will ensure there is probity in the appointment process and for this reason the government considers the proposed amendment unnecessary at this time.

Recommendation 4 suggests that the bill should be amended to implement recommendation 19 of the Wallace report which proposes adjudicators should fall within the jurisdiction of the CCC. Crown law advice on this recommendation was that because adjudicators are not considered to be public officials they cannot be made subject to the CCC.

Recommendation 5 suggests I outline the advice received from the Queensland Competition Authority addressing the perception that the amendments are anticompetitive. In response, I note the QCA's consideration of the preliminary impact assessment found that the proposed amendments were not likely to result in adverse impacts and therefore a regulatory impact statement was not required. I am confident that these amendments will lead to more competition in the market for adjudication services and create an environment which could lead to a reduction in adjudication costs for all parties involved.

In recommendation 6 the committee recommends that the minister include a list of who is responsible for the training and accreditation of adjudicators in the bill. This is a function currently undertaken by the authorised nominating authorities, ANAs. The government agrees in principle with this recommendation, but believes an amendment to the regulation will address the requirements for training and accreditation of adjudicators.

In recommendation 7 the committee recommends that the bill be amended to include indemnity protection for ANAs to cover them for any functions undertaken prior to the amendment of the legislation. This recommendation is unnecessary as ANAs will already have indemnity protection for functions performed prior to the amendments under the Acts Interpretation Act 1954.

Recommendation 8 recommends that the bill be amended to ensure adjudicators engage independent agents. The government agrees in principle with this recommendation, but believes this objective can be achieved by making the engagement of an independent agent a condition of registration.

Recommendations 9 and 10 look at the definition of 'complex claims'. Through the committee process concerns were raised that the definition was too complex and could lead to some claims being classed as complex when they were for a relatively minor amount. The government accepts that the definition of 'complex claims' be amended and will do so.

In recommendation 11 the committee recommends that recommendations 10 to 15 of the Wallace report be implemented. These recommendations relate to the inclusion of retention moneys and securities in payment claims, the establishment of a construction retention bond scheme, the introduction of penalties for contractors and the empowerment of adjudicators to direct the release of securities. The government remains committed to boosting the security of payment for subcontractors and has begun investigating additional options to supplement BCIPA. Over the coming months we will be engaging with industry to develop a suite of initiatives that strike the right balance between the needs of all parties in the contracting chain.

In relation to recommendations 10, 12, 13, 14 and 15, the department will undertake further investigation and will consider adopting these recommendations in future amendments. With regard to recommendation 11 of the Wallace report, the department is actively monitoring the implementation of a statutory retention trust fund scheme in New South Wales. I will consider the best approach for Queensland following a review of that scheme.

Recommendation 12 relates to investigating ways to protect claimants against the nonpayment of outstanding amounts, once the contract has been terminated. The government notes this recommendation with interest and will explore options in more detail.

In recommendation 13 the committee recommends that the bill be amended to provide for the regulation of all adjudication fees, application fees and certification fees. The government agrees that the application and certification fees should be regulated and will support the regulation of adjudication fees for small claims up to $25,000. Adjudication fees for claims of greater than $25,000 will be at an hourly rate which will be agreed with the adjudicator. Last year approximately 50 per cent of all claims were under $25,000.

In recommendation 14 the committee recommends that the bill be amended to replace 'must' with 'may' in proposed section 100(4). This amendment provides the Supreme Court with the ability to enforce part of a payment. The government agrees with this recommendation and the bill will be amended accordingly.

In recommendation 15 the committee recommends the bill state clearly how claims, schedules and adjudication applications, relating to claims which have already commenced, will be treated under the amended act. The government agrees with this recommendation and the bill will be amended to include a transitional arrangement to address this.

Recommendations 16, 17 and 18 from the committee's report all seek amendments to the bill to address a range of needs. Among other things, these recommendations clarify section 20A and resolve some inconsistencies which were identified in submissions to the bill inquiry. The government agrees with all of these recommended suggestions and proposes that the bill be amended in that regard. These amendments will assist in reducing costs to the industry through introducing a more competitive market. This could see a reduction in adjudication costs as well as a reduction in red tape by establishing a one-stop shop for claimants.

For BCIPA to work to its fullest potential, people at all levels of the contract chain need to have faith in the system. The amendments put forward today will create a payment dispute resolution model that is simpler and easier to use, ensures disputes can be solved in time frames that are fair for all parties and, importantly, is free from the perceived conflicts of interest that have beset the current system. I commend this bill to the House.

Mrs D'ATH (Redcliffe—ALP) (8.16 pm): I rise to address the Building and Construction Industry Payments Amendment Bill 2014. Let me state from the outset that there are elements of this bill which the opposition does not philosophically oppose and we would be willing to consider them if they were presented to the House in coherent, credible legislation. Unfortunately, this bill has not been presented to this House in such a fashion. Unfortunately, this is a dog's breakfast of a bill that should not have been introduced in its current state.

The Labor Party cannot and will not support such slip shod legislative processes and policy development. The fact that this bill was introduced raises serious questions about the minister's competence and about the quality of cabinet consideration under the Newman government. Because of the many severe deficiencies contained within this bill, the opposition will be voting against it.

The Building and Construction Industry Payments Act 2004 is designed to provide security of payment for contractors in the construction industry. The issue was identified as serious by a number of stakeholders and at the Cole royal commission in 2002. As the original explanatory notes explain—

Security of payment has been an issue in the building and construction industry over many decades. Recently the Royal Commission into the Building and Construction Industry flagged security of payment as a significant industry matter requiring Federal legislation where specific State legislation appears to be deficient. It also found that traditional remedies under Commonwealth Corporations Law, common law and contract law were not sufficient to address the issue.

The building and construction industry is particularly vulnerable to security of payment issues because it typically operates under a hierarchical chain of contracts with inherent imbalances in bargaining power. The failure of any one party in the contractual chain to honour its obligations can cause a domino effect on other parties resulting in restricted cash flow, and in some cases, insolvency.

The act currently allows for the progress payments to be made to a contractor even where they are not explicitly guaranteed in the contract. It also sets up a system for the timely adjudication of claims through the appointment of independent adjudicators through private authorised nominating authorities, ANAs, which operate on a fee-for-service basis.

After 10 years of operation, it makes sense to review the operation of the act and to consider whether any amendments are necessary. Unfortunately, the review and amendments proposed by the minister fall significantly short of best practice. We do have some sympathy for the minister in that the Building and Construction Industry Payments Act was developed to deal with conflicts between developers and subcontractors and changes to it are likely to favour one group over the other. It is not easy to walk that line, but that is why it is imperative that a proper consultation process be followed before the bill is introduced to parliament.

Although the minister charged Mr Andrew Wallace to conduct a review, further consultation should have occurred with all sectors of the industry before the bill was introduced. A complete exposure draft should have been released to industry for comment and feedback. If the minister had followed such a process, it is likely that the deficiencies of this bill could have been addressed. Instead, the Transport, Housing and Local Government Committee had to conduct extensive inquiries and recommend wholesale changes to the bill. While the opposition does not agree with every element of the committee's report, we cannot fault its members and its secretariat for the serious way they have attempted to rectify errors in this flawed legislation.

The opposition is also aware of the fact that the minister has circulated extensive amendments to this bill. While some of these amendments address serious issues within the bill, they do not address all of the substantive concerns raised during the committee process. We commend the minister for correcting a small number of his own errors in these amendments. However, it is disappointing he has not sought to correct more by withdrawing this bill and starting again.

The scale of changes needed for this bill to pass muster are so great that it would be an abuse of this process to attempt to rectify them in the consideration in detail process. Despite the fact the amendments before the House only concern a small number of issues identified during the committee process, there are some 25 amendments. It is difficult for anyone in this House to properly assess these amendments in the short time available between their circulation and their debate. That task is made even more difficult when the explanatory notes fail to properly explain the amendments. For example, the explanation for amendment No. 6 merely states—

Amendment 6 reinstates current section 20(4) of the Act so that it is no longer omitted.

The relevant section of the bill's explanatory notes merely states—

Section 20(4) is omitted.

The paucity of information provided in these explanatory notes is simply inexcusable. The opposition has noticed a significant decline in the quality of explanatory notes during this term of government. We are not sure if this is a deliberate attempt from the government to hide from scrutiny, an overworked Public Service which is feeling the brunt of massive reductions in staff or simply the government's incompetence. Whatever the reason, it should be arrested immediately.

One of the key recommendations of the Wallace inquiry was the removal of responsibility for adjudicator appointments from existing authorised nominating authorities to the government itself. Labor does not have a philosophical objection to moving the responsibility of these appointments to the government. However, in a situation in which ANAs have held this responsibility for 10 years, we feel it is necessary for such a drastic change to undergo due diligence. The government must be able to show that there are problems with the current process. We do not believe this first condition has been satisfied. In his submission to the committee inquiry, Mr Jonathan Sive made the following observation—

A hard look at the facts and circumstances relating to the concern of bias and to all other administration issues identified in the Wallace Report in the various submissions cited in the report, when considered in their entirety and specifically in relation to the proceeding giving rise to an adjudicator's decision, does not reveal a pattern of conduct on the part of the Authorised Nominating Parties and Adjudicators that leads to a finding of bias, whether actual or implied ...

The evidence supplied on this issue is nothing more than anecdotal and it is a poor body of evidence on which to base a substantial change. It should be noted that some members of the committee shared that sentiment. During committee hearings, the member for Algester stated the following—

One of the reasons for the abolition of ANAs was this perception of bias. Mr Wallace has just given us chapter and verse on why he has made his recommendation and, as he has pointed out, none of those submissions to him were ever tested so they are literally allegations at this point. We have heard from a respected gentleman, Mr Sive, some statistical evidence that shows

that the current situation is working, that there is no perceived bias in the system. I might say that the department has misled the committee because in one of the earlier hearings they used the argument for bias as a reason for this supposed, and you do not use the word 'abolition' of ANAs, but if you do not give them a role then they are abolished. That is really the guts of it. Mr Rivers, I am a little bit confused about this whole issue. We have someone telling us that statistically the system is working. We have a respected barrister saying that there are untested allegations out there, yet the department has chosen, hang on, we will take that argument and we will work on that. I do not get it. What is the department trying to achieve? Do you not want ANAs in the system? Because if that is what you want just tell us.

Clearly the member for Algester at that time shared Labor's concerns that the sole basis of this significant change is just unsubstantiated allegations. If we were to accept the need to move to a system of the government appointing adjudicators, we should at least be able to expect the legislation to set out a clear and transparent process that would be followed. Unfortunately, that is not clear within this bill. I will quote Mr Sive again—

However, attempting to re-allocate the administration of the process completely to the BCIP Agency without a rulemaking process that is transparent and fully set out with notice to the public for comment and review does not diminish the amplitude of concern comprehensively outlined in the Wallace Report any more than rearranging the deck chairs or swabbing the deck in a frenzied panic on the Titanic prevents its sinking.

I note that the committee recommended that there could be serious perceptions of bias for the government to appoint adjudicators for which the government was a relevant party. I can understand the committee's concerns on that matter, given the lack of transparency on how the registrar would appoint adjudicators under this bill. The committee recommended a separate process be used for matters in which the government is a party. Labor thinks it is untenable to run two different systems for the appointment of adjudicators, but we cannot fault the committee's intention on this point. If the minister had done a better job in drafting this legislation and set out a clear, transparent and rigorous process for the appointment of adjudicators by the registrar, this could have addressed concerns of partiality. Unfortunately, he has not done so.

I note that under the amendments circulated by the minister the Queensland Building and Construction Board will publish a paper which sets out the selection criteria that will need to be followed by the registrar when appointing adjudicators. While this is an improvement on the current deficiencies of the bill, we do not believe it is entirely satisfactory. First of all, we are being asked to accept in good faith that this board paper will be comprehensive and transparent. Given the significant problems with this bill, I am not sure that the opposition or the construction industry can have confidence that the board paper will be comprehensive. Further, we believe it would be a better practice to set out the principles under which the registrar must appoint adjudicators in the legislation.

One of the major concerns raised in submissions to the committee hearings was how it will affect the future of ANAs. Several ANAs made submissions to the inquiry suggesting they will essentially cease to exist under the changes to the bill. The Australian Solutions Centre stated the following—

ANAs were invited to attend a meeting with Michael Chesterman (Adjudication Registrar) and Steve Griffin (QBCC Commissioner) 8th April 2014. At that meeting the ANAs were told, amongst other things:

'The reforms will be outlined in this discussion and the official announcement will be made tomorrow;

There are 2 issues that will be discussed today and the first is that the appointment process of adjudicators will become within the QBCC from 1st September 2014, therefore there will be no ANAs in Queensland after 1st September 2014;

Every adjudicator will still be registered on 1st September;

The adjudicator will have the opportunity to be directly served with documents or appoint a commercial service agent to do what the ANAs will no longer be doing for them.'

This is in complete contradiction to the first reading of the Bill (extract as follows):

'The bill changes the role of ANAs, which will no longer appoint adjudicators. This removes the perception of conflicts of interest in the appointment process raised in response to the discussion paper. ANAs will continue to offer their services as a document service agent.'

While we accept the statements by departmental representatives during the committee inquiries that ANAs will be able to continue to fulfil many of their roles, there can be no doubt that there has been a significant failure of communications between the government and ANAs. For so many ANAs to be concerned about their future and for one to claim that they were told they would cease to exist is evidence that this minister has failed in his duties. If the minister had issued an exposure draft of this legislation and properly consulted ANAs, the concerns that have been raised could have been addressed. I note that Callum Campbell of the Australian Mediation Association stated in his submission to the committee—

I recommend the Bill be amended so that ANAs continue all their statutory functions other than the appointment of adjudicators. To keep costs down, ANAs should compete through the provision of information and quality of service to receive adjudication applications. The only difference will be that ANAs supply the Registrar with their nominations for appointment.

This seems to be a reasonable proposition, and it is clear that due to the minister's poor consultation process it was never properly considered.

I will quickly address the issue of complex claims as the minister has circulated amendments which address the major issue. Several stakeholders raised issues with the definition of 'complex claim' in the bill. The bill acts on a recommendation of the Wallace inquiry that a separate claims resolution process be used for complex claims. The bill defines a complex claim as one that is for an amount of over $750,000, involves a latent condition or a time related cost. Several submitters were concerned that too many claims would be considered complex under this legislation. The opposition understands that this definition will be amended, but it is yet more evidence that this bill was not properly considered before it was introduced to this parliament. It should be an embarrassment to this minister that he has to correct such a fundamental legislative error through amendments. Once again, if he had released an exposure draft, this issue would never have had to be raised in this House.

Several stakeholders have raised concerns about the amendment time frames for the adjudication process under this bill. Able Adjudications, an ANA, stated the following—

Currently, where there is a s18 payment schedule, the maximum timeframe for completion of an adjudication decision is 35 business days (7 weeks) from the date the payment claim is received.

Under the Amendment Bill, where there is a s18 payment schedule, the maximum timeframe for completion of a standard adjudication decision is 40 business days (8 weeks) and appears to be 105 business days (21 weeks) for a complex adjudication decision.

It is suggested that the additional 70 business days (16 weeks) for the complex adjudications is disappointing and unnecessary.

The government's response to these concerns was severely lacking. It erroneously claimed that the extended time frames only related to complex claims. This is demonstrably untrue. The report states—

The Committee notes the Department's response regarding the proposed new timeframes for complex claims but understands from the Bill that the extensions relate not only to the new, complex claims category but, in the case of adjudication responses, to the standard claims category.

The Committee notes that the purpose of BCIPA is to provide a "quick and easy cost-effective solution to resolving payment disputes" and has some concerns that the extension of timeframes generally provided for in this Bill are counter to these foundational objectives of the Act.

Labor shares the concerns raised by the committee and we do not think that the government has been able to justify its changes to time frames in this bill.

There are a number of other provisions of this bill that the opposition could potentially support. The changes in the definition of business days to exclude days around Christmas make sense as a method to avoid nuisance claims. We also do not have a problem with the reduction in the time allowed to lodge a payment claim.

I want to finish on an issue which is relatively sensitive, and that is the suitability of Andrew Wallace to conduct the review into the Building and Construction Industry Payments Act 2004. Before I do, I want to make it clear that I am not questioning Mr Wallace's experience or the rigour of his report. I do, however, believe it is necessary for the minister to satisfy the public that the appointment process was aboveboard. In her submission to the committee, Ms Helen Durham stated—

I note at the outset that I harbour significant reservations about the probity and quality of the Wallace Inquiry's recommendations as government inquiries are usually and quite appropriately headed by one or more eminent, independent persons, such as a senior judicial officer, retired senior judicial officer or senior barrister, and not by junior barristers, and especially not by junior barristers who have an economic or other stake in the outcome of the inquiry.

In this regard, I specifically note that Andrew Wallace, whose recommendations form the basis of the changes to be effected by the Bill, was a junior barrister and adjudicator immediately prior to his appointment to review and report on submission made in response to the Minister's "Discussion Paper". If Mr Wallace determines adjudication applications that are referred to him by the registrar, under the new powers that Mr Wallace recommended be reposed in the registrar, which were in turn the result of an appointment that the registrar undoubtedly had a hand in, Mr Wallace stands to benefit financially from the reforms that he has recommended and can therefore hardly be considered independent.

It should also be noted that in 2005 Mr Wallace was a candidate for LNP preselection for the federal seat of Fisher. In circumstances where an active member of the LNP is appointed to conduct a government review, it is incumbent on the relevant minister to assure the public that the appointment is aboveboard. The minister has so far not explained his selection of Mr Wallace and I would invite him to do so in his reply. Specifically, he should set out for the benefit of the House what

process he followed to appoint Mr Wallace and how much Mr Wallace was paid to conduct this review. While he is at it, he may also want to answer the same questions in relation to the appointment of Mr Wallace to conduct the review of the Building Act 1975 and building certification in Queensland.

It is a matter of concern for the opposition that we are unable to support this bill. This should not be an ideological bill and I can easily envisage amendments to the act which could be supported by all parties in this chamber. Unfortunately, this bill falls significantly short of the quality that Queensland Labor expects from legislation. As I stated earlier in my speech, it should never have been introduced to this House in its current state. An exposure draft should have been released to relevant stakeholders so that the fundamental errors were addressed before reaching this chamber. The fact that this bill has been introduced in such poor quality is an indictment on the minister. The fact that the bill has limited industry support raises serious questions about the competence of the Minister for Housing and Public Works.

The opposition will not be supporting the legislation. We urge the minister to go back to the drawing board and start again.

Mr HOBBS (Warrego—LNP) (8.35 pm): I am pleased tonight to talk to the Building and Construction Industry Payments Amendment Bill. The member for Redcliffe talked about the fact that the security of payments has been a problem for many years. They certainly have. That is why the bill is before the House. This bill will make some dramatic changes to improve that process. I think we need to understand that.

The committee process is quite robust. In fact, I believe that the member for Redcliffe was bordering on verballing some of the submitters when she quoted them. While the quotes may have been taken from *Hansard*, the reality is that the committee system is robust. We challenge the evidence. We really try to get to the bottom of the argument and that cannot be done by asking innocuous questions. We have to be able to challenge people. Sometimes we have to frame questions in order to get the answers from all sorts of people. At the end of the day we need to get a good conclusion. That is why sometimes we have to go fairly wide to get to a good conclusion.

I am disappointed to hear the opposition being critical of Andrew Wallace. I thought he did a very good job. He is a very qualified person. He has been there and done that. He was a barrister and an adjudicator; he has been in the industry and he has been a builder. He has been right through the ranks and I think that is perfect for someone to give an opinion. His report is very detailed. He references all the way through, so we can go back and check the source. At the end of the day it is the government and the minister who determine what happens and the direction the government takes.

The committee's role was to examine this in detail and we did that. We put a lot of time and effort into it. Quite frankly, we were not sure where we were going with it for a while until we really delved into it and heard various sides of the argument, and that is the way it should be. People very strongly and robustly put their argument about what they wanted. We came to a conclusion in the end. The first and most important recommendation was that the bill be approved. We then went further into it and said that, in order for this to work properly, we recommend the development and inclusion in the bill of high-level guiding principles to guide the adjudicator appointment process. The government agreed that it was necessary to establish criteria and a set of principles for the ranking and appointment of adjudicators. The recommendation was not necessarily in the words we suggested, but the appointment principles are going to be published by way of a Queensland Building and Construction Board approved policy which will be given effect through new policy-making provisions in the amending bill under the watch of the investigative powers of both the Crime and Corruption Commission and the Ombudsman. The work that we did has borne fruit insofar as the recommendations we made might not have been exactly followed, but we are very satisfied with the answer we got.

The government has listened, and they have put together a system that I believe is far better than what we first looked at. I will go through a few others as well. We recommended that—

> ... an alternative model for the appointment of adjudicators to matters where the Queensland government is a party be developed and included in the bill.

We thought this was important because the government of the day has to have credibility. You have to ensure that in no way can people come back and say, 'It is the government's building site. They are the ones who appoint the adjudicators, and they are the ones who are going to come out of this smelling like roses.' As the government sated in its response—

... all activities undertaken by the registrar will be under the jurisdiction and investigative powers of the Crime and Corruption Commission and the Ombudsman, which means that all decisions are under scrutiny at all times.

There is a watchdog over how that process works, and we think it will work.

In addition to these measures, the daily publication of adjudication decisions on the Queensland Building and Construction Commission website will continue to occur, and the appointment of adjudicators will be published daily on the QBCC website.

So there will be an update, and it is fairly upfront. We wanted to ensure that adjudicators fall within the jurisdiction of the Crime and Corruption Commission, and the government agreed that there should be monitoring of the activities of adjudicators. As the minister said earlier on, they are not considered to be public officials, nor do they hold an appointment in a unit of public administration; therefore, adjudicators are not subject to the jurisdiction of the CCC.

However, it should be noted that the bill proposes an increased level of monitoring of adjudicators by the QBCC.

That in itself is another check and balance that will be in the system.

We also looked at addressing the perception that the amendments are anticompetitive, and the minister addressed that tonight. The responsibility for the training and accreditation of adjudicators is so important as well. It is currently a statutory function undertaken by only those ANAs prescribed under the Building and Construction Industry Payments regulation. The government agreed in principle to this, and this is where the opposition is not really following this. There have been great improvements made in this legislation compared to what we had before. As stated in the government's response to recommendation 6—

The government agrees in principle with the recommendation, but advises that a proposed amendment to the regulation will make provision for training and accreditation providers for the adjudication qualification course, which will be offered from early 2015.

There are changes that will be coming up. In recommendation 7 the committee stated—

... that the Bill be amended to include indemnity protection for Authorised Nominating Authorities to cover them for any existing function claims prior to the amendment of the legislation.

We thought that would have to be in the bill. But it did not have to be in the bill because, as the minister has advised the House tonight, ANAs are covered under the Acts Interpretation Act. That is another positive as well. ANAs have obviously had a very important role to play and we thank them for the work they have done in the past; however, there probably will come a time to move on and the structure will have to change. I am sure there will be quite a few who will have to readjust, and I wish them well. We do feel for them because they were very passionate in their argument and in their submissions to us. We certainly hope that they will have a place in this industry in the future.

In recommendation 8 we said—

The Committee recommends that the bill be amended to include a requirement that adjudicators engage independent agents.

The government said in their response—

The Government agrees with the recommendations regarding a requirement that adjudicators engage independent agents to undertake administrative functions on behalf of the adjudicator. However, it is proposed that this requirement will be addressed through a suitable condition of registration that the Registrar intends to impose on all adjudicators.

That is another check and balance that will happen within the system. Recommendation 9 says—

The Committee recommends that the Bill be amended to remove the inclusion of both latent and time-related costs from the definition of complex claims.

Complex claims was an area that I think the department initially got wrong. You often do not know these things until the submissions come in, and then you think that it was not quite right. That issue was addressed, and the department very quickly agreed to propose an amendment to the definition of complex claims, and I thank them for that. That is where this committee system does work so well insofar as we are able to identify some issues that do not seem to be evident in the early stages, but arise during the committee process through submissions and hearings so we are able to fix them up. That has been done as well, so I think there have been some great gains made with this bill. Recommendation 11 states—

The Committee recommends that the Minister implement Wallace's Recommendations 10-15 concerning the inclusion of retention monies and securities in payment claims, the establishment of a Construction Retention Bond Scheme, the introduction of penalties for contractors and the empowerment of adjudicators to direct the release of securities.

This is a game changer as well, and it is something that you probably cannot just move straight into without some research. The minister has indicated in his second reading speech that they are going to look at that, and let us hope that down the track we can do that. I think that is the next phase of where this BCIPA legislation should go. I believe that is very promising for the whole industry. We also recommended—

... that the Minister investigate ways to protect claimants against non-payment of outstanding amounts once a contract has been terminated.

The government have said—

... the department will investigate ways to protect claimants against non-payment of outstanding amounts once a contract is terminated. It is proposed that the outcomes from this investigation will be known at the time the outcomes from the planned 12-month review ...

We often say this with legislation, but not always, that sometimes when you make game changing changes to legislation, you need to have a review to see how it is going. I think a 12-month review often is necessary—not always—but certainly in this case it is because we are making significant changes, and I think that is healthy. We also recommended—

... that the Bill be amended to provide for the regulation of all adjudication fees and costs ...

This was an issue, and I think it probably will still be an issue down the track. I do feel that perhaps the costs will come in higher than what we think. The minister has said—

The Government agrees that the adjudication application and certificate fees should be provided for in the Regulation. However, the fees charged by each adjudicator, aside from deciding adjudication applications where the claimed amount is 25,000 and below ...

So there is a mechanism there that will probably help; however, I do think that down the track those costs will blow out if we are not careful.

They are some of the recommendations that the committee made. This bill will make some significant changes to the building industry. There is more to come, and it is wonderful to see that we are prepared to make these changes at this time. We need to be able to develop our state and our nation for the future and have laws that people have confidence in. I commend the bill to the House.

Mr JUDGE (Yeerongpilly—PUP) (8.48 pm): I will firstly start by acknowledging the chair of the committee, Howard Hobbs, for whom I have a great deal of respect. I would also like to acknowledge my colleagues on the committee, who I also have a great deal of respect for even though we come from different political parties. I want to acknowledge the departmental staff. I know that they work very hard to serve the government of the day; that is their obligation.

I do not agree with the government of the day on this particular piece of legislation. Newspaper articles confirm that once again the Newman government is simply not listening—this time to the building industry and subcontractors. I will table a few recent newspaper articles in relation to that particular matter.

On 14 June the *Sunshine Coast Daily* carried an article headed 'Subbies urged to leave state if legislation changes'. The article states—

Building subcontractors should move interstate or face the prospect of working for nothing if changes mooted to the Building and Construction Industry Payments Act are approved later this year ...

... Chris White said at a time when subbies were reeling from the $69 million collapse of Walton Construction last October, the State Government was moving to weaken the payments Act ...

Tabled paper: Article from the *Sunshine Coast Daily*, dated 14 June 2014, titled 'Subbies urged to leave state if legislation changes' [5916].

I heard the minister say that they would be looking interstate in relation to that matter. The minister is putting the cart before the horse. This is something that should have been dealt with upfront and then perhaps changes looked at.

Another article states that fraud is costing the construction industry $3 billion a year. That is an unacceptable amount of money that has a dramatic impact on a lot of builders, contractors, subcontractors and their families and into the broader community. I table the article.

Tabled paper: Article from the *Queensland Times*, dated 28 August 2014, titled, 'Fraud costing construction industry $3b a year' [5917].

The *Gold Coast Bulletin* of 9 September, just a couple of days ago, ran an article which states—

> Tradies were greeted by security guards when they turned up yesterday morning to put the finishing touches to the $35 million Pure Kirra tower on the Gold Coast's southern end.
>
> ...
>
> Hundreds of staff and subcontractors will be left out of pocket ...

These are unacceptable outcomes that are occurring. I table the article.

Tabled paper: Article from the *Gold Coast Bulletin*, dated 9 September 2014, titled 'Pure Kirra tradies in turmoil as Gold Coast construction company Glenzeil goes bust' [5918].

I have made a comment to the *Sunshine Coast Daily*. I think the Sunshine Coast is being failed badly by the current LNP members on the Sunshine Coast. People like the Attorney-General and member for Kawana are failing to speak up on important issues like security-of-payment legislation to protect subcontractors. He is all about having a strong plan for a bright future. This is complete nonsense. If he had a strong plan he would be looking after subcontractors. He would be having security-of-payment legislation. I table that article as well.

Tabled paper: Article from the *Sunshine Coast Daily*, dated 1 August 2014, titled, 'Palmer's man bats for subbies against the developers' [5919].

I oppose the bill. More work needs to be done. I do not blame the department. I do not blame the hardworking leadership team in the department, nor the legislation development officers who work for the department. I have been a legislation development officer. Their job is to serve the government of the day, and I am sure they have done that to the best of their ability under the instructions they have been provided. I am sure that their cabinet submissions and their proactive release statements supported what the minister and the Newman government wanted. What the Newman government wants is to not protect Queensland subcontractors. It is pretty pathetic, really.

Earlier this year the Minister for Housing and Public Works introduced the Building and Construction Industry Payments Amendment Bill. One of the key points promoted by the minister when introducing the bill focused on the cutting of red tape and the reduction of regulatory requirements. References relied upon by the minister in highlighting red-tape reduction were, like the bill itself, misconceived and related to initiatives that had nothing to do with the payments act and related only to the Queensland Building and Construction Commission Act 1991. This is a false analogy and does not follow the real issues behind the bill.

A hard look at and review of the changes created by the bill in relation to the three areas of reform identified within the bill shows that anything but a reduction in red tape and regulation will occur. It would be impossible to do more than scratch the surface in relation to the increase in red tape and regulation under the bill within the time provided to make this speech. Suffice it to say, there is considerably more red tape and considerably more regulation under the bill.

The overarching impact of the bill is the complete erosion of the object of the act, which is to ensure that a person who undertakes to carry out construction work or supply related goods and services under a construction contract is entitled to receive and is able to recover progress payments. An important consideration, if not the determinative factor, when this parliament enacted the payments act in 2004 was the existence of unequal bargaining power within the classes of participants within the construction industry and the need to achieve a reasonable balance within the contractual hierarchy. Subcontractors and suppliers to the construction industry are in the class of participants that sit lowly within the construction industry hierarchy and become the biggest losers in the construction industry chase for payment.

The dominant players within the construction industry before the payments act followed the golden rule 'he who has the gold makes the rules'—the Newman government seems to be following that rule over and over again within Queensland, and we are seeing it not only in this bill; we are seeing it also in other legislation it is putting through the House—when deciding whether they should make progress payments to subcontractors and suppliers.

The menacing culture of nonpayment within the construction industry has been reformed by the payments act, but statistical data compiled by the Building and Construction Industry Payments Agency for the 2012-13 reporting period shows that, on average, less than 50 per cent of the value claimed by a claimant for performance tendered under a construction contract is being paid by the

respondent. The reforms identified in the bill not only assist but also enliven and strengthen the respondent's mischief of nonpayment. They will assist the respondent in avoiding payment obligations under a construction contract by permitting the respondent to adopt a stonewall position, strategically fortified by the provisions of the bill.

Statistical data published by the agency shows that claims of $500,000 or more represent 14 per cent of the claimants seeking adjudication under the act. However, the dollar value of the claims presented by these claimants was 95 per cent of the total amount claimed by claimants. When a decision was released by an adjudicator under this range of claim, this 14 per cent of claimants received only 47 per cent of what had been claimed. The bill will now make it much harder for claimants working on larger projects to get paid promptly or at all if the respondent decides that payment is not an option that suits the current needs of the respondent.

The approach taken by the government to amend the payments act is rushed, and a range of impacts and financial implications flow from it. In the rush to bring this bill before the House, the necessary participants in the process have not been comprehensively consulted. It has been indicated that there is more work to be done on this bill. That work should have already been done. An example is the financial sector, with the banks and insurance companies being two considerations that have been completely overlooked by the minister and the government.

Construction industry insolvency is a serious concern. I have indicated that by the articles I have tabled. If it does not lead the list of industries that are more prone to insolvency, it is certainly in the top five. Passage of the bill will make a tough situation even harder for the subcontractor and supplier to secure finance. Insurance premiums, because of the higher risk of nonpayment within the subcontractor and supplier field of industry participants, will be increased based on the new risk of nonpayment or significantly delayed payments. The battle for the subcontractor and supplier to get paid in the construction industry will be monumentally harder if this bill is passed.

The bill is based on faulty logic and irrelevant and insufficient information. That came out in the committee's review. The Wallace report was seriously criticised by submissions. That was very evident. The bill does not merely amend the payments act but rather radically changes the core purpose of the act, with the determinative factor in this regard being the exclusion of many participants from the statutory process and the concentration of private and public power without good cause or justification being shown by the minister and the government.

As it relates to the adjudication marketplace, the bill is anticompetitive. The minister must address this aspect in his reply to the debate. It is beyond me why a minister would not seek crown law advice on such an important issue. It was detailed in a submission that there is possible infringement of federal laws. That matter has simply been overlooked. Simply taking advice from the QCA is not sufficient.

The bill also is an example of unjustified government extremism, with the inescapable conclusion being that the government has been forced to assist or otherwise further the menacing conduct of nonpayment engaged in by respondents, the biggest of whom is the government itself. The government itself engages with a lot of subcontractors because of the commercial units of government. These things cannot be overlooked.

Clause 12 of the bill seeks to reform the adjudication marketplace and will accomplish this by removing or otherwise abolishing authorised nominating authorities from the marketplace created under section 21(3) of the payments act. The clear intent of the bill is to centralise all administrative functions of the adjudication marketplace within the Building and Construction Industry Payments Agency. The agency was created in 2004 to oversee limited administration of the payments act. The agency commenced oversight of the payments act on 1 October 2004 and it is from this date of assent that the government began collecting statistical data about the operation of the act. The explanation given by the government for 'removal and centralisation' is that the bill removes 'the perception of conflicts of interest and bias in the appointment of adjudicators. This should result in the reduction of adjudication fees.' The suggestion presented by the minister and the government is misconceived and assists in showing that the minister and the government have not performed the necessary assessments I will be discussing when advancing the suggestion that bias exists and exists in such a manner that requires the state to take complete control of a marketplace functioning in a manner contemplated by the object of the act.

The perception of bias finds its genesis in the Wallace report and the report commissioned by the agency that sets out 49 recommendations in relation to the three main areas of reform in the bill. What is quite curious is that neither the agency nor the Wallace report rely on statistical data compiled by the agency. The collection of these isolated comments identified in the report became the basis upon which the agency recommended that all administration should now be handled by the agency. During the proceedings of the committee, the committee was presented with statistical facts compiled by a lawyer who is also an adjudicator from data published by the agency for the 2012-13 reporting period. The statistical evidence presented to the committee by this person showed that in general adjudicators awarded claimants less than 50 per cent of the amount claimed by claimants. The perception of bias identified in the explanatory material accompanying the bill is not validated. The minister's concern that respondents are receiving unfair prejudicial treatment or that something more sinister is occurring in the appointment of adjudicators by authorised nominating authorities is not supported at all by the statistical evidence presented to the committee. That is an important fact. The government lacks the evidence to back up its claims. That is an important issue.

The statistical evidence presented to the committee, on the other hand, showed quite convincingly that the claimant is still the biggest loser in the construction industry payment chase. The claimant, however, would be an even bigger loser if the payments act had not been enacted in 2004. A further concern in this regard is that over half of the value claimed by the claimant is being retained by the respondent. This is an unbargained for windfall by respondents. This unfair outcome is of no concern to the minister, who says that he is concerned with fairness in the industry. The failure of this money to move down the contractual chain shows that the current system is still balanced in favour of the respondent which raises the concern of why the minister is favouring respondents with an intrusive and burdensome regulation that makes payment harder for claimants when the evidence shows that the system still favours respondents. The removal of ANAs is neither reasonable nor justified. The evidence presented to the committee shows that the conduct of ANAs in making the appointment of an adjudicator under the act and the conduct of the adjudicators in making a decision under the act does not rise to the level of unfair treatment of respondents requiring reform in the manner proposed by the bill or at all. Reform, however, is needed not to assist respondents but to assist claimants so that claimants are better able to receive the full value of the work or services performed under a construction contract. Sadly, however, this is not occurring as revealed in the statistical data compiled by the agency, an administrative state of affairs, for reasons known only to the minister and the government.

During the process of review, no evidence at all was presented by the agency to show or to assist in showing the committee that the agency has a plan and is ready to implement the plan once removal of the authorised nominating authorities occurs. That is important. There is no plan in place. The agency has considered all of the impacts, financial or otherwise, of such centralisation not only on the government but also on the industry participants, especially the claimant. The failure of the agency to have a well-thought-out plan, as revealed during the proceedings of the committee, is a recipe for disaster with injurious consequences for the claimant being a stark reality.

In response to the concern that the removal of authorised nominating authorities is anticompetitive, the committee sought advice on this matter from the department and was advised that the department had in fact prepared a preliminary impact assessment. This fact was never made known by the department throughout the review process and was only made known sometime after 21 July as revealed in the report of the committee. Although the PIA was performed by the department, it is clear that the department, because it only performed a preliminary review, did not consider the necessary impacts, financial or otherwise, when electing to create a monopoly controlled by the state. The record before the committee is bare of any evidence that the minister even attempted to assess the removal of competition from the marketplace as it pertains to the claimant's absolute right under section 21(3) of the payments act to choose an authorised nominating authority.

I refer to a submission by Jonathan Sive about the anticompetitive nature of this bill. The department produced a report in the 2012-13 financial year. There is statistical analysis showing that the full payment or part payment received was less than 48 per cent. In terms of the building and construction industry, the QBCC represented 84,493 people as at 4 September 2014. That is nearly 85,000 people. The government is effectively ignoring 85,000 people. It did the same with WorkCover. It effectively watered down WorkCover, ignoring 2,300,000 people. There has been a research paper done on the committee system by Amanda Honeyman which talks about executive control over the committee system. It says that large government majorities are a feature of

Queensland's optional preferential voting system and goes on to talk about how the executive influences committees. I would suggest that the executive has seriously impacted on the committee's consideration of this bill and that the minister has put the cart before the horse. There should have been consideration of security payment legislation advanced prior to this bill being introduced. I table that report by Amanda Honeyman and other documents.

Tabled paper: Research paper titled 'An evaluation of the Queensland parliamentary committee system: from Fitzgerald to recent reforms' [5920].

Tabled paper: Email, undated, from the Queensland Parliamentary Library regarding a statistic on the number of contractors in Queensland [5921].

This bill should not be passed. This bill is not ready to be passed. This bill is rushed. This bill is detrimental to subcontractors. This bill is a failure by the Newman government to respect subcontractors. Newspaper articles in recent times verify the extent of the damage. The minister thinks it is funny. The minister does not care about subcontractors. The minister is not fair dinkum about his role at all. The minister does not care about subcontractors one bit. He is—

(Time expired)

Dr FLEGG (Moggill—LNP) (9.08 pm): I rise to speak to the Building and Construction Industry Payments Amendment Bill 2014. I would like to congratulate the minister, the office of the minister and the staff of the department on bringing this matter forward. Tonight, after listening to those on the opposite side, I believe that something very strange is happening. I am quite certain that the minister understands, and I understand, that he is not reshaping the building industry. He is addressing a number of very specific problems that have been hanging around for years. I hear the ALP and the leader of the Palmer United Party saying that this bill is rushed, that we should take more time, that we should consult more. Two years ago—in 2012—when I had responsibility for this area I was receiving urgent communications from companies that on Christmas Eve would get a wheelbarrow sized claim for $100 million that had taken 12 months to prepare to which they had five days within which to respond. Here we are, almost at the end of this parliament, and those opposite want to delay the legislation further. They might be surprised to hear that there may even be an election sometime early next year. If we delay the passage of this legislation much further, it is going to fall off the *Notice Paper* and we will be starting again.

This bill addresses a number of very specific matters within the building industry. Payments within the building industry are and always will be a minefield. They are so because of the nature of the industry. Firstly, the work is paid for in arrears. The subcontractor or builder gets on the site, does the work and is paid in arrears, generally by progress payments. He is out of pocket until he is paid. The amounts of money are often significant. They are lumpy payments that can be very tempting for people to delay or, as the member for Yeerongpilly said, in some cases try to avoid paying altogether. In almost every claim for payment that is made in the industry there are variations, because of the nature of what happens when you build. Variations in the contract price or in the progress payments will always be contentious issues. To add to all of that, the building industry is very diverse. It could be a small builder building a home. It could be a $100 million pipeline contract going into Gladstone. There can be an enormous imbalance between one very large, powerful, deep pocketed party and another very small party. The law needs to make sure that it provides fairness and equality.

The two main issues that are being dealt with by this legislation were acute problems back in 2012. With respect to those on the other side, they cannot wait forever to be fixed. I refer to the ambush claims that I described, where there is an imbalance between the period allowed for the preparation of a claim and up to 12 months allowed for the lodgement of that claim and the matter of a few days being allowed in which a respondent had to respond. This bill puts in place measures to try to deal with that issue.

The second issue is in relation to the adjudicators. There was a perception—and I think the minister went to great pains to say that most of the time it was probably only a perception—but it is important that all parties in this payment system respect the independence of the adjudicators. It is a disaster if you have to settle these contracts in the courts. Let me tell members—and I know that there are a few lawyers around the place—that I have paid a few legal bills in my day and once you have to settle a matter in a court, not by virtue of an adjudicator, there are no winners whatsoever except some of the lawyers. So the process of ensuring that adjudicators are appointed by an independent process and are not perceived to be appointed by one of the participants in the payment dispute removes at least that perception and, who knows, even the possibility that in some circumstances there was bias.

These issues have been around for years. It is more than time they were fixed. The minister is well and truly aware and the House should be aware that we are not rebuilding the building industry—pardon the pun; we are fixing some long overdue problems. The idea that this legislation should be delayed further is ridiculous. I am more than happy to support the bill in this House tonight.

Debate, on motion of Dr Flegg, adjourned.

ADJOURNMENT

Mr STEVENS (Mermaid Beach—LNP) (Leader of the House) (9.14 pm): I move—

That the House do now adjourn.

Abbot Point Coal Terminal, Dredge Spoil

Ms TRAD (South Brisbane—ALP) (9.14 pm): I rise to make a contribution tonight in this debate in relation to one of the most significant issues that has been canvassed this week and that is the government's outrageous backflip in relation to the Abbot Point Coal Terminal expansion. Since this government was elected in 2012, we have seen a complete trashing of the plans that the former Labor government had to use dredge spoil to reclaim the port area, to enhance it, to expand it into a multicargo facility in order to ensure that increased exports could occur from the Abbot Point Coal Terminal. Time and time again the Deputy Premier has come into this House and trashed that proposal.

When the federal government made the decision to approve the dumping of dredge spoil in the marine park, what did this government do? This Newman LNP government formed the most vigorous, the most enthusiastic cheer squad for the dumping of dredge spoil in the marine park and the World Heritage area. Basically, the Deputy Premier said that this was a fantastic decision because the Great Barrier Reef was not under environmental threat. In fact, he believed that it was a self-correcting ecosystem—

An opposition member interjected.

Ms TRAD: A self-correcting ecosystem. We also had the environment minister say that, basically, there was no scientific evidence whatsoever to suggest that dumping was a bad environmental idea for the reef. In fact, this government threatened to sue Ben & Jerry's for running a campaign in opposition to the dumping of dredge spoil in the Great Barrier Reef Marine Park.

Let us be really clear about what Monday's announcement was about. It was about last week's Ashgrove poll, which saw primary support for Kate Jones at almost 52 per cent. On a two-party preferred basis, Kate Jones would romp it in on 58 per cent. On Monday, we saw Jeff Seeney and the Premier do a complete backflip to go back to Labor's original position, which is to use dredge spoil in order to reclaim land in the port development area.

This plan is on the hop. It is uncosted. Today we saw in the *Australian Financial Review* the government admit that it would probably be too expensive for them to buy the dredge spoil, buy back Queenslanders' sand, and give it to big mining developers. That is what is happening. The Deputy Premier has conceded that they have costed it and they cannot afford it. So they are going cap in hand back to the federal government. This government is duplicitous. It cannot be believed on anything, including the Great Barrier Reef.

(Time expired)

Suicide; Smart, Mr A

Dr FLEGG (Moggill—LNP) (9.17 pm): Today, 10 September, is World Suicide Prevention Day. Lifeline Australia has estimated that in this current year we have hit a record 10-year high for suicides in this country. Last year, 2,535 Australians died by their own hands. This is a significant increase. Back in 2006, that figure was 1,800. This is a battle that we are not winning. Of those 2,535 Australians, 1,901 were males and 634 were females. That is around seven Australians dying by their own hand every day. There are in excess of 20 attempted suicides for every successful one.

Suicide is a very misunderstood phenomenon in a couple areas. It is a preventable phenomenon, more particularly among young people. In my professional experience, the hardest group to prevent committing suicide were middle-age males. The disease itself, or the phenomenon itself, is complicated by social and psychological factors. We see it in young people, we see it in

farmers in times of stress, we see it in Indigenous people, we see it in people subject to substance abuse. There is a misconception about the mental state of people when they take their own life in that many of them feel that the world would be better without them. It is the view that their illness gives to them.

There is a misconception that people cannot be cured. Those who survive can go on and recover and live very normal lives. I want to pay special tribute to one Moggill family and that is the family of radio presenter Robin Bailey and her husband, Tony Smart. This very courageous family were prepared to be open about Tony's death as a result of depression and suicide. Their willingness to share their pain with the broader community helps so many other people. It tells other people in the same boat that they are not the only ones who suffer in this way, that they are not alone and, most importantly, it is okay to be open about one's feelings in this situation. Their courage has helped others not to be ashamed and to seek help.

Tony Smart was a dedicated and loved member of our community. He was an active member of the P&C at Kenmore State School. On the 97.3FM website it says that Tony wanted every child to be able to realise their sporting potential regardless of their personal circumstances. A memorial fund has been set up. It will be administered by the Future State Greats Aspirations 4 Kids program. I will certainly make a contribution to that and I encourage people to get on that website and make a contribution. I encourage people to look out for their mates, to be sensitive to people when they are under stress and to help them to believe that they can obtain help. There are organisations such as Lifeline, beyondblue, Black Dog Institute and others that are there to help people in this sort of crisis.

Abbot Point Beneficial Reuse Strategy

Mrs MENKENS (Burdekin—LNP) (9.21 pm): The Premier and the Deputy Premier's announcement this week of the Abbot Point Beneficial Reuse Strategy is not only a win for my electorate of Burdekin but also a win-win for development, the environment and the people of Queensland. In my maiden speech in parliament in 2004 I pointed out the huge potential of Abbot Point and its ability to be shaped into an industrial estate fitting the needs of the north. This has been something I have been fighting for whilst in opposition: fighting for the people of my electorate, the good people of Bowen, Collinsville and surrounds, who have been overlooked by Labor while it was in bed with the Greens toing and froing with this vital project.

I listened to the diatribe from the member for South Brisbane. I also listened to the member for Mackay's comments in this House on Tuesday as he tried to claim—or reclaim—the project with his major backflip. He will recall my earlier speeches in this House as I fought for the advancement of the port of Abbot Point and the missing rail link. But alas it was Hay Point in the good member's electorate that was—dare I say the word—dredged with nine million cubic metres of material removed when then Premier Beattie unveiled nearly $190 million in coal port expansions in the Mackay and Bowen region in 2006. This, of course, as the member for Mackay may or may not selectively recall, was before Premier Bligh put Abbot Point up for sale. Hypocrites!

The Abbot Point Coal Terminal has been an existing coal terminal for over 30 years, but the crucial development of this port was stymied under Labor. It sold off the port, then came up with promises it knew it could not keep—the grandiose multicargo terminal which was financially and environmentally an irresponsible proposal. Labor was grasping at straws, it was grasping for votes, while it was doing deals with the Greens.

I will be speaking at a rally in Bowen next week when locals will join together once again in a show of solidarity of their support for this project. They have all had to endure the theatrics and backflips of Labor and the Greens whilst businesses have closed and the local economy has suffered. Labor once wanted this project, but because it has not rubber stamped it or even come up with a more logical and environmentally responsible proposal, it has simply opposed it, as we saw tonight. When this LNP government was elected by the clear mandate of the people of Queensland, we were not only tasked with the reining in of Labor's massive debt but also tasked with fixing Labor's mess. I can categorically say that Abbot Point has always been a priority under this Newman government, which is working with proponents to bring much needed jobs in conjunction with protecting the environment. We do not want any further delays with this project. The Abbot Point Beneficial Reuse Strategy will effectively see dredge material beneficially re-used on land. This will allow the dream of those in the Burdekin electorate to finally progress. Finally it will allow Abbot Point and jobs to progress in unison with the environment.

Redcliffe Festival

Mrs D'ATH (Redcliffe—ALP) (9.24 pm): I rise to speak about a terrific event, the Redcliffe Festival, held on the Redcliffe Peninsula last weekend. The Redcliffe Festival—made up of the Spring Break Beach Party, the Redcliffe KiteFest LIVE concert, Redcliffe Remembers, the Jetty Fiesta and, of course, the Redcliffe KiteFest—ran from Friday evening through to Sunday afternoon. I wish to congratulate Our Village Foundation as the organisers of this event. I believe this is the biggest and best we have had so far. I also want to acknowledge David White and all the members of the Redcliffe Kite Club who continue to play an important role in the Redcliffe KiteFest. It is estimated that over 50,000 people attended across all events during the weekend. There were over 500 volunteers who worked on the festival with their earnings all going to community organisations in the region.

Feedback has been great. I had the opportunity to have a stall at the KiteFest all weekend raising money for Relay for Life for the Cancer Council. I spoke to many people who came from all over Queensland, interstate and overseas. Calculations so far are that the impact on the local economy could be close to $6 million. There were over 165,000 page views for the festival website, with five per cent of web traffic coming from interstate and overseas promoting Redcliffe and Queensland.

This year was the 190th anniversary of the first European settlement in Queensland and the festival showcased this with the re-enactment of the historical event. We also had kite flyers attend the Redcliffe KiteFest from the USA, Canada, Japan, Malaysia, New Zealand and from all over Australia. Redcliffe KiteFest is now Australia's largest kite-flying festival and we are proud to have it here in Queensland. I think one of the most popular kites for young and old was the toothless dragon from the *How to Train Your Dragon* movie.

Of course, these events cannot occur without major sponsors. I would like to thank the main partners: Our Village Foundation, Moreton Bay Regional Council, Network 10, Goa Billboards, *Redcliffe & Bayside Herald* and Village Motors. The Spring Break Beach Party was a concert for up to 18 year olds—a safe, fun concert for young kids. It had rides throughout the evening, but the main attraction was Justice Crew. KiteFest LIVE, for the adults, featured some of Australia's biggest acts, with Mark Seymour from Hunters & Collectors, Daryl Braithwaite and the Choirboys. On Sunday was the Fleetwood Mac tribute band. Many local community organisations, theatre and music groups also performed. I congratulate everyone who was involved in the Redcliffe Festival and I encourage people to attend next year's event. I particularly thank Shane Newcombe and Nette Griggs for all of their efforts with Our Village Foundation and what they do for the Moreton Bay region.

Pimlico State High School

Mr HATHAWAY (Townsville—LNP) (9.27 pm): I rise today to proudly speak about one of the amazing schools in my electorate of Townsville, Pimlico State High School. The school is renowned for its achievements in the performing arts, particularly in music. It has settled well into its de facto role as the North Queensland conservatorium or incubator for North Queensland musicians. Pimlico State High School has long held a tradition of excellence in the performing arts. With a school population of 1,500 plus, the school supports three concert bands, a brass ensemble, a percussion ensemble, a stage band, four choirs, four string orchestras, a full symphony orchestra and a number of chamber groups.

At the start of 2014 the Pimlico Chamber String Orchestra was renamed Orpheus after one of the beautiful tropical islands in my electorate. Orpheus is also the name of the mythical Greek string player who, legend says, could charm all living things. In this regard the ensemble lives up to its namesake. The group comprises the more developed string players from the school's symphony orchestra and includes students from year 8 to year 12. It should be noted that the Orpheus Chamber Strings play without a conductor.

This year they took part in the Fanfare state festival. The Fanfare program allows students and schools to receive recognition for their hard work and commitment to their practice and performances. This is particularly so and important for regional and rural schools, which may not have the access to eisteddfods held in metropolitan and larger regional centres. The Pimlico State High School ensemble went on to become the Northern semifinalists at the Fanfare state festival in Brisbane earlier this month. They have, over the last two Fanfare competitions, been finalists and I am extremely happy to say completed their hat-trick in 2014.

I was also fortunate to spend some time with this talented group of musicians prior to the finals, including during a tour of the parliament. They are a bunch of enthusiastic musicians and, indeed, great ambassadors for their school. During their visit to Parliament House I arranged, with the support and leave of Madam Speaker, for them to perform a recital in the red chamber during our lunch break. They were incredible. It was a sheer delight for those who attended the recital to hear the cello concerto by Vivaldi and the beautifully performed *Gypsy Dance*. For the public record, I table the program notes from their fantastic performance in the red chamber.

Tabled paper: Program of the Orpheus Chamber Strings performance at Parliament House on 6 August 2014 [5922].

As I indicated, the Orpheus Chamber Strings went on to perform as Pimlico State High School's hat-trick finalists in the Fanfare grand final concert in the Great Hall at the Brisbane Convention and Exhibition Centre on 8 August. I do note that they held up their end of the bargain in my wager with the honourable member for Mansfield and his school's ensemble, the Mansfield State High School Camerata. Our bottles of red were kept in check in a Mexican standoff.

Last week I visited the school specifically to look at its music facilities. Currently, the school has over 350 instrumental music students but only two small instrumental teaching rooms and no additional practice space. In 2015 the school's population is expected to swell to about 1,800 and I would expect their instrumental music student numbers to be well north of 400.

(Time expired)

Sunshine Coast, Infrastructure

Hon. SL DICKSON (Buderim—LNP) (Minister for National Parks, Recreation, Sport and Racing) (9.30 pm): I rise to touch on an announcement that was made on the Sunshine Coast in recent times relating to a $440 million road network. I was so proud to have the Premier of Queensland and the Minister for Transport come to the Sunshine Coast to talk about future growth and how the Sunshine Coast needs to move forward. We have a brand-new hospital coming out of the ground that has been delivered by the LNP government, pushed by all Sunshine Coast representatives. We look forward to delivering some fantastic infrastructure on the Sunshine Coast. The next piece of infrastructure that we will be pushing very hard to get is the jewel of the railway line, running from Beerwah to Nambour. We have a fantastic community of some 300,000 people who have lacked in infrastructure for a very long time and it was wonderful to have the Premier on the coast to deliver this announcement not so long ago. The road network will improve the Sunshine Coast Motorway, which is four lanes till it gets to Kawana Way where it drops back to two lanes. We desperately need those four lanes to be continued. Improvements to the road network from the Kawana hospital through to Mooloolaba will deliver some fantastic outcomes for the Sunshine Coast. Knowing that the Sunshine Coast hospital is the biggest hospital built on the east coast of Australia highlights what a fantastic outcome this is.

I wish to talk about the Buderim Men's Shed, which is the biggest men's shed not only in Australia but also, I have been told, in the world. I am very proud to be involved with those men. These days, many men experience problems after they retire and a men's shed provides a great opportunity for them to get together to talk about their problems. We know that ladies have many places to go, but men do not. They can have a lot of psychological problems and other issues that they may not talk to anybody about. However, if they join a men's shed and do a bit of metalwork or woodwork, they can release some of the things that they do not talk about with their wives or families. Those could be health issues or mental health issues. The shed provides an opportunity for all men.

I thank the Buderim Men's Shed for the work that they do around our local community. They built the local Anzac stand in the local school. They look after many of the local gardens in the area. They do much work for people who are a bit down-and-out and may need a hand. I endorse that group. It is one of the best men's sheds in the country and it is the biggest in the world, I am told. I am going to go with that and I do not think anybody here tonight will dispute it.

While I am on my feet I would like to talk about the Sunshine Coast Marathon which happened in recent times. It has been going for three years. I was very blessed to be made the patron of that organisation recently. In the first year we had over 5,000 participants, there were 6,000 participants in the second year and 6,500 this year. They do some great work. They are going to build a Ronald McDonald House on the Sunshine Coast, next to the new hospital. It is being constructed by the Newman government—

(Time expired)

Toowoomba

Hon. JJ McVEIGH (Toowoomba South—LNP) (Minister for Agriculture, Fisheries and Forestry) (9.33 pm): It gives me great pleasure to rise and speak about Toowoomba on behalf of my friend and colleague the member for Toowoomba North and also myself as member for Toowoomba South. There is plenty happening in our city at present. In recent days the House has heard the Premier and the Treasurer refer to a couple of significant developments. Last week the Premier was in Toowoomba with the assistant minister to the Premier, Mrs Deb Frecklington, and me for the announcement by Qantas that it is commencing flights from Toowoomba to Sydney from the new Brisbane West Wellcamp Airport. That is a very significant development indeed, based on private investment.

Similarly, today the Treasurer confirmed the three shortlisted contenders for the construction of the Toowoomba bypass, which is a $1.6 billion project. In recent days, the member for Toowoomba North, Trevor Watts, and I attended the launch of the Empire Theatre's regional arts centre, which has been named after Clive and Conchita Armitage. That is the result of some significant community fundraising. In recent weeks, the Toowoomba mayor, the member for Toowoomba North, on whose behalf I am more than happy to provide this adjournment speech, and I joined in the ice bucket challenge in support of the motor neurone disease cause. In addition to those initiatives, we see continued developments at the University of Southern Queensland and investment by private interest groups other than Wagners at the airport, and I refer to FK Gardener and Ostwald Brothers. No doubt there is plenty happening in our city. That is not good luck and it has not happened overnight. That is the result of many decades of effort by people promoting our city.

The Wellcamp Airport and the Charlton industrial estate mean one hell of a lot for agriculture. For those who believe otherwise and are misinformed, it would be incumbent upon them to visit our fair city and to look at Feed Central which is based in the Charlton Wellcamp, the grain trading establishments, the steelworks that service agriculture and the various support activities for agriculture. It is very impressive indeed. The member for Toowoomba North and I are proud of our city. Those ill-informed commentators from afar would do well to visit us and understand.

(Time expired)

Atherton Aero Club

Mr KNUTH (Dalrymple—KAP) (9.36 pm): The Atherton Aero Club is a group of aviation enthusiasts from around the Far North Queensland region. Atherton Aero Club has 54 members who are involved in all facets of aviation, from microlights to general aviation. Some members are actively involved in building aircraft and most members fly aircraft. However, they also have a great passion to build a storage shed and shelter for paramedics and the Royal Flying Doctor Service for the benefit of the whole community. The shelter will provide protection from the elements, which sometimes can be extreme, sometimes hot and many times raining as pilots and paramedics wait for patient transfers from the Atherton hospital ambulance to the Royal Flying Doctor Service. At times, the ambulance has to wait until the Royal Flying Doctor Service arrives, but there is nowhere for them to park. At other times, the Royal Flying Doctor Service arrives and the patient becomes unstable so the ambulance has to return to the hospital, leaving the Royal Flying Doctor Service crew to wait till they return, but they too have no shelter.

The Atherton Aero Club would like to erect a storage shed for the club's equipment, which includes a live weather feed that updates to their website, offering pilots up-to-date weather conditions at the airstrip. The Tablelands Regional Council has provided a block of land that had been marked out close to the existing toilet block and has confirmed a 30-year lease. Currently, if an ambulance is sent back to the hospital, pilots or paramedics just have to sit and wait for the patient to return. They sit outside or in their plane in the heat, wind and rain, with no shelter and no facilities.

The multipurpose facility will provide much needed shelter, chairs and basic facilities such as tea and coffee. The Atherton Aero Club has some cash to contribute and has started raising funds publically. The estimated funding shortage is around $25,000. It is fundraising to establish a common area for all users that would promote strong relationships. The facility would be available for all airport users. Visiting pilots and passengers will be able to make a cup of tea, take shelter and talk to fellow aviators who are locals from the area. The Atherton Aero Club has a live weather station that assists visiting pilots. Traffic at the airport is limited to mostly aircraft personnel and the members of the aero club.

The facility would be of great benefit to visitors, as well as provide much needed shelter and a place to rest for the Royal Flying Doctor Service pilots and paramedics to rest in relative comfort while they wait for patients to transfer between lifesaving services. I will be working with the Atherton Aero Club, the relevant agencies, the departments and the ministers to source the support and funding to erect the shelter for the benefit of the Royal Flying Doctor Service, paramedics and the whole community.

Toowoomba Second Range Crossing

Mr WATTS (Toowoomba North—LNP) (9.39 pm): Toowoomba is a great place to live, work and play and it is represented by two very enthusiastic members. Today is a great day for Toowoomba. Some 150 years ago a member called John Watts stood in this place and said that we need a better range crossing. Today another milestone ticks over on that journey. We have announced today that the three tenderers for the project will be able to start preparing their bids.

This is really important for Toowoomba. People who have not been up to Toowoomba do not realise just how significant it is to have 6,000 trucks drive through the centre of your town. Imagine that happening somewhere in Brisbane or on the Gold Coast. The people of Toowoomba were promised action 20 years ago. Twenty years ago they started talking about this. The former local member was from the Labor Party and was a cabinet minister in this place. All we got was talk and more talk. Just before the last election there was another announcement and more talk.

This LNP government has delivered. I would very much like to thank the Treasurer, the Deputy Premier and the Premier for making things happen for regional Queensland. The Minister for Transport and Main Roads will get to take over this project once the tenders are in and we know exactly how it is going to be done and which organisation will be doing it. I am really looking forward to that day and so is every single person in Toowoomba.

It means that mums and dads will be able to get across town to play netball with their kids without having to tangle with industrial traffic. It means that people will be able to get into our CBD without having to tangle with B-doubles full of animals travelling from the west to the slaughterhouses in Brisbane. All of the goods, produce and raw materials that Brisbane thrives on and that are exported out of Queensland travel down the main road of Toowoomba. Having this bypass will make an enormous difference not just to the people of Toowoomba but to all the businesses based in Toowoomba.

Compare and contrast what we have achieved in just three short years with what Labor managed to achieve in 20 years in this place. As a side note, anybody who is coming to the Carnival of Flowers this year will be able to travel up the existing range, which has had over $80 million spent on it to make it a safe, reliable, resilient road. Again, it is something that Labor neglected to maintain. That nearly caused Western Queensland to be cut off. We will never allow our infrastructure to be in the bad shape that it was in under Labor as it racked up $80 billion worth of debt.

Windaroo Valley State High School

Mr BOOTHMAN (Albert—LNP) (9.42 pm): This LNP government has shown a firm commitment to education in this state by providing students with suitable education platforms which will allow them to build a brighter future. Our focus is on delivering real educational outcomes for the next generation. This brings me to what I believe is a common problem, but not a commonly spoken about problem—that is, students who are intelligent and eager to learn but not academically minded. These kids deserve an equal chance to learn and succeed in life through a non-traditional educational setting such as through onsite, hands-on trades training. Some of our most successful business owners started their careers in a trade. A trade is a great career pathway. I am sure the member for Burnett would agree with this. As a qualified builder he has provided practical, hands-on training to over 120 apprentices.

For some time I have been working very closely with the Windaroo Valley State High School. I have been supplying fruit trees to help them with their diverse school programs. One of their staff members, Mr Randall Waddell, was explaining to me the need to expand educational pathways. Around the same time I met with Charlie at the Albert River Community Farm. The Albert River Community Farm is run by Centrecare, a non-profit organisation. They are certainly searching for a community partnership with a school or other community groups. This was a light bulb moment. We saw that we could potentially start up a partnership with the local school.

With the support of Brenda and Kay from the Smith Family Partnership, Kay Lourens the principal of Windaroo Valley State High School and Randall Waddell and Bell Brown from the school we have started a tangible program that is producing tangible results for the kids. I am happy to say that the program started in term 3 this year. This program is a certificate II in horticulture. It has given students hands-on experience in landscaping techniques. Potentially there will be real job outcomes for the students. This government is about getting real job outcomes. It is about getting tangible results for students who may not be academically minded but are committed to a career pathway for themselves.

(Time expired)

Question put—That the House do now adjourn.

Motion agreed to.

The House adjourned at 9.45 pm.

ATTENDANCE

Barton, Bates, Bennett, Berry, Bleijie, Boothman, Byrne, Cavallucci, Choat, Costigan, Cox, Crandon, Cripps, Crisafulli, Cunningham, D'Ath, Davies, T Davis, Dempsey, Dickson, Dillaway, Douglas, Dowling, Elmes, Emerson, Flegg, France, Frecklington, Gibson, Grant, Grimwade, Gulley, Hart, Hathaway, Hobbs, Holswich, Hopper, Johnson, Judge, Kaye, Kempton, King, Knuth, Krause, Langbroek, Latter, Lynham, Maddern, Malone, Mander, McArdle, McVeigh, Menkens, Millard, Miller, Minnikin, Molhoek, Mulherin, Newman, Nicholls, Ostapovitch, Palaszczuk, Pitt, Powell, Pucci, Rice, Rickuss, Robinson, Ruthenberg, Scott, Seeney, Shorten, Shuttleworth, Simpson, Smith, Sorensen, Springborg, Stevens, Stewart, Stuckey, Symes, Trad, Trout, Walker, Watts, Wellington, Woodforth, Young