TUESDAY, 27 MAY 2003

The House met at 9.30 a.m.

ABSENCE OF MR SPEAKER

The Clerk informed the House of the unavoidable absence of Mr Speaker.

The Chairman of Committees (Hon. J. Fouras, Ashgrove) read prayers and took the chair as Acting Speaker.

ASSENT TO BILLS

19 May 2003

The Honourable R. K. Hollis, MP
Speaker of the Legislative Assembly
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Speaker

I hereby acquaint the Legislative Assembly that the following Bills, having been passed by the Legislative Assembly and having been presented for the Royal Assent, were assented to in the name of Her Majesty The Queen on 16 May 2003:

"A Bill for an Act to amend the South Bank Corporation Act 1989, and for other purposes"

"A Bill for an Act to provide for the salary payable to a person holding the office of Governor of the State of Queensland, the pensions payable to former Governors and their surviving partners, the ending of entitlements to pensions, and for related purposes"

"A Bill for an Act to amend the Financial Administration and Audit Act 1977 and the Motor Accident Insurance Act 1994, and for other purposes"

"A Bill for an Act to amend the Water Act 2000, and for other purposes".

The Bills are hereby transmitted to the Legislative Assembly, to be numbered and forwarded to the proper Officer for enrolment, in the manner required by law.

Yours sincerely

(sgd)

Governor

23 May 2003

The Honourable R. K. Hollis, MP
Speaker of the Legislative Assembly
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Speaker

I hereby acquaint the Legislative Assembly that the following Bills, having been passed by the Legislative Assembly and having been presented for the Royal Assent, were assented to in the name of Her Majesty The Queen on 23 May 2003:

"A Bill for an Act to amend the Queensland Heritage Act 1992, and for other purposes"

"A Bill for an Act to amend the Electricity Act 1994, the Integrated Planning Act 1997 and the Integrated Planning and Other Legislation Amendment Act 2001"

"A Bill for an Act to establish the Commercial and Consumer Tribunal, and for other matters"

"A Bill for an Act to provide for the registration of births, deaths and marriages, and for other purposes"

"A Bill for an Act about the transport and supply of fuel gas, and for other purposes"

"A Bill for an Act to establish a workers' compensation scheme for Queensland, and for other purposes".

The Bills are hereby transmitted to the Legislative Assembly, to be numbered and forwarded to the proper Officer for enrolment, in the manner required by law.

Yours sincerely

(sgd)

Governor

PAPERS

PAPERS TABLED DURING THE RECESS

The Clerk informed the House that the following papers, received during the recess, were tabled on the dates indicated—

16 May 2003—

- Response from the Deputy Premier, Treasurer and Minister for Sport (Mr Mackenroth) to a paper petition presented by Mrs Edmond from 934 petitioners regarding the Lang Park Parking Permit Plan—

  15 May 2003

  Mr N Laurie
  The Clerk of the Parliament
  Parliament House
  George Street
  BRISBANE QLD 4000

  Dear Mr Laurie

  Thank you for your letter dated 16 April 2003 providing a copy of the petition which requests the Legislative Assembly ensure the Brisbane City Council consider the petitioners' issues in finalising the Lang Park Parking Permit Plan.

  The concerns of the petitioners have also been raised at meetings of the Suncorp Stadium Community Liaison Group. The provision of parking to meet the legitimate needs of businesses, residents and other key organisations in the vicinity of Suncorp Stadium is an important issue for the surrounding community.

  The Environmental Impact Statement 2000 undertaken for the redevelopment of Suncorp Stadium identified there was a need to establish a traffic area in order to regulate parking around Suncorp Stadium on event days.

  Part 6 of Chapter 5 of the Transport Operations (Road Use Management) Act 1995 specifically provides that Local Government may regulate parking by establishing traffic areas under a local law. The Brisbane City Council (BCC) accepted responsibility for the establishment of the traffic area and this was acknowledged in the Development Approval Conditions issued by the BCC for the redevelopment of the Stadium in May 2001. Condition 2 (b) states the BCC is required to:

  > "prepare and take all necessary steps to have gazetted a new Brisbane City Council Local Law (Lang Park Traffic Area)."

  The State Government's role in the local law making process is a limited one. It cannot direct a local government to adopt a local law on a particular issue.

  In accordance with the Transport Operations (Road Use Management) Act 1995, the implementation and enforcement of the Lang Park Traffic Area Local Law 2002 will be administered by the BCC. It is my understanding the arrangements proposed by the BCC for the implementation and regulation of the Lang Park Traffic Area Local Law 2002 are similar to schemes in operation at Ballymore and the Brisbane Cricket Ground, which have been previously endorsed by the BCC. Accordingly, any issues relating to the Lang Park Traffic Area Local Law 2002 should be directed to the BCC.

  In accordance with your requirements, an electronic copy of this response has been provided to facilitate the publication of this response on the Parliamentary website.

  Thank you for bringing this matter to my attention and I trust this information is of assistance.

  Yours sincerely

  SIGNED

  TERRY MACKENROTH

- Response from the Minister for Health and Minister Assisting the Premier on Women's Policy (Mrs Edmond) to an e-petition sponsored by Mrs Smith from 107 petitioners regarding Queensland Health's vacant land at Lutana and Bardon Avenues, Miami—

  Mr N Laurie
  Clerk of the Parliament
  TableOffice@parliament.qld.gov.au

  Dear Mr Laurie

  Thank you for your letter dated 1 May 2003, enclosing a petition received by the House on 29 April 2003, regarding Queensland Health's vacant land at Lutana and Bardon Avenues, Miami.

  This land was the subject of an exchange with Gold Coast City Council, for land to construct a multi level car park and helipad adjacent to the Gold Coast Hospital Southport Campus.

  The development of the car park did not proceed due to difficulties that the developer had with the Council's street parking arrangements. Consequently the land exchange did not proceed.

  As the land swap arrangements with Gold Coast City Council are not proceeding, the Miami land is now surplus to Queensland Health's needs. It is not for sale at this moment.

  At a Community Cabinet meeting held at the Gold Coast on 16 March 2003, I committed to giving Gold Coast City Council first option to purchase the Miami land following normal Government Department canvassing in accordance with the Government Asset Management System (GAMS) Disposal Policy.

I also stated that I was prepared to consider selling the land to the Gold Coast City Council at a reasonably discounted price provided the Council agreed to keep the land as open space or an environmental area.

I can appreciate the desire of local residents to maintain the site as a green space, however, it is not the core business of Queensland Health to provide such a service. This is the responsibility of local council. I suggest that the Gold Coast City Council be encouraged to use their environmental levy to purchase the site if they are serious about maintaining the area as an open space or environmental area.

Proceeds from the sale will used to enhance health services on the Gold Coast.

Thank you for bringing this matter to my attention and I trust this information is of assistance.

Yours sincerely

Signed

Wendy Edmond MP

Minister for Health and Minister Assisting the Premier on Women's Policy

- Response from the Minister for Health and Minister Assisting the Premier on Women's Policy (Mrs Edmond) to a paper petition presented by Mrs Sheldon from 160 petitioners regarding the Caloundra Health Service—

Mr N Laurie
The Clerk of the Parliament
TableOffice@parliament.qld.gov.au

Dear Mr Laurie

Thank you for your letter dated 27 March 2003, enclosing a petition from the residents of Caloundra received by the House on 25 March 2003, regarding the Caloundra Health Service. I apologise for the delay in responding.

I am advised by the District Manager, Sunshine Coast Health Service District, that service provision and staffing levels at Caloundra have increased considerably since that time aided by an additional $1 million funding in the 2001/2002 financial year and a further $650,000 in 2002/2003.

One of the major enhancements at Caloundra has been the expansion of the Department of Emergency Medicine, which included the provision of a 24 hour service. The Department of Emergency Medicine at Caloundra is currently treating an average of 1200 patients each month and the number is increasing.

I am further advised that both theatres are available for use and the second theatre is used on a needs basis. There has also been an increase in the number of specialists visiting the Hospital providing clinic services, ward rounds, and operating theatre sessions. Increased Specialist Outpatient Clinics have been provided in a range of specialties.

The provision of outpatient physiotherapy services by acute care facilities is determined by clinical priority. Therefore, outpatient physiotherapy services are provided to patients in acute/sub-acute priority groups at Caloundra.

The rehabilitation unit for the Sunshine Coast Health Service District has been relocated to the purpose-built 17 bed unit at Caloundra and has been fully operational since 9 September 2002.

I am further advised that the waiting time for general dental treatment at Caloundra has increased due to an increased demand and the difficulties the District has had in recruiting Dentists. Some emergency dental services were outsourced to the private sector until full staff complements were recruited. All patients presenting for emergency dental treatment are treated according to clinical priority.

It is recognised that the Sunshine Coast, including Caloundra, is a rapid growth area. The Sunshine Coast Health Service District has been developing a Master Plan to ensure a planned approach is taken to providing health care services in line with population growth, changes in demographics, and advances in medical technology. Therefore, the Caloundra Health Service will continue to be expanded and enhanced in line with service needs and District priorities.

Thank you for bringing this matter to my attention and I trust this information is of assistance.

Yours sincerely

Signed

Wendy Edmond MP

Minister for Health and Minister Assisting the Premier on Women's Policy

19 May 2003—

- Response from the Minister for Innovation and Information Economy (Mr Lucas) to a paper petition presented by Mr Copeland from 709 petitioners regarding Powerlink Queensland's high voltage powerline proposal from Millmerran to Middle Ridge—

Mr N Laurie
The Clerk of the Parliament
Queensland Parliamentary Service
Parliament House
tableoffice@parliament.qld.gov.au

Dear Mr Laurie

Re: Proposed Millmerran to Middle Ridge Transmission Line

I refer to your letter of 14 March 2003, addressed to the Honourable Terry Mackenroth MP, Deputy Premier, Treasurer and Minister for Sport, forwarding a copy of the petition lodged in the Queensland

Legislative Assembly, objecting to Powerlink Queensland's (Powerlink) high voltage powerline proposal from Millmerran to Middle Ridge. As energy matters are now within my portfolio responsibilities, I have been forwarded a copy of the petition.

I also refer to the letter of 11 November 2002 from Deputy Premier to you in response to an e-petition tabled on 22 October 2002 regarding the same matter. I have also previously provided this information to the Power Down Under (PDU) community group and to people who have written to the Queensland Government expressing their concerns regarding the proposed Millmerran to Middle Ridge transmission line.

Further to the information previously provided to the Queensland Parliament by the Deputy Premier, the following information is provided to address the petitioners' concerns.

The Need to Augment the Transmission Network in Southern Queensland

Powerlink publishes an Annual Planning Report (approximately mid year) which is available on its website (www.powerlink.com.au) and outlines forecast loads and network capability on the whole Queensland electricity system.

Powerlink has also published a document Emerging Transmission Network Limitations Darling Downs Area 2002 which is also available on its web site.

Electricity demand in southern Queensland as a whole is currently growing at approximately 3.8% per annum. However, demand in the Darling Downs area has grown at approximately 4.75% per annum for the past six years and steady growth is forecast to continue.

The load in the region served by the Middle Ridge substation on the Darling Downs over the current summer was 277 MegaWatt (MW) on 4 December 2002. By the summer of 2004-05, this load is predicted to be 292 MW. Were the existing Tarong to Middle Ridge transmission line to be out of service for any reason, then the 110 kiloVolt (kV) lines from Swanbank would not meet the Darling Downs load. To give you an idea of the impact of this situation, due to a bush fire on 25 October 2002, the Tarong to Middle Ridge transmission line was out of service for approximately five and a half hours. On that occasion (due to other works on the network) load shedding was required in the Ipswich area. I am advised that, even if the network is operating at full capacity, a similar outage (to the bush fire caused outage) in the summer of 2004-05 would result in substantial load shedding on the Darling Downs.

In accordance with the requirements of the National Electricity Code, Powerlink must meet a reliability standard which requires that the full demand must still be met with any one element of the transmission network out of service.

The request of the petitioners to abandon Powerlink's proposal has been noted. Powerlink has advised there will not be sufficient power in 2004-05 in the event of an outage of the existing Tarong to Middle Ridge line, which supplies power to the Middle Ridge substation serving the Darling Downs region. If we are to have electricity in our communities for our homes, farms and businesses then it must be transmitted from power stations to those communities. As the elected Minister with responsibility for Energy, I am not prepared to allow a situation to develop whereby communities are affected by power outages as a result of transmission issues and I will do all I can to support adequate electricity transmission into the Darling Downs in the period 2004-05 and beyond.

In addition, Powerlink has estimated that, based on medium load growth projections, the existing transmission grid would not provide a secure and reliable electricity supply to the Logan/Brisbane South/Gold Coast area by 2009.

Factors Considered in Developing Planning Options

Planning Framework

Under the integrated planning framework of the National Electricity Market, Powerlink has to consider all known needs for the development of the network in the region. Powerlink evaluates these needs over a period of 15 years. Powerlink must select the solution which delivers the lowest cost to electricity consumers and provides the most electricity market benefits.

The supply options, therefore, must meet the needs of the Darling Downs by 2004-05 and the Logan/Brisbane South/Gold Coast area by 2009.

The petitioners have also requested Powerlink investigate possible alternative routes for the proposed powerline. Powerlink has provided details of several alternative routes that have been investigated to augment the transmission network supplying southern Queensland.

Powerlink's advised solutions

In October 2002, Powerlink advised it had considered two options, both utilising high voltage alternating current (HV AC) overhead powerline. These two options were included in the Deputy Premier's letter of 11 November 2002. Since November 2002, Powerlink has considered several additional options and has also been able to provide more detailed costings of all options, including undergrounding.

Solution A—Millmerran to Middle Ridge and then Middle Ridge to Logan. This option involves a new line from Millmerran to Middle Ridge and relevant substation works at each end by 2004-05 giving a total cost for this section of $71.3 million. A new line from Middle Ridge to Logan is required by 2009. The new line and the associated substation works give a total cost of $60.4 million for this stage. Therefore, the total cost of Solution A is $131.7 million ($71.3 million plus $60.4 million).

Solution B—Tarong to Middle Ridge and then Millmerran to Logan. This option involves a new line from Tarong to Middle Ridge plus associated substation works by 2004-05 giving a total cost for this section of $46.8 million. A new line is then required from Millmerran to Logan by 2009, costing $113.2 million for the line and the associated substation works. Therefore, the total cost of Solution B is $160 million

($46.8 million plus $113.2 million). Upgrading the current transmission line between Tarong and Middle Ridge is not possible. This line needs to remain operational as it is the major line supplying electricity to the Darling Downs region. Construction of a second transmission line between Tarong and Middle Ridge will require acquisition of another easement and will further impact on communities along this easement.

Powerlink has advised that Solution A meets both of the supply augmentation needs at the lowest total cost to electricity consumers, and offers other benefits such as fewer kilometres of new lines, fewer new easements, increased diversity of supply routes into Middle Ridge and greater electricity market benefits.

Other suggested options

Powerlink has also considered alternative routes suggested by the community to augment power to southern Queensland. These include:

Solution C—upgrading the Queensland New South Wales Interconnector (QNI) between Braemar and Tarong (new line plus substation augmentation for $75 million) and a new line from Tarong to Murphy's Creek/Middle Ridge ($46.8 million, including relevant substation works).

This suggestion is only a partial solution—it addresses the supply to Middle Ridge but it does not address the Logan need by 2009. This would require a new line to Logan, either from Millmerran as per Solution B ($113.2 million) or from Tarong as per Solution D below ($180 million). Solution C (assuming a new line from Millmerran to Logan) has an estimated total capital cost of $235 million ($75 million + $46.8 million + $113.2 million), which is much higher than Solutions A or B.

Solution D—which involves using the long term future 500 kV easements from Halys (near Tarong) to Springdale (near Gatton) and to Logan ($180 million, including relevant substation works) plus a new line from Tarong to Murphy's Creek/Middle Ridge ($46.8 million, including relevant substation works).

Within the 15 year timeframe, this would also require the section of QNI between Braemar and Tarong to be upgraded ($75 million). The total estimated capital cost of this solution (which would meet both needs) is $301.8 million ($180 million + $46.8 million + $75 million), again much higher than Solution A or B.

Underground transmission lines

Powerlink has also investigated the costs of several options to underground the Millmerran to Middle Ridge transmission line. As the proposed overhead HV AC transmission line between Millmerran and Middle Ridge will have a capacity of 800 MW, any underground line would need to have the same capacity.

One option to underground involves a conventional HV AC underground line of 800 MW capacity.

Another option considers the newer technology high voltage direct current (HV DC) Light system manufactured by ABB. The HV DC Light systems installed so far by ABB have a capacity of about 200 MW, and consequently four such systems are needed to deliver a total transfer capability of 800 MW. Each HV DC system requires a large AC/DC converter station at each end because the rest of the grid is an AC system. The costs for these DC systems include the costs of the converter stations. The costs for the HV DC Light systems were provided by ABB.

The comparison excludes substation works which are common to all options.

- overhead HV AC line—$43 million
- underground HV AC line—$486 million
- four HV DC Light underground systems—$500 million

Thus, the cost of undergrounding the same route compared to the overground option is an additional $443 million. In terms of the Smart State agenda, this is 74 times the State's contribution to the annual operating budget of the Queensland Institute of Medical Research, or roughly twice the State's contribution to the annual capital works budget of Education Queensland. To divert monies from purposes such as these, when there is no medical evidence to justify such an action, would be an inefficient use of public funds.

The options suggested by the community and the underground option do not satisfy the Australian Competition and Consumer Commission (ACCC) Regulatory Test which requires Powerlink to select the least cost option.

The petition also states factors such as social, environmental, land usage, aesthetic and health impacts should be given proper consideration. The impact of the proposed Millmerran to Middle Ridge transmission line on environmental, community, cultural and socioeconomic factors will be formally considered in an Environmental Impact Assessment (EIA). Powerlink has engaged Environmental Consultants to conduct a comprehensive EIA. The consultants selected by Powerlink for the preparation of the EIA for this project are competent professionals with experience in assessing the impacts of overhead transmission lines. The consultants selected are C&B Consultants, one of Queensland's leading land management and development consultancies specialising in project management, planning, environmental services, surveying, mapping and GIS services. They have more than 40 years experience and their expertise extends into a full range of industries and sectors including industrial and commercial development, infrastructure and construction and residential development. For more information about the C&B group, please refer to their website at www.cbgroup.com.au. They were selected from a recently constituted pre-qualified panel of environmental consultants.

At this stage, Powerlink has proposed the draft EIA be prepared and issued for public comment in May 2003 and be available on Powerlink's website. Any comments on the draft document received from government agencies, non-government bodies and community members will be considered and included in the final EIA. The final EIA report provides detailed information and recommendations on a preferred

transmission line route. The EIA process also investigates how any potential negative impact can be avoided or minimised.

The final EIA report will also contain an Environmental Management Plan (EMP) which outlines ways to minimise any potential environmental impacts. The EMP will document detailed work plans to be implemented during construction of the transmission line.

The petition also alphabetically lists several concerns held by residents regarding the proposed transmission line. Each of these concerns has been addressed by the Deputy Premier in response to the e-petition and also by myself on numerous occasions to individuals and community representatives of PDU.

Powerlink has previously advised that compensation will be paid to directly affected property owners at the time of easement acquisition. Appeal mechanisms exist for property owners if they are dissatisfied with Powerlink's valuation and compensation offer.

If a property owner is unhappy with the valuation, Powerlink will meet the reasonable costs for their own valuation and legal advice, provided that agreement on valuation can be subsequently reached with Powerlink. Reimbursement of these professional fees paid by the property owner will be made when the compensation claim is settled.

If agreement on compensation cannot be reached, either party can refer the matter to an independent arbitrator, the Land Court, for a decision. That decision is binding on the parties and the Court will also determine who pays the associated professional costs.

To offset social and visual impacts of a new transmission line on the wider community, Powerlink proposes to set up a Community Offsets Program to fund initiatives identified by the relevant local communities. Details of the proposed Community Offsets Program will be made available to the local councils and communities in due course.

The Queensland Government is aware of concerns within the community regarding the possibility of adverse health effects from exposure to electric and magnetic fields (EMFs). I reiterate the advice provided in the Deputy Premier's letter of 11 November 2002 stating that the Government relies on the opinion of expert medical review panels, rather than individual researchers, for its advice on health matters, such as the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA).

ARPANSA is a Federal Government agency (within the portfolio of the Commonwealth Minister for Health and Ageing) charged with responsibility for protecting the health and safety of people and the environment from the harmful effects of radiation. In its April 2002 information sheet, The Controversy over Electromagnetic Fields and Possible Adverse Health Effects, ARPANSA concludes:

"On balance, the scientific evidence does not indicate that exposure to 50 Hertz (Hz) EMFs found around the home, the office or near power lines is a hazard to human health."

The full text of this document can be obtained on the ARPANSA website at www.arpansa.gov.au.

The National Health and Medical Research Council (NHMRC) of Australia published *Interim guidelines on the limits of exposure to 50/60 Hz EMFs*. These guidelines are based on recommendations of the International Commission on Non-Ionising Radiation Protection. The exposure limit to 50 Hz magnetic fields for 24 hours per day, set out in the NHMRC interim guidelines is 1,000 milliGauss (mG).

All transmission and distribution lines in Australia are designed to produce ground level EMFs much lower than the levels recommended in the interim guidelines.

Powerlink's policy of "prudent avoidance" (i.e. doing whatever is reasonable to minimise exposure to EMFs) when designing new electricity infrastructure involves locating the towers within the powerline easement to maximise the distance between the powerline and the nearest habitation, configuring the powerline conductors to reduce EMFs and increasing the height of the conductors above the ground.

The strengths of EMFs rapidly decrease with increasing distance from a transmission line. In mathematical terms, if the distance doubles, the field strength reduces by a factor of four. This relationship is illustrated in the following example.

For the type of high voltage transmission line proposed for Millmerran to Middle Ridge, the strength of the magnetic field, under full load conditions, would typically be:

At ground level at a point X directly under the powerline and where the powerline comes closest to the ground (usually midway between adjacent towers)—100 mG

At ground level 20 m from X and at right angles to the direction of the travel of the powerline—24 mG

At ground level a total of 30 m from X—10 mG

At ground level a total of 40 m from X—5 mG

At ground level a total of 100 m from X—<0.5 mG

The required easement width for the proposed 330 kV transmission line from Millmerran to Middle Ridge is 60 metres. The magnetic field strengths at the edge of the easement under full load conditions will typically be 10 mG.

Further, for your assistance, I detail below for comparison purposes the EMFs which are associated with household appliances.

The average magnetic fields in Australian homes range from 0.5 mG to 5 mG. These magnetic fields are produced by domestic appliances, fixed wiring in the home and extension leads. The table below shows

some typical values of magnetic fields from domestic appliances measured at normal operating distances from the appliances.

Magnetic Field Source	Typical Measurement (in mG)	Range of Measurements (in mG)
Hairdryer	25	10-70
Electric Blanket	20	5-30
Electric Stove	6	2-30
Computer Screen	5	2-20
Electric Kettle	3	2-10
Refrigerator	2	2-5
Television Screen	1	0.2-2

A comparison of the above values shows, for instance, that a person operating a computer would be exposed to magnetic fields comparable to those experienced by a person standing 40 m away from the powerline.

Powerlink is a member of the Electric and Magnetic Fields Advisory Committee (EMFAC) of the Electricity Supply Association of Australia (ESAA). As a member of EMFAC, Powerlink has access to the latest information published by scientific review panels.

In order to allay public concerns and raise general awareness about EMFs, Powerlink has provided information on the news and information page of its website at www.powerlink.com.au. Additional government and industry websites also provide information about EMFs, including the ARPANSA website at www.arpansa.gov.au and the ESAA website at www.esaa.com.au.

I note you are required to publish my response on the Parliamentary website. Accordingly, my office will email an electronic version of my response to you.

Yours sincerely

PAUL LUCAS MP

Minister for Innovation and Information Economy
Minister with responsibility for Energy

22 May 2003—

- Response from the Minister for Education (Ms Bligh) to an e-petition sponsored by Mr M Foley from 64 petitioners regarding the compulsory school attendance obligations on parents—

Mr Neil Laurie
The Clerk of the Parliament
Legislative Assembly Offices
Parliament House
Cnr Alice and George Streets
BRISBANE QLD 4000

Dear Mr Laurie

I refer to the petition lodged with the Queensland Legislative Assembly on 25 February 2003 by Ms Elizabeth Dallaston concerning the compulsory school attendance obligations on parents.

Please see my attached response to the petitioners.

I invite you to contact Mr John Ford, Principal Project Officer, Education and Training Reforms for the Future on telephone (07) 3247 3516, should you wish to discuss this matter further.

Yours sincerely

Anna Bligh MP

Minister for Education

———

Dear Petitioner

Thank you for your petition lodged with the Queensland Legislative Assembly on 25 February 2003 concerning the compulsory school attendance obligations on parents.

While the State Government believes that the primary obligation for ensuring that young Queenslanders attend school lies with parents, we recognise that the Government has a responsibility to provide appropriate options for the wide range of young people living here.

For that reason, the State Government is committed to providing greater opportunities for young people to participate in education and training. With the Education and Training Reforms for the Future announced last year, we have recognised that some young people have disengaged or are at risk of disengaging from learning, and leaving the education and training system without a solid foundation for future success. We have recognised that the education and training system must be more flexible and offer more options to young Queenslanders than those currently available.

Therefore, the reforms will make a range of options available to young people to further their opportunity to learn so as to maximise their ability to become active citizens in a learning society. This wider range of options is designed to ensure that the individual young person's needs are being met and that the parent and young person can choose a setting that suits the needs, wishes and desires of the young person.

The options will include school, TAFE, registered training providers, apprenticeships or traineeships, employment programs, training programs, virtual schooling and vocational education and training, international learning programs and university.

The Education and Training Reforms for the Future package is an integral part of the Beattie Government's Smart State agenda.

I invite you to contact Mr John Ford, Principal Project Officer, Education and Training Reforms for the Future on telephone (07) 3247 3516, should you wish to discuss this matter further.

Yours sincerely

Anna Bligh MP

Minister for Education

- Response from the Minister for Education (Ms Bligh) to an e-petition sponsored by Mr Hobbs from 213 petitioners regarding the air conditioning of schools in southwest Queensland—

Mr Neil Laurie
The Clerk of the Parliament
Queensland Parliamentary Service
Parliament House
George Street
BRISBANE QLD 4001

Dear Mr Laurie

Thank you for forwarding the petition received by the Queensland Legislative Assembly on 11 March 2003 concerning the air conditioning of schools in southwest Queensland.

The current Cooler Schools Zone has been determined so that students in schools, who experience the combination of high humidity and heat, benefit from the program. The zone is currently limited to the geographical area north of 20° latitude as well as including the former Capricornia and northern education districts. It is acknowledged that there are areas outside this zone that also experience high temperatures. However, the State Government is committed to installing air conditioning to schools within the current zone before any consideration is given to extending that zone.

The petition focused on St George Primary School, which is not in the current Cooler Schools Zone. A subsidy can not be provided from the Cooler Schools program, however, the school Parents and Citizens Association have undertaken a fundraising program for the installation of Air Conditioning and sought advice and assistance from the Cooler Schools Unit regarding alternate measures of cooling and project management.

I trust this information will be of assistance when replying to the signatories to the petition.

Yours sincerely

Anna Bligh MP

Minister for Education

23 May 2003—

- Response from the Attorney-General and Minister for Justice (Mr Welford) to an e-petition sponsored by Miss Simpson from 142 petitioners regarding the application of proportionate liability under the Civil Liability Bill 2003—

Mr Neil Laurie
Clerk of the Parliament
Queensland Parliamentary Service
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Laurie

Thank you for your letter dated 27 March 2003 about an e-petition sponsored by

Miss Fiona Simpson MP concerning the application of proportionate liability under the Civil Liability Bill 2003.

In response, I note the Queensland Government passed the Civil Liability Act 2003 on 9 April 2003. The Act continues to contain the provisions relating to proportionate liability, including a $500,000 threshold. This threshold has been included in recognition of concerns about consumer protection. Further, the provisions include measures which place the responsibility upon defendants, and not plaintiffs, to ensure that all appropriate parties are joined to an action.

The intention of the provisions in the Act is to provide a sustainable environment for public liability insurance in the future. However, despite these reforms, it is still the insurance companies who determine premiums. The Queensland Government has taken all appropriate action to assist in reducing the overall costs of claims. It is now up to the insurance industry to respond by providing more affordable premiums to the community. I have called on the Commonwealth to legislate to give the Australian Competition and Consumer Commission the power to ensure the savings resulting from State government law reforms are passed on to consumers.

The Queensland Government has recognised the importance of national consistency in implementing proportionate liability. Accordingly, the sections relating to proportionate liability have not yet been proclaimed into force. The issue remains upon the agendas of the Standing Committee of Attorneys-

General (SCAG), Ministerial Council for Corporations (MINCO) and the Heads of Treasuries. As a part of consideration in these various forums, the issues of professional standards legislation are also being discussed.

I thank all signatories to the Queensland Parliament E-Petition on Proportionate Liability for taking the time to raise their concerns with the Queensland Parliament.

Yours Sincerely

ROD WELFORD MP

STATUTORY INSTRUMENTS

The following statutory instruments were tabled by the Clerk—

Corrective Services Act 2000—

- Corrective Services Amendment Regulation (No. 1) 2003, No. 86

Supreme Court of Queensland Act 1991—

- Uniform Civil Procedure Amendment Rule (No. 1) 2003, No. 87

Nature Conservation Act 1992—

- Nature Conservation (Protected Areas) Amendment Regulation (No. 1) 2003, No. 88

Workplace Health and Safety Act 1995—

- Workplace Health and Safety (Industry Codes of Practice) Amendment Notice (No. 2) 2003, No. 89

Statutory Bodies Financial Arrangements Amendment Act 2003—

- Proclamation commencing remaining provisions, No. 90

Statutory Bodies Financial Arrangements Act 1982—

- Statutory Bodies Financial Arrangements Amendment Regulation (No. 2) 2003, No. 91

Police Powers and Responsibilities Act 2000—

- Police Powers and Responsibilities Amendment Regulation (No. 3) 2003, No. 92

State Penalties Enforcement Act 1999—

- State Penalties Enforcement Amendment Regulation (No. 4) 2003, No. 93

MINISTERIAL PAPERS TABLED BY THE CLERK

The following ministerial papers were tabled by The Clerk—

Premier and Minister for Trade (Mr Beattie)

- Letter, dated 23 May 2003, from the Premier and Minister for Trade (Mr Beattie) to the Clerk of the Parliament referring to correspondence received by the Premier from the Commonwealth Parliament's Joint Standing Committee on Treaties regarding proposed international treaty actions tabled in both Houses of the Commonwealth Parliament on 14 May 2003 including National Interest Analyses for each of the proposed treaty actions listed in the letter and regulation impact statements for some of the agreements

NOTICE OF MOTION

Revocation of State Forest

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Environment) (9.32 a.m.): I give notice that after the expiration of at least 14 days as provided in the Forestry Act 1959, I shall move—

(1) That this House requests the Governor in Council to revoke the setting apart and declaration as State Forest under the Forestry Act 1959 of those areas as set out in the Proposal tabled by me in the House today on 27 May 2003.

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

MINISTERIAL STATEMENT

Great Barrier Reef

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.33 a.m.): The Great Barrier Reef contributes an estimated $1.5 billion to the economy, but to Queenslanders and other Australians it is in fact priceless. The reef attracts 1.6 million tourists each year, and research into reef organisms may one day lead to cures for diseases, or other scientific breakthroughs that will make the world a better place. That is part of our biotechnology vision. In 2001, I made an election commitment to protect the reef from damage caused by land based activities. This is an enormous task—and one that is in the national interest.

So I have been delighted with the support of Prime Minister, John Howard, who last August joined me in an agreement to protect the reef from land sourced pollution. Both our governments agree on the overwhelming need to halt and reverse the decline in water quality flowing into the

reef, within 10 years. We have the will to show leadership on reef protection, and we also want to work in partnership with industry and communities.

Last week we reached a milestone when the federal environment minister, Dr David Kemp, joined me here in Brisbane to release the draft Great Barrier Reef Water Quality Protection Plan for widespread consultation. Science has established that the reef is under rising pressure from a decline in water quality in the catchments flowing into the Reef Lagoon. The amount of sediment and nutrient washing into the reef has quadrupled in just 15 years. This draft plan balances reef protection with the need for a sustainable future for industries and communities based on land beside the reef.

Innovative suggestions in this draft plan include: a system for reporting fertiliser sales by catchment; a trade in natural resources such as timber and carbon; a review of the herbicide Diuron; making applications for agricultural development assessable under the Integrated Planning Act; seeking philanthropic investment in protection and rehabilitation of wetlands and other vegetation that influences water quality; requiring land-holders to prepare property resource management plans; and requiring peak industry bodies and land-holders to make public reports on their impacts on reef water quality as part of 'State of the Environment' reporting.

The plan can be found at www.ea.gov.au/coasts or www.thepremier.qld.gov.au/reefwater, or by phoning 1300 136 382. Submissions will close on 14 July 2003. I table for the information of members of the House a copy of Reef Water Quality Protection Plan. I have asked for copies to be distributed to every member.

MINISTERIAL STATEMENT

Tree Clearing

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.36 a.m.): Long-running discussions with the Commonwealth about land clearing controls have reached an historic milestone. On 15 May, the Prime Minister wrote to me giving the green light for a hold on new land clearing applications, while the Commonwealth and Queensland governments consulted with interested parties and finalised a major land clearing reduction package.

A week later, last Thursday, four Commonwealth ministers, led by environment minister, David Kemp, opened discussions with peak farming groups and presented them with details of the proposed package. Our offer to land-holders is underpinned by an adjustment assistance package of up to $150 million—$75 million from the state and $75 million from the Commonwealth. The three key elements of this package are—

$130 million in financial incentives to assist with the transition, or for exit assistance if necessary;

$12 million in incentives to improve the management of more valuable remnant vegetation;

$8 million in incentives to develop best practice farm management plans.

This is a genuine offer from the Commonwealth and Queensland governments. I welcome the commitment of the Prime Minister who told the ABC's *Stateline* on Friday—

I'm also determined though to do something sensible about land clearing. It's a very important environmental issue and I want to work co-operatively with the Queensland government, and we are prepared to put money in.

This is about ensuring a sustainable future for Queenslanders—including for those whose livelihood is based on the land. State officials are this week beginning discussions with land-holders. The main points under discussion include:

immediate protection given to 'of concern' vegetation on freehold land;

a phased reduction in broadacre clearing of remnant vegetation to zero by 2006, under a transitional cap of 500,000 hectares;

the continued clearing of regrowth;

continuation of the regional vegetation management planning process; and

continuation of some exemptions, including woody weed control, infrastructure development, fire breaks, legitimate forest practices, and fodder harvesting under permit.

I hope peak farming bodies give serious consideration to the proposal, because it would benefit land-holders and also be great news for Queensland and Australia. It will strengthen protection from the threats of salinity, erosion and other land degradation; declining water quality; the extinction of species and other threats to biodiversity; and degradation of the Great Barrier

Reef. Along with the fight against salinity and protection of the Great Barrier Reef, this package is part of a suite of vital reforms on which we have a solid partnership with the Commonwealth.

For the record, it is important that I incorporate in *Hansard* a letter written to me by the Prime Minister dated 15 May, the letter with which I responded to him dated 16 May, a news release issued by Dr Kemp on 22 May and a news release issued by the Minister for Natural Resources Stephen Robertson and me on the same date. I want to thank Stephen for the commitment that he has given and the effort that he has put in. I seek leave to incorporate those documents.

Leave granted.

Prime Minister
Canberra

15 May 2003

The Hon Peter Beattie MP
Premier of Queensland
PO Box 185
BRISBANE ALBERT STREET QLD 4002

My dear Premier

I refer to the discussions currently in progress between our officials on the proposal regarding land clearing in Queensland.

The Commonwealth has recommenced consideration of this substantially developed proposal. Your officials have raised the issue of a moratorium on issuing new permits to clear remnant vegetation, reflecting the fact that there has been a considerable escalation in land clearing permit applications over the past month and particularly over the last week. I am advised that this situation seriously threatens the integrity of the proposal we are considering. I therefore wish to advise that I would be agreeable to your government placing an immediate moratorium on the issuing of further permits, pending consultations with stakeholders and further consideration of the proposal by our governments.

As indicated in my letter to you of 7 March 2003, my preference has been that our governments run joint consultations with key stakeholders to gauge their reactions to the proposal, in advance of a final decision to proceed. Given that this proposal is now at an advanced stage, landholders have raised concerns about the lack of information. This lack of information is fuelling ungrounded fears and has to a degree resulted in the recent surge in clearing applications. In addition to the moratorium, I feel there would be value in the Commonwealth meeting with landholders to outline progress to date and what is being proposed. The Commonwealth therefore intends to consult Agforce and QFF on progressing this important initiative. I would intend that the joint consultations then take place soon after.

I look forward to continuing a cooperative approach to this issue.

Yours sincerely

(sgd)

(John Howard)

———

Premier of Queensland and Minister for Trade

16 May 2003

The Honourable John Howard MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear John

Thank you for your letter of 15 May 2003 concerning the joint proposal being developed by our officials regarding land clearing in Queensland.

You propose that Commonwealth Ministers should first meet with Agforce and the Queensland Farmers Federation to outline progress to date and what is being proposed. Joint consultation with stakeholders would take place soon after. I support this approach.

You have also indicated support for an immediate moratorium on the issuing of further permits pending consultation with stakeholders and further consideration by our governments. Accordingly I advise that I have today announced a moratorium on accepting new permit applications, effective immediately. Legislation to support this announcement will follow shortly thereafter.

As we are both aware, this may cause disquiet among some stakeholders. It will therefore be important that our joint consultations commence as soon as possible in order that we may fully outline the details of this important initiative to affected parties.

I also look forward to continuing our cooperative approach on this issue.

Yours sincerely

(sgd)

Peter Beattie MP

Premier and Minister for Trade

Media Release
Minister for the Environment and Heritage
Dr David Kemp

22 May 2003

K0116

Talks on Queensland Landclearing Proposal

Broad details of a proposal to reduce land clearing in Queensland were outlined today following a meeting of Commonwealth Ministers with AgForce and the Queensland Farmers' Federation.

Howard Government Ministers David Kemp (Environment and Heritage); Warren Truss (Agriculture, Forestry and Fisheries); Ian Macfarlane (Industry, Tourism and Resources); and Ian Macdonald (Fisheries, Forestry and Conservation) met with Mr Larry Acton of AgForce, Mr Gary Sansom of Queensland Farmers' Federation (QFF) and other primary industry leaders to outline the proposal and seek the views of these important stakeholders on its merits.

"This proposal has been developed by Queensland and worked on by Commonwealth and Queensland officials in recent weeks. It meets the Commonwealth Government's objectives of a substantial reduction in the clearing of remnant vegetation, in greenhouse gas emissions and the additional protection of the biodiversity of ecosystems," Dr Kemp said.

Key elements under discussion are:

- The immediate protection of 'of concern' vegetation;
- The phase down of broadacre clearing of remnant vegetation to zero by 2006 under a transitional cap of 500,000 hectares;
- Continuation of regrowth clearing and of the Regional Vegetation Management Plan process;
- Continuation of some exemptions (eg. for woody weed control, infrastructure development, legitimate forest practices, appropriate thinning and fodder harvesting under permit); and
- A joint Commonwealth and Queensland adjustment assistance package of up to $150 million with three key elements:
  - $130 million for financial incentives to assist with the transition (or, where necessary, for exit assistance)
  - $12 million for incentives to improve management of the more valuable remnant vegetation
  - $8 million for incentives to develop best practice farm management plans

The Commonwealth indicated it is willing to consider alternatives to the proposal that achieve the Commonwealth's objectives in an assured, timely and cost effective manner.

"We understand the strong interest in this proposal from a range of groups and we intend, with Queensland, to hold consultations with other industry groups, conservation groups, regional bodies, local government and the finance sector as soon as possible," Dr Kemp said.

———

$150 Million Proposal to Reduce Tree Clearing

The Queensland Government today welcomed the Commonwealth's move to present a $150 million Federal-State tree clearing reduction package to industry groups

Premier Peter Beattie and Minister for Natural Resources Stephen Robertson said a group of Federal Ministers detailed the proposal to AgForce and the Queensland Farmers Federation in Brisbane today.

"This proposal follows extensive negotiations between the Queensland and Federal Governments to address rates of land clearing in Queensland," they said.

"It is underpinned by a $150 million package for landholders, made up of $75 million from the State and $75 million from the Commonwealth.

"We are delighted that after years of negotiations our governments have reached this level of joint commitment."

Mr Beattie said: "I hope peak farming bodies give serious consideration to the proposal, because it would benefit land holders and also be great news for Queensland and Australia.

"It will further protect Queensland from the threats of salinity, erosion and other land degradation; declining water quality; the extinction of species and other threats to biodiversity; and degradation of the Great Barrier Reef."

Mr Robertson said: "This proposal will significantly reduce the clearing of remnant vegetation in Queensland while being fair and equitable to landholders."

Key elements under discussion include:

- Immediate protection given to "of concern" vegetation on freehold land;
- A phased reduction in broadacre clearing of remnant vegetation to zero by 2006, under a transitional cap of 500,000 hectares;
- The continued clearing of regrowth;
- Continuation of the Regional Vegetation Management Planning process;
- Continuation of some exemptions, including woody weed control, infrastructure development, fire breaks, legitimate forest practices, and fodder harvesting under permit; and

- A joint Commonwealth and Queensland adjustment assistance package of up to $150 million, with three key elements:
  - $130 million in financial incentives to assist with the transition, or for exit assistance if necessary;
  - $12 million in incentives to improve the management of more valuable remnant vegetation;
  - $8 million in incentives to develop best practice farm management plans.

Mr Robertson said: "We will join the Commonwealth in holding consultations with industry groups, conservation groups, regional bodies, local governments, and the financial sector from next week."

Mr Robertson said the timing of the talks was an indication that the Federal and State Governments were serious about delivering a final package as soon as possible.

"The last thing landholders need is uncertainty caused by lengthy and unnecessary delays in delivering a fair and equitable package."

MINISTERIAL STATEMENT

Queensland Bioscience Precinct

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.39 a.m.): The Smart State confirmed its position as a centre for innovation and research through last week's opening of the Queensland Bioscience Precinct at the University of Queensland at St Lucia in Brisbane. I had the honour of opening the facility with the federal Minister for Education, Brendan Nelson, and Ministers Palaszczuk and Lucas were also present for the opening. The precinct houses—

A government member interjected.

Mr BEATTIE: Indeed, I have invited him to join us for the bioscience conference in Washington. The precinct houses the Institute for Molecular Bioscience and the CSIRO's Livestock Industries, Plant Industry and Sustainable Ecosystems divisions. With its 700 scientists, it is the largest complex of its kind in the Southern Hemisphere and is already attracting attention from eminent scientists and researchers all over the world. Precincts like this help to reverse the brain drain we have suffered over many years as the brilliance of the work done here receives more international recognition. Research being conducted in the Queensland Bioscience Precinct includes discovering treatments and cures for diseases like Alzheimer's and cancer, modifying molecules to create therapeutic drug treatments, conducting major research into kidney regeneration, investigating the genetics of blood vessel development, and studying gene transfer in microbes.

This is the century of biotechnology and we in Queensland are seizing that opportunity and the diverse opportunities that go with it. As I have said before, Queensland is superbly placed to take advantage of what the biosciences offer because we are the most diverse region of one of the 12 most biodiverse countries on earth. We are the only such country with first-class infrastructure and research and development capabilities, and this magnificent new complex enhances that position. My government was the first to commit to this facility with the provision of $15 million towards the $105 million cost of the construction of the Queensland Bioscience Precinct. We have also made a further commitment of $77.5 million over 10 years in operational funding for the Institute for Molecular Bioscience. The remainder of the funding came from the federal government, the CSIRO, the University of Queensland and Atlantic Philanthropies. I want to thank all of them for their support for the precinct.

Next month I will be leading a Queensland mission to the world's largest biotechnology conference, BIO2003, in Washington. I can assure members that I will be spreading the word about the Queensland Bioscience Precinct. Late in June and early in July the Queensland Bioscience Precinct will be showcased to the world when it hosts the Intelligent Systems in Molecular Biology conference, the first time that this event has been held outside Europe and North America. I know our overseas guests will be impressed by this great project and by the determination of so many people to ensure that the Queensland Bioscience Precinct earns a reputation as a cutting-edge centre for biotechnology.

MINISTERIAL STATEMENT

Smithsonian Fellowships

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.42 a.m.): Queensland's relationship with the prestigious Smithsonian Institution is enhancing our reputation as the Smart State. Later today I will be presenting the recipients of the 2003 Queensland

Smithsonian Fellowships with their certificates and cheques at a ceremony here at Parliament House. This year's fellows represent a wide cross-section of the scientific community. Dr Joe Holtum from James Cook University will conduct research into the impact of climate change on tropical vegetation and the implications for the survival of Pacific Island communities. Professor John McGrath from the University of Queensland will examine a potential link between vitamin D deficiencies in pregnant women and the development of schizophrenia in their children in their teenage years. Troy Myers, the curator of the Richmond Marine Fossil Museum—a matter of some interest to the Minister for Arts—in north-west Queensland will compare ancient marine reptiles from western Queensland with those found in the south-western United States. I congratulate them on their inclusion in the fellowship program.

The Queensland Smithsonian Fellowships reflect our priority of Skilling Queensland—the Smart State. This year my government will contribute up to $90,000 to the fellowship program. It is giving Queenslanders the opportunity to expand their knowledge through research at the Smithsonian Institution and is fostering knowledge sharing and collaboration. Today I am also proud to announce that we are strengthening those links by establishing a Smithsonian-Queensland Alumni. Professor Glyn Davis, the Vice-Chancellor of Griffith University, and Cristian Samper, the Director of the National Museum of Natural History at the Smithsonian Institution, have agreed to be the co-patrons. The alumni will be a way for past fellows and collaborators on other Smithsonian Queensland projects to meet and share knowledge about the networks they have established. It is the next step in making sure we make the most out of the research, experience and networks that Queensland fellows—past and future—develop. This builds on the successful projects already undertaken as a result of the memorandum of understanding we signed with the institution in 2000. I hope to explore further development of these opportunities for collaboration when I meet representatives of the Smithsonian during my trade visit to Washington for BIO2003. Once again, congratulations to our 2003 Queensland Smithsonian Fellows. Their work will help to make the Smart State even smarter.

MINISTERIAL STATEMENT

State Finances

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.45 a.m.): I am pleased to report that Standard and Poor's, Fitch Ratings and Moody's Investor Service have all now completed and released their reports on Queensland for 2002-03. All three agencies have confirmed Queensland's AAA rating. The AAA rating is the best available. The annual reviews by these international agencies were conducted in September and November 2002 and the reports were officially released in November, January and April. The AAA credit rating allows Queensland to borrow at cheaper rates. This means less money spent on servicing interest bills and more money available for economic and social infrastructure spending. This is good news for the state. The Standard and Poor's report released in November 2002 noted that the Queensland government's financial strength is in its balance sheet with financial assets exceeding financial liabilities. We are the only state where this is the case, we are the only state with this strength, and it is something we ought to be proud of. We are the only state where a business organisation could make a boast along these lines. Because of time, I seek leave to incorporate the remainder of my ministerial statement in *Hansard*.

Leave granted.

Standard & Poor's also commented on the low tax rates in Queensland, which provide Queensland with a competitive advantage over other states.

Another reason why any business organisation worth its salt would be pro-active about such results.

I note that Queensland's low tax status was (as recently as last Friday) confirmed by the Australian Government Statistician.

The latest ABS data shows the Queensland Government's per capita tax collections are $476 less than the average for the rest of Australia.

This is good news for Queensland business and Queensland families.

Unfortunately, though, it only partly helps to offset the massive $5,000 increase in Federal income tax that families have on average been hit with since the Howard Government came into office.

In January 2003, Fitch based its rating on Queensland's sound economic fabric and net debt positions, and noted that Queensland has achieved sound budgetary performance over successive years, consistent with the principles outlined in the charter of social and fiscal responsibility.

Fitch also noted that since 1997, Queensland has consistently recorded stronger annual economic growth than the rest of Australia.

Moody's released its report in late April 2003 noting Queensland's sound financial operations, modest debt levels and dynamic economic base as its credit strengths.

Moody's went on to add that the Government's large holdings of assets for the purpose of offsetting superannuation liabilities provides it with a significant amount of internal liquidity, and this remains healthy despite being affected by lower investment returns.

The significance of the superannuation issue should not be understated.

Unfunded superannuation and pension liabilities are a major problem looming for many governments—not just in Australia, but around the world.

Queensland's superannuation liabilities are fully funded.

This is a big plus for financial management in this state.

The Deputy Premier and Treasurer alerted us on May 14 to the predicament faced by the Commonwealth.

The news was very sobering.

The Federal Government budget papers reveal that it confronts an unfunded superannuation liability of $91.5 billion.

Ultimately, this must be funded by the Australian people through a combination of higher tax or even further cuts to services.

Prudent financial management means that Queensland does not confront this worrying scenario.

Prudent financial management means fully funding your superannuation liabilities and not having an unfunded liability of $91.5 billion hanging over the heads of the Australian people.

Standard and Poors, Fitch and Moody's have all endorsed Queensland's financial strength and confirmed our AAA rating.

However, good government is much more complex than simply getting AAA ratings from the financial market.

Good government is about delivering services to the community that improve their lives and provide opportunity to all.

And doing this in a way that keeps taxes competitive and our finances secure.

MINISTERIAL STATEMENT

Government Owned Corporations, Dividends

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Deputy Premier, Treasurer and Minister for Sport) (9.46 a.m.): I read the article on the front page of the *Courier-Mail* this morning and the suggestion that hidden millions have been used to prop up the budget by way of secret levies. What a load of rubbish! It is incorrect in fact and it is incorrect in principle. For a start, they are not levies and they are certainly not secret. Each financial year every single government owned corporation clearly spells out in their annual reports, which are tabled in parliament, exactly how much they paid in dividends to the government. Any high school kid with access to a library and a calculator can add them up, so it is hardly the height of investigative journalism. And at least a high school kid would have added it up correctly! For example, on page 1 the article claims that the government will net almost $1.3 billion over three years. But when one looks at the table on page 2 one finds that the figures show a total of $1.267 billion over seven years. The fact is that, if we take the figures for the past three years in the table, excluding the $165 million which has never been paid, we actually come up with only $600 million.

Opposition members interjected.

Mr MACKENROTH: That is all, yes. The figures simply did not add up. But then again they rarely do if you do not let the facts stand in the way of a good story. Government owned corporations such as Energex and Ergon are exactly what the name implies. They are businesses that taxpayers through the government of the day own. Just like any business, they operate to provide the best and most effective service they can. If they make a profit after delivering these services, that money is returned to the owner and the owner decides what will be done with that money. Most take the form of dividends paid out of each entity's net profits.

The government's requirement is that most GOCs pay 95 per cent of their earnings as dividends. This is on the basis that we believe the government is better positioned to judge where any surplus funds can be best spent. If the GOCs require additional capital, the government will evaluate their projects and fund them accordingly.

In some annual reports we will also find references to special dividends—a catch-all term for any payments outside the standard dividend payment each year. These are not unusual and, in

most cases, are simply payments from the retained earnings of previous years, such as those paid by Golden Casket in 2002-03. As I said, they are not unusual. For instance, despite an $11.6 billion net loss after tax, News Corporation in 2001-02 still paid $293 million in dividends to shareholders. This included an interim dividend of $151 million paid in April 2002—that is right, an interim dividend. This is also not unusual. Major companies all around the world pay interim dividends, including the National Australia Bank, AGL and Telstra. That is one reason why we are looking at the issue of interim dividends, but we have not yet made that decision.

The special dividends in the context of the recent debate refer to those which arrive from special circumstances such as major asset revaluations upon the sale or lease of a business or the winding up of an entity. Over the past three years these types of payments have been made on the following occasions. In 2000-01 Powerlink made a payment of $165 million related to the proceeds of a cross-border lease over the state's transmission assets, and $24 million was paid through Queensland Treasury Holdings in relation to the sale of Suncorp Metway or, more specifically, profits earned on the sale of exchanging instalment notes. In 2001-02 there was the $150 million voluntary dividend paid by Energex based on a revaluation of its regulated network assets and $26 million from the Goodwill Games, which was realised when the organisation was wound up at the completion of the games.

In 2002-03 Energex will make its first $30 million instalment of a three-year $90 million payment, and Ergon its first $20 million instalment of a three-year $60 million payment. Both of these payments are also related to asset revaluations. It is important to note that we also paid a $300 million equity injection in 2002-03 into Enertrade to help fund losses on power purchasing agreements and, further, in the case of Queensland Rail the government has contributed over $600 million annually for CSOs related to travel service contracts. That is more than the three years that they are talking about in terms of $600 million.

In 2002-03 Dalrymple Bay Coal Terminal Holdings and the Brisbane Markets Corporation are estimated to make payments of $25 million and $75 million respectively related to the long-term lease of DBCT and the sale of the Brisbane Markets. I am advised by Treasury that these are the only special dividends paid. I should also point out that payments made by DPI Forestry were simply out of its annual profit and by any definition should not be categorised as special. Nor does it include commercialised business units such as Q-Fleet or Q-Build, because payments made by these entities do not count in any way towards the budget bottom line, as they are entities within the general government sector.

I can also tell them about the actions of the former coalition government, which took special dividends and capital payments of some $2 billion from the sale of Suncorp Metway and $850 million for the restructuring of the electricity industry.

Opposition members interjected.

Mr MACKENROTH: It was still paid to the government as a special dividend. Who is playing with words? More often than not, special dividends are paid at the instigation of the government owned corporation, such as the case with Energex. But occasionally, as shareholders, we do ask for the money back. Why wouldn't we? The GOCs are set up to provide a specific service. If they provide that service efficiently and cost effectively and if money is left over, it belongs to the taxpayers as shareholders. The payment of dividends is unrelated to service and maintenance programs adopted by corporations, as dividends are paid out of net profits after all expenses, including maintenance, have been taken into account. There are no benefits to the state in having GOCs build up huge piles of cash for people like the Liberal candidate for Cairns to spend on pet projects. GOCs are not money market speculators, nor do they have a mandate to speculate in other businesses outside their core business. If they were privatised, as the opposition would prefer, we would have no control over where the money is spent or what it is spent on. The Beattie government believes the money belongs to the people of Queensland, and the government, on behalf of taxpayers, decides how it should be best spent on services and infrastructure.

I find the proposition that governments should not take dividends from GOCs to be absurd. GOCs, like public companies, are established to make a profit and, in many instances, to compete with private enterprises. This has been the very centrepiece of national competition policy reform in Australia. The difference between GOCs and a public company is that the profits are returned to taxpayers, whereas in many cases the profits of public companies are returned to overseas investors.

MINISTERIAL STATEMENT

Girls in ICTs Framework

Hon. A. M. BLIGH (South Brisbane—ALP) (Minister for Education) (9.56 a.m.): Our government is delivering more computers into more classrooms and tapping more students into the World Wide Web as part of our commitment to building 21st century schools. But our Smart State agenda is about much more than hardware alone. It is about harnessing the potential of technology as a catalyst for curriculum renewal and for engaging students in learning.

It is important that all of our students are equipped with the necessary skills to work in a rapidly changing, information based economy. It is therefore disturbing to see that many girls are limiting their future opportunities by shying away from studying technology subjects at school. As an example, last year, only about one in five year 12 students enrolled in the subject Information Processing and Technology were girls. Over a five-year period male enrolments in the subject have increased from 17 per cent to 25 per cent of all students, while the number of girls enrolled has remained static at about seven per cent. If this trend continues, many groups of girls and young women are at risk of becoming part of the information poor and of being excluded from the new and emerging jobs of the future. This is simply not good enough in the Smart State.

That is why today I am launching a new framework for schools to help boost the number of girls studying technology subjects. This framework, which will be sent to all state schools and made available to the non-government schooling sector, outlines general strategies that schools can use to engage girls in ICTs and provides examples of successful programs.

This morning, I recognise and thank Dr Lesley Clark, the parliamentary secretary to the Premier, for her input into this framework. Through her work in the Smart Women—Smart State project over the last 12 months, the member for Barron River has worked with my department on developing strategies that help girls in schools overcome the barriers that so often block their pathways to success in ICT related fields.

Schools should use this document as a launching pad to develop local strategies and programs. A number of state schools have already established successful programs such as creating computer clubs for girls. The state government is supporting technology innovation in schools through its ICTs for Learning strategy. Last year about $30,000 worth of Innovators grants were awarded to a number of schools which sought to increase the representation of girls in ICTs. Kilcoy State School received $7,600 to develop and deliver a robotics and programming module for girls in years 5, 6 and 7. Sandgate District State High School received about $11,000 for its Hip Hop 'Bot project, which incorporates robotic tools into the years 8 to 10 dance curriculum, one of the subjects popular with girls. Toowoomba State High School received more than $12,000 to establish a Girls in ICTs group for students in years 8 and 9 and to pilot an ICTs mentoring scheme for female secondary students.

The Girls in ICTs framework dovetails into our government's initiative Smart Women—Smart State, which recognises the need to encourage and support girls to engage in areas of innovation. The Smart State needs Smart Women. The Girls and ICTs framework is a call to action for teachers, schools, local communities, industry and for the education system as a whole to work together to expand opportunities for our girls in technology.

MINISTERIAL STATEMENT

Millennium Arts Project Regional Program

Hon. M. J. FOLEY (Yeerongpilly—ALP) (Minister for Employment, Training and Youth and Minister for the Arts) (10.00 a.m.): Queensland's cultural life is enriched by its regional diversity. Support for regional arts is not just about access and a fair go for the regions; it is centrally about celebrating the richness and cultural diversity of this vast state.

The Beattie government has a strong commitment to the development of cultural facilities in regional Queensland through the Millennium Arts Project Regional Program. For instance, earlier this month, I had the pleasure of officially opening stage 2 of the Proserpine Museum in the presence of the honourable member for Whitsunday, Ms Jan Jarratt. The museum extension provides a safe and permanent home for two of the largest and most valuable items in the museum's collection: Digger, a World War I steam locomotive that was one of only six transported from England during the 1920s to work in the Queensland sugar industry; and a 1949 fire appliance that commenced service in Proserpine in 1951. The state government's contribution of

$137,500 for this project was funded through the $15 million Millennium Arts Project Regional Program and the Cultural Facilities Program.

The regional program is part of a $260 million Millennium Arts Project, which includes the new Queensland Gallery of Modern Art and the Millennium library project. When coupled with the $110 million Queensland Heritage Trails Network—a Commonwealth and state initiative—this is a huge investment in Queensland's regional facilities. So far, 10 projects across Queensland have been completed through the Millennium Arts Project Regional Program. As well as Proserpine, projects have been opened in Mount Isa, Innisfail, Logan, Miles, Townsville, Warwick, Yarrabah, Rockhampton and Cooloola. Projects in Mount Morgan, Mount Isa and Laura, as well as extensions to the Gladstone Regional Gallery and Museum, are scheduled to be opened this year.

These projects are about people and their communities. The Arts, Craft and Cultural Centre at Yarrabah serves to support local artists and to educate and inform visitors in the creation of indigenous artistic works. By contrast, the Outback at Isa mining heritage project will develop a mining experience and interpretation of the mining history of Mount Isa.

The Queensland government has committed just over $1.1 million through the Millennium Arts Project Regional Program for the Gladstone Art Gallery and Museum project, creating more jobs in the Gladstone region. I look forward to seeing progress at the facility when I visit this Friday. The project, scheduled for completion in July, includes upgrading of the airconditioning and environmental control systems and will provide a covered loading bay, category A exhibition spaces and modern collection storage facilities. Gladstone's visual arts collection includes works by local artists such as the Mount Larcom images by Jo Williams and the much prized *Dot and Hector with Owl Totem* by the indigenous artist Ron Hurley. The collection also includes a series of paintings by Barbara Zerbini, a previous gallery artist in residence.

Planning is also under way through the Millennium Arts Project Regional Program for a centre of contemporary arts in Cairns and the Bert Hinkler Hall of Aviation in Bundaberg. These cultural facilities provided through the Millennium Arts Project Regional Program are a commitment to a cultural environment that enlivens us as individuals, enriches our communities and creates jobs.

MINISTERIAL STATEMENT

Australian Aerospace

Hon. T. A. BARTON (Waterford—ALP) (Minister for State Development) (10.03 a.m.): Last week I opened the new helicopter assembly lines of Australian Aerospace at Brisbane airport. Through a major defence contract, the company will build ARH Tiger reconnaissance helicopters and will also produce a commercial helicopter, the 120B Colibri, for export markets.

The start-up of this operation by the international consortium, the European Aeronautic Defence and Space Company, adds yet more lustre to Queensland's reputation as the aviation hub of the Asia-Pacific region. As the government told parliament this time last year, the decision of EADS to build helicopters in Brisbane was based purely on the aviation industry environment here—one which this government has assiduously nurtured. Having won the Defence Force's Air 87 contract, Australian Aerospace chose to join other international aviation leaders, attracted here by affordable land and access to a skilled aviation work force.

This government has worked hard to develop Queensland as the Asia-Pacific aviation hub. It is a strategic government policy, particularly as we cement our position as Australia's Smart state. And an integral part of the success of our aviation strategy has also been to secure an increasing slice of the defence industry. It was why, just over a year ago, I went to France and met with executives of the Eurocopter company to help finalise the important detail preceding the company's official announcement of its plans for Australian Aerospace. We promoted Brisbane airport as offering everything the company needed: an industrial location growing as fast as any in Australia where other like-minded companies saw the benefits of the excellent sea, air, road and rail infrastructure.

It was particularly satisfying to me last week to officiate at the opening of a superb assembly plant, which will create more than 130 new jobs. The new facility represents a capital investment of $10 million and nearly doubles the company's presence at the airport. When we look around Brisbane airport today, the number and range of big developments is quite staggering, and there is not time to detail them all. But Australian Aerospace's French executives cannot fail to be

impressed with their neighbours, which include Boeing, Smith's Aerospace, Qantas's 767 maintenance facility as well as the government's own world-class training facility, Aviation Australia.

The Department of State Development will continue to actively implement its aerospace industry development plan to ensure there is continued growth in this sector providing quality aviation jobs for Queenslanders who have received world-class training in their own state.

MINISTERIAL STATEMENT

Toowoomba Tactical Crime Squad

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Police and Corrective Services and Minister Assisting the Premier on the Carpentaria Minerals Province) (10.06 a.m.): I would like to advise the House of another positive program which the Beattie government has put in place to assist regional Queensland. The new Toowoomba Police Tactical Crime Squad recently began work and I am sure it is a resource that all residents have welcomed. The member for Toowoomba North, Kerry Shine, lobbied hard for this new squad and I am pleased to advise the House that it has already achieved some positive results in tackling drug and property crime in the community.

I am advised that during an operation conducted by the squad in the last fortnight, 25 people were charged with 44 offences, including supply of a dangerous drug, possession of a dangerous drug, possession of tainted property, stealing, receiving stolen property, assault occasioning bodily harm, break and enter of a dwelling with intent, and possession of a weapon. I know the member for Toowoomba North will join me in congratulating the tactical crime squad and all local police on this excellent result.

The Toowoomba Tactical Crime Squad is one of 16 being established across the state and, when at full strength, it will have 14 officers. The Toowoomba squad will not only benefit the garden city but will travel right across the district to assist local police wherever needed. These squads have also met with success in tackling drug and property crime in other areas. For instance, between January 2002 and February 2003, Logan's Tactical Crime Squad arrested 1,057 offenders on 1,628 charges, including drugs, property crime and hooning offences. It has also participated in 38 designated operations.

I am confident the Toowoomba tactical crime squad will be successful as a long-term tool in attacking crime throughout the Toowoomba region. This is yet another example of a positive Beattie government program which is helping to achieve real results for regional Queensland.

MINISTERIAL STATEMENT

Justices of the Peace, Palm Island

Hon. R. J. WELFORD (Everton—ALP) (Attorney-General and Minister for Justice) (10.09 a.m.): I am pleased to advise the House that our government is continuing to improve access to justice for indigenous people in Queensland. Last week I travelled to Palm Island, Queensland's largest Aboriginal community, to help the local people celebrate a major milestone. Amidst very colourful celebrations, 16 members of the local indigenous community were sworn in as justices of the peace. This was an historic and significant step for the people of Palm Island and a very practical demonstration of our government's commitment and efforts to improve access to justice for indigenous people.

While I was on Palm Island I was able to spend some time talking not only to the new JPs but also to members of the local community in general. There is a very strong desire in this community to work together to overcome problems such as alcohol abuse and domestic violence—issues so often highlighted by the media. Community leaders recognise that these problems will take time to resolve, but there is a determination to succeed. The swearing-in of these new justices of the peace will contribute to the long-term solution.

Palm Islanders will now be much more involved in the administration of justice in their own community. Within the next few months these new JPs will be able to convene their own Magistrate's Court and deal with local breaches of the law, including local by-laws. The JPs will have the power to deal with simple offences, domestic violence applications, by-laws, traffic matters, bail and remands.

All of the people who were sworn in as justices of the peace on Palm Island underwent extensive training and completed examinations. They will play an important and responsible role in helping their communities with basic legal procedures and passing on an understanding of the justice system. Their training is part of an ongoing program I have put in place for Aboriginal and Torres Strait Islander communities throughout Queensland. Magistrate's Courts, constituted by local indigenous JPs with the Magistrate's Court qualification, have now been established in the communities of Woorabinda, Pormpuraaw, Badu Island, Hope Vale, Wujal Wujal, Kowanyama, Bamaga, Yarrabah and Thursday Island.

This week is National Reconciliation Week. It is an important opportunity for us to reflect on the past and, from the lessons of the past, plan better for the future. The involvement of local indigenous people in the JPs program is helping to empower communities such as Palm Island, giving them a greater sense of responsibility about the conduct of their own affairs and a positive future.

The recovery of the culture, communities and livelihoods of our indigenous Queenslanders, descendants of the first Australians, is an imperative which transcends politics. It is a critical task to which we should all be committed. Its success is a measure of our success as a civilised society.

MINISTERIAL STATEMENT

Suncorp Stadium

Hon. R. E. SCHWARTEN (Rockhampton—ALP) (Minister for Public Works and Minister for Housing) (10.12 a.m.): In this the 103rd construction week at Suncorp Stadium, and with less than one week to go, work continues at a frantic pace putting the finishing touches to this magnificent sporting complex. The installation of the pitch was completed earlier this month. The unseasonal warm weather last week has provided an additional boost to the establishment of the turf and has also allowed the external works to progress without disruption.

The Castlemaine Street road and pedestrian works have continued. Landscaping works to the median strips in Castlemaine Street and the south-west corner are in progress, with large mature plants being placed in position. The public address system and video screens have been installed and tested, as has the stadium sport lighting. Good progress has been made on the installation of the seats, with the critical activity, including numbering, almost complete. The public and members areas, catering outlets and restaurants are substantially complete, with furniture, fit-out and equipment placed in position. Many of these areas are now being given a final clean. It is worth noting that the stadium's beer system is able to provide 124,000 15-ounce beers in an hour.

External timber screens to the stadium facade are almost complete. The redeveloped Police and Citizens Youth Club is also finished. Entry turnstiles have been installed at either end of the stadium. Works carried out on the northern plaza include paving asphalt, turf, stonewalls and planting. Hard and soft landscaping works continue on the southern plaza. Large planter boxes are finished in this area and the trees have been planted. Chippendall Street has been resurfaced to allow Queensland Transport bus drivers access to the bus station for orientation purposes.

Again, I congratulate the workers and the unions. This has been a very demanding project which overall has been well managed by the joint venture Multiplex Watpac. This project delivers Queenslanders a world-class sporting and entertainment facility of which we can all be proud. It has been a significant investment by this government. I want to again praise the efforts of the Department of Public Works project team, which has coordinated the largest and most complex project ever completed by this department in the history of Queensland.

MINISTERIAL STATEMENT

Disability Services, Issues Papers

Hon. J. C. SPENCE (Mount Gravatt—ALP) (Minister for Families and Minister for Aboriginal and Torres Strait Islander Policy and Minister for Disability Services and Minister for Seniors) (10.15 a.m.): Today I am pleased to announce the release of a series of issues papers as the first step in an extensive community consultation process to review the Disability Services Act 1992. The Disability Services Act is the principal piece of legislation that enshrines the basic rights and equality of people with a disability in this state. It is a declaration of the rights of people with a

disability in Queensland. It also defines objectives for the development and implementation of programs and services for people with a disability, underpinning the work of Disability Services Queensland. However, it is now more than 10 years since the act became law, and many changes have occurred in that time. A review is necessary to ensure the act reflects current policy and practices and that it provides contemporary legislative guidance to government and its community partners.

Since early last year, Disability Services Queensland has been working with a reference group—made up of people with a disability, families and service providers—and a government working party to ensure this review addresses key issues facing people with disabilities to identify areas which need strengthening. As a result, the issues papers will cover four major themes. The first looks at the overarching coverage of the act, its role and basic principles. Secondly, the review looks at safety. This includes issues associated with the prevention of abuse and neglect and pre-employment screening for people working with people with a disability. Thirdly, the papers will look at accountability and monitoring, which involves issues such as quality assurance, complaints, powers of investigation and privacy. Lastly, the review will seek feedback on other reform issues such as the recognition of assistance dogs' rights and compensation. These are issues which impact the daily lives of people with a disability and their families in this state, so I would encourage as many people as possible to contribute to this process.

The series of issues papers and a question response booklet are now available on DSQ's web site via e-SAY—a tool designed to facilitate easy access to information on the review. Printed copies of this material will be mailed out this week to people who have already indicated an interest in this review, funded services and other key stakeholders. Following the release of this information via the web site and postal services, public meetings will be held throughout the state between July and August this year. Submissions will close in early September and a draft bill is expected to be ready in the first half of next year.

There are approximately 686,000 people in Queensland with a disability. That is nearly 20 per cent of the population. Some of these people, people with significant and challenging disabilities, are among the most vulnerable members of our society. It is critical that we have up-to-date laws which protect and provide for this group in our society and provide guidance for the organisations which are there to care and provide for them. I am pleased to say that it was a Beattie government election commitment to review the Disability Services Act and we are delivering on that commitment. This review is just one way this government is making a difference to the lives of Queenslanders with a disability and improving their quality of life.

MINISTERIAL STATEMENT

Tourism Industry

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing and Minister for Fair Trading) (10.18 a.m.): The dual impacts of the Iraq war and sudden acute respiratory syndrome have taken a heavy toll on our tourism industry. However, we are now seeing positive signs, even though the effects will be felt for months to come. Queensland is on the front foot again, with domestic tourism campaigns already bringing results. We have just launched tourism recovery operations in our key overseas markets.

With the exception of New Zealand, where marketing activity had been increased, all Tourism Queensland international marketing resources have been on hold since early March, prior to the commencement of hostilities in Iraq. Tourism Queensland has closely monitored consumer booking and intention trends and now reports that the first signs of recovery are emerging.

During the next six weeks, TQ is reactivating substantial targeted cooperative trade advertising in a number of inbound markets. We are confident the markets will respond positively to increased consumer marketing stimulus. Activity will include cooperative trade partner advertising, comprehensive media and trade familiarisation activity and in-market destination missions. We will be stepping up activity in New Zealand, which is our second largest international market behind Japan, and continue to deliver positive growth for Queensland.

Substantial resources are also being deployed in Japan, targeting the 'young office ladies' and couples segments. There are encouraging signs of stabilisation in Singapore, and Tourism Queensland will initiate some modest investment to stimulate the market there.

In Korea, the market continues to remain positively disposed to travel, and we will step up its activity to capitalise on this interest. There has been strong interest from the United States and

the United Kingdom for holidaying in Australia, and TQ will be investing heavily in trade cooperative advertising in these markets.

TQ will be working with trade partners in the German speaking markets in Europe and also in France. Activity in all other markets will be stepped up to support joint recovery activity with the Australian Tourist Commission when these markets show signs of receptiveness.

The domestic scene also is positive. One in three respondents to a national survey aimed at identifying the holiday intention of Aussies planning to head to Queensland in the next year. The domestic market continues to hold great potential for Queensland. If we can convert the survey results into trips to Queensland, it will go a long way towards insulating our tourism industry from the dual shocks of the Iraq war and SARS. This is the first time that the domestic intention to travel to Queensland, 33 per cent, has been higher than New South Wales, 24 per cent, and Victoria, 16 per cent. The research confirms that Queensland is on the right track with our domestic marketing campaigns.

MINISTERIAL STATEMENT

Tree Clearing

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (10.21 a.m.): I rise to correct more misinformed comments made by the Deputy Opposition Leader in relation to government tree clearing statistics. In this House and in the media, the member for Callide has claimed the debate around tree clearing in Queensland has become dominated by 'myths not supported by figures' contained in my department's Statewide Landcover and Trees Study, or SLATS. Once again, he is wrong.

The member for Callide may have a problem understanding Queensland tree clearing statistics but his federal coalition ministerial colleagues obviously do not. These are the same coalition ministers who support the $150 million joint assistance package proposed by the federal and state governments to assist farmers adapt to a reduction in broadscale land clearing in Queensland.

I know the Deputy Opposition Leader is angry with his federal colleagues for working in partnership with the Beattie government to reduce tree clearing in Queensland and give our farmers a sustainable future, but anger is no excuse for the member for Callide's ignorance. It is unwise and misleading to quote SLATS figures without considering the detailed issues that are involved or doing in-depth analysis.

Honourable members will all remember that the member for Callide has had a chronic problem understanding these facts in the past, despite attending not one, not two but three briefings by my department. First, he is very taken with the figure of 81 million hectares of woody vegetation in the state, identified in the SLATS. Queensland is a very big state—nearly 173 million hectares. So, yes, 81 million hectares might seem like a fair proportion—around 46 per cent of the state.

But what the member for Callide did not tell the House was that this 81 million hectares occurs right across the state, including extensive areas like the Cape York Peninsula, like north-western Queensland, like the steep range country in central Queensland, and includes national parks and conservation reserves. In fact, a recent preliminary analysis by my department suggests that there is only between 12 and 20 million hectares of woody vegetation in Queensland that would be worth considering clearing from a responsible land use perspective. At the highest estimate, and using the member for Callide's own figures, that is only 50 years worth of clearing at the current rate, not the 217 years of clearing which he claims.

He also ignores the fact that the 378,000 hectares of vegetation cleared between 2000 and 2001 was concentrated in regions that are already highly cleared, like the Brigalow Belt. It is in areas like this that the remaining vegetation is highly valuable for biodiversity, salinity prevention, and soil protection.

Still on the issue of this 81 million hectares of woody vegetation, he also claimed that there has been a five million hectare increase in tree coverage in Queensland. Again, let me help him out. The figure he is quoting comes from a 1992 assessment conducted by a United States National Oceanic and Atmospheric Administration satellite, using its highest resolution. In 1992 that resolution was 1.1 kilometres—pretty coarse by today's standards. That study delivered a figure of 76 million hectares of vegetative cover.

The 1999-2001 SLATS figures were collected using Landsat Thematic Mapper satellite imagery, which has a resolution of 30 metres. So it is a lot more detailed and a lot more accurate, which is reflected in the recent assessment of 81 million hectares of tree coverage.

He then quoted the SLATS report, telling us what kind of vegetation is cleared, including activities like forestry. I would encourage him to read on because on page 20 of the SLATS report it tells us that 98 per cent of clearing between 1999 and 2001 was for pasture, cropping and infrastructure, like roads, firebreaks and fence lines. The other two per cent was forest clearing, settlement, or mining. So forestry represents an extremely small proportion and arguably insignificant proportion of total clearing in Queensland. Yet again I would point out to him that the SLATS figures do not directly measure lantana and rubbervine. They are not woody vegetation as defined by the report.

These are just a few examples of how the member for Callide continues to display his ignorance for all to see. Is it not time that the Deputy Opposition Leader stopped being blinded by politics, got his facts right and joined with the government and his Canberra colleagues to reduce tree clearing in this state?

SITTING HOURS; ORDER OF BUSINESS

Hon. A. M. BLIGH (South Brisbane—ALP) (Leader of the House) (10.25 a.m.): I advise honourable members that the House will continue to meet past 7.30 p.m. this day. The House can break for dinner at 7 p.m. and resume its sitting at 8.30 p.m. The order of business shall then be government business followed by a 30-minute adjournment debate.

SCRUTINY OF LEGISLATION COMMITTEE

Report

Mr PITT (Mulgrave—ALP) (10.26 a.m.): I lay upon the table of the House the Scrutiny of Legislation Committee's *Alert Digest No. 6 2003*.

NOTICE OF MOTION

Select Committee on Parliamentary Entitlements

Mr WELLINGTON (Nicklin—Ind) (10.26 a.m.): I give notice that I shall move—

(1)(a) That a select committee, to be known as the Select Committee on Parliamentary Entitlements, be appointed to inquire into and report on the entitlements of members of the Legislative Assembly.

(b) That the committee consist of 8 members of the Legislative Assembly.

(c) That the committee consist of Mr Speaker (ex officio) (Chair), Hon P Beattie, Hon A Bligh (Deputy Chair), Mr Flynn, Hon T Mackenroth, Mr Quinn, Mr Springborg and Mr Wellington.

(d) That the committee have all the powers and privileges under Chapter XIII of the Standing Rules and Orders.

(e) The Chairman of the committee or the Deputy Chairman when acting as Chairman, shall have a deliberative vote and in the event of an equality of votes shall also have a casting vote.

(f) That the committee report to the House by 21 August 2003.

(2) That the Parliament of Queensland Act Amendment Bill (No. 2) introduced on 15 May 2003 be considered by the committee and that debate on that Bill be postponed until the committee reports.

(3) That the foregoing provisions of this resolution, so far as they may be inconsistent with the Standing and Sessional Orders, have effect notwithstanding anything contained in the Standing and Sessional Orders.

PRIVATE MEMBER'S STATEMENT

Positive Politics Agenda

Mr SPRINGBORG (Southern Downs—NPA) (Leader of the Opposition (10.28 a.m.): As this government is getting on with its agenda of sending Queensland broke, the Liberal-National coalition in Queensland is getting on with its positive politics agenda. Recently, Bob Quinn and I announced the first of our new policies for Queenslanders, which will be about enhancing the lifestyle and safety of Queenslanders. We announced a first for Australia, and that is crime reduction targets for various categories of crime. This is an innovative approach to reducing crime around Queensland and it is something which Queenslanders have received very, very well.

What we announced as part of that positive politics agenda was that in the case of property crime, including break and enters and car thefts, we would be aiming to reduce it by one-third

over three years. In the case of assaults, we would be aiming to reduce assaults, including sexual assaults, by one-third over five years. We also undertook to tell Queenslanders how we were going to do that in a staged way over the next eight months by 16 individual statements.

Today I am announcing that, to improve the safety of Queenslanders insofar as assaults and sexual assaults are concerned, a coalition government in this state would make a condition of release of sexual offenders that they must complete a sexual offenders rehabilitation course. In the last four years, 468 prisoners in Queensland have been released without undertaking a sexual offenders rehabilitation course. That is absolutely inexcusable. What it does is let these predators loose in Queensland without so much as completing that course and it puts our most vulnerable citizens, particularly our women and children, at risk.

We will also be putting in place a plan whereby sexual offenders deemed not to be rehabilitated, even at the end of their sentence, would be able to be kept inside. When we announced this three years ago, the then Attorney-General said that it was not necessary.

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

QUESTIONS WITHOUT NOTICE

State Budget

Mr SPRINGBORG (10.30 a.m.): My question is to the honourable Treasurer and minister assisting the Premier on taxes and charges. I refer to the Premier's 2001 election commitment when he said—

> It is the clearest possible choice—modest, affordable and fully funded commitments or a billion dollar blow-out.

I ask: did the Treasurer not realise that the Premier meant him to deliver modest, affordable commitments and not the billion-dollar blow-out?

Mr MACKENROTH: I have delivered. There has been no blow-out. The member knows that the issue he refers to relates to equity returns. The budget is in a very sound financial position. If I were to do a bit of crystal ball gazing into next week, I would probably be saying that our net worth has increased by around $600 million this year. I might stand up here next week and say that, but we have to wait until next week to see whether or not that is right. With a net worth of over $58 billion, how can anyone claim that we are not in a sound financial position?

Queensland Rail, Share Buy-Back

Mr SPRINGBORG: I direct a further question to the honourable Treasurer. I refer to revelations that the Treasurer sucked $300 million out of Queensland Rail through a forced share buy-back in 2001. I ask: is it true that the Treasurer has plans in place to suck a further $15 million out of the Ports Corporation of Queensland through a forced share buy-back this financial year to prop up the government's black hole?

Mr MACKENROTH: In 2001-02 Queensland Rail gave the government $300 million through a share buy-back. What the member fails to mention is that out of the budget we gave Queensland Rail $607.5 million.

Mr Copeland interjected.

Mr ACTING SPEAKER: Order! The member for Cunningham has not stopped interjecting all morning.

Mr MACKENROTH: To ensure that our books are clear and transparent what we do is fund Queensland Rail for its community service obligations in relation to the public transport system and then when it makes a profit we take a profit. We did not have to pay that money. We have ensured that people are able to look at the operations of Queensland Rail via the processes we have put in place. We are now actually reducing the charges for coal freight because we are able to show that we are making a profit in that area. The charges are being reduced. It is not right for the member to make those claims. In 2001-02, to which the member referred, the government received dividends or benefits from all of its government owned corporations of around $1.3 billion and returned to GOCs community service obligation payments of $796 million.

State-Federal Government Cooperation

Mr TERRY SULLIVAN: My question is directed to the Premier. I refer to the fact that the government has put aside political differences with the federal coalition and is working with the Commonwealth on a number of vital reforms. Can the Premier inform the House of the nature of these reforms? How is this cooperation with the federal coalition achieving historic progress on a number of difficult and long-running issues?

Mr BEATTIE: I thank the honourable member for his question because it is a good one. What a lot of people say to me—and I know they say it to other members of this House—is that it is important that governments actually work together to find things that can produce results to improve the community. Well, that is what my government is doing. Prime Minister John Howard and I have put aside our political differences on a number of issues crucial to Queensland because there are some things that are so important they are beyond politics.

The issues on which we have joined forces, with the support of my ministers, include: reducing tree clearing, protecting the Great Barrier Reef from run-off, tackling salinity and giving the sugar industry a healthy future. After years of negotiations we have reached the stage where we can go 50:50 on a $150 million offer to land-holders to sort out tree clearing in a fair way. We are also going halves in a $162 million campaign to tackle salinity and water quality problems head on.

John Howard and I made a pact to protect the reef from the harmful effects of land based activities. What we have with the Queensland and federal governments is a coalition of the willing against an environmental axis of evil—salinity, greenhouse gas and loss of biodiversity. Is it not nice to have a coalition of the willing achieving something for Queenslanders?

We also made a pact to ensure that the sugar industry has a sustainable future. Together we have offered a $150 million package to help the industry and the string of Queensland communities that were built on sugar. The Prime Minister demonstrated his commitment on the ABC's *Stateline* on Friday night when he said of the proposed sugar reforms—

> Well, we have put forward a package, and it's a Federal Government package, and it involves a lot of assistance. It includes co-operation with and a contribution from the Queensland Government and what we're saying to the industry is we will help. We know you've got a problem and it's no fault of yours but you do need to restructure and reform.

I appeal to the state National and Liberal Party members opposite to follow the example set by the federal National and Liberal parties. The Liberal Prime Minister and his Liberal and National Party ministers are working with us on reducing tree clearing, protecting the Great Barrier Reef from run-off, tackling salinity and giving the sugar industry a healthy future. Governments comprising all three major parties are united in tackling these problems and fixing them.

I urge state Liberal and National members to stop being part of the problem and to work with their federal Liberal and National Party members to be part of the solution. It is about time the Commonwealth and state governments worked together. Well, we are. That is in the best interests of Queensland.

Government Owned Corporations, Dividends

Mr QUINN: My question is directed to the Treasurer and Minister for Sport. I refer the Treasurer to his correspondence sent to GOCs in which he indicated that the government may request interim dividends this financial year from yet to be realised operating profits from 2003-04. I ask: did these interim dividends form part of the assumptions on which the mid-year review was based? If so, would this not mean that without them the 2002-03 budget deficit would have been nearly $1 billion? Further, is this short-term financial expediency designed to hide the fact that the government is strapped for cash by propping up the budget bottom line just until the next election?

Mr MACKENROTH: The mid-year review was not made using those assumptions, so the answer to that is no. In relation to the member's claim that we are propping up the budget by taking special dividends, let me just tell the member a little bit about his own government when it was in power for two and a half years. I rang up this morning after I read the article in the *Courier-Mail* and asked them to get me some of them.

An opposition member interjected.

Mr MACKENROTH: Oh, you had a surplus! If you had a surplus, why did you need this? Just listen. There was a special dividend of $30 million from Queensland Rail, a special dividend of $33.4 million from Stanwell, capital—

An opposition member interjected.

Mr MACKENROTH: No, but you sold them and cross-leased them.

An opposition member interjected.

Mr MACKENROTH: It is the same thing that was in one of the things that you talked about this morning. There was capital restructuring of the electricity industry resulting in $850 million, a special dividend out of the Queensland infrastructure finance fund of $199 million, a special dividend from the sale of the gas pipeline of $162 million and the sale of series 1 of Suncorp Metway of $610 million. That makes a total of $1.8844 billion—that is, $1.8 billion in special dividends paid to his government in two and a half years.

Mr ACTING SPEAKER: Before calling the member for Ferny Grove, I welcome to the public gallery students from Beerwah State High School in the electorate of Glass House.

Office of Governor-General

Mr WILSON: I refer the Premier to the month-long controversy which has clouded the positions of the Governor-General and the Prime Minister, and I ask: can the Premier see any positive results emerging from this turmoil?

Mr BEATTIE: I thank the honourable member for his question because I know that he has been following these events very closely. I am urging the Prime Minister, John Howard, to follow the Queensland model when he selects the next Governor-General. All members will recall the success of our model for selecting our next Governor, Quentin Bryce, which involved putting the nomination of Quentin Bryce before parliament and seeking support from two-thirds of members. The Opposition Leader and the Leader of the Liberal Party were informed, prior to public release, of the identity of the nominee. Further, all members of the parliament were given an opportunity to debate the appointment in the House, and they did it with dignity and good sense—something that all members of this House should be very proud of. The process resulted in Ms Bryce being endorsed unanimously in what was the first opportunity in any parliament in Australia for members to have a chance to debate the appointment of a Governor. This same process is now needed at a federal level to ensure that the next Governor-General is seen to be above politics and is acceptable to as many people as possible. In this way it will be clear right from the start that the next Governor-General will be in an ideal position to fulfil the main role of the position in encouraging, articulating and representing those things that unite Australians as one nation.

Opposition members interjected.

Mr BEATTIE: There are two more positive results that should emerge from this sorry mess. I wrote to the Prime Minister on 9 May suggesting that there would be considerable merit—

Opposition members interjected.

Mr BEATTIE: Listen, there are all sorts of charlatans who hide behind good names. I wrote to the Prime Minister on 9 May suggesting that there would be considerable merit in establishing a national system of blue cards. This is a system which we have introduced in Queensland to screen people who wish to work with children. Employees, volunteers and self-employed people must undergo a criminal history check. In that letter I also reiterated our long-held view, particularly my long-held view, that we need a national commission of inquiry to establish the nature and extent of paedophilia in Australia. I said that such an inquiry would help enable us to close any gaps in the law that exist in different jurisdictions. So far the Prime Minister has not replied to that letter and I urge him to respond positively on both issues. I table a copy of the letter for the information of members.

One of the great successes that this government has had—and I have to say that it has come out of very unfortunate circumstances—is the blue card system. I have to say that in my meetings with the Anglican Archbishop of Brisbane and other church leaders they have enthusiastically endorsed the blue card system as a means of protecting children. I have written to the Prime Minister suggesting it be adopted nationally, and I know that the Minister for Families has been supportive of it. We need to find positive things out of this sorry saga to ensure that we do everything to prevent child abuse. One of those things is to have a national system of blue cards. I urge the Prime Minister to pursue it and think about it.

Electricity Prices

Mr SEENEY: My question is to the Minister for Energy and the minister for innovative taxes and charges, and I ask: why is it—

Mr ACTING SPEAKER: I suggest that the member calls the minister by his proper title and just asks the question.

Mr SEENEY: I ask: why is it that Queensland household consumers have had to cope with a six per cent rise in the cost of electricity when the wholesale price of electricity, to use his own words, 'has decreased dramatically', falling from $60 per megawatt hour to as low as $16 per megawatt hour and at the same time the Treasurer has sucked $200 million out of Energex and Ergon?

Mr LUCAS: I thank the honourable member for his question. It is particularly apposite that it comes from a country member of parliament, because one article of faith that we have in Queensland is the uniform electricity tariff. That uniform electricity tariff is supported by a community service obligation where the money is paid from the state budget to our energy retailers. So if the honourable member is suggesting that we should abolish the uniform electricity tariff so we do not support those people in the country then I think it is a very sad day for the National Party.

Opposition members interjected.

Mr LUCAS: Let us look at what has happened in Queensland compared to what has happened in other states. We might have a little bit of a lesson about South Australian conservative governments and what they have done with respect to the energy industry. Just a few years ago—

Opposition members interjected.

Mr ACTING SPEAKER: Order! There are too many interjections in the chamber. I cannot hear the minister. I am going to warn the next member who interjects.

Mr LUCAS: Just a few years ago the South Australian coalition government privatised its electricity industry. It got about $5 billion from that sale. The Queensland government has retained ownership of its electricity industry and in that same period of time we have received more from dividends than from the sale of its electricity industry—money that has paid for schools run by the Minister for Education and for police services run by the Minister for Police. That is what that money has done. That is what the dividends from those businesses go to. The simple fact of the matter is that electricity prices in Queensland have risen in line with the consumer price index over the past two years. I am more than happy to compare that with South Australia where they rose by 24.7 per cent under privatisation by the mates of those opposite.

Sugar Prices

Mr STRONG: I ask the Minister for Primary Industries: can the minister inform the House of the latest raw sugar price?

Mr PALASZCZUK: I thank the honourable member for the question. The New York Board of Trade was closed on Monday for the US memorial public holiday. However, in answer to the honourable member's question, the latest raw sugar price on the New York sugar futures prices for October 2003 is 7.19c per pound. With the rising Aussie dollar, that is the equivalent of only $A243 per tonne. To put the bleakness of this price into context, I refer to the Hildebrand assessment of the sugar industry commissioned by the federal government which was released 12 months ago and states—

> An average reference survival price is probably around $300 to $335 per tonne of sugar. This is equivalent to between 7 and 8 US cents per pound at an exchange rate of 0.52 US dollars against the Australian dollar, and assuming a direct conversion of the world price to that paid to millers by QSL.
>
> Those farmers who can further defer capital replacement, those who have off-farm income, and those with minimal or no debt would lie towards the lower end of this reference survival price range (that is $300 per tonne).
>
> Those small farms with no off-farm income, and those of any size with significant debt will fall at the upper end of the range (that is $335 per tonne) and will have a survival price possibly much higher.

Based on the current price projections, there will be many Queensland canegrowers who will receive a price that is $100 less than they need to survive. Unfortunately, the situation is likely to get worse rather than better. Mr Acting Speaker, remember in Hildebrand that we were talking about an exchange rate of 52c; we are potentially facing US70c in the coming weeks and months. The Queensland sugar industry is almost totally dependent on the world raw sugar price.

Therefore, I urge the industry and those people who purport to lead it to focus on the issue of price and to answer this question to their members: what steps can the industry take now to ensure Queensland canegrowers can continue to be canegrowers when the world price for raw sugar is around $100 per tonne less than they need to survive? That fundamental question is there also for members of the opposition who in their own inimitable way work against the federal government and state government in a bipartisan manner to support the Queensland sugar industry. It is about time members opposite had a very close look at the ramifications of what they are doing.

Queensland Rail, Share Buy-Back

Mr JOHNSON: I ask the Minister for Transport and Minister for Main Roads: why should Queensland Rail commuters be forced to pay the increased rail fares, which he announced last month, when he bled $300 million out of Queensland Rail through a forced share buy-back?

Mr BREDHAUER: The member for Gregory should know, as a former Minister for Transport and Minister for Main Roads in this House, that the state government spends almost $400 million each and every year subsidising the cost of Citytrain services for people who travel on the Citytrain network—for the approximately 45 million passenger trips undertaken on the Citytrain network every year. Almost $400 million every year is spent by this government on subsidising Citytrain services. We also spend tens of millions of dollars every year on improving accessibility at our railway stations on the Citytrain network so that people with a disability, elderly people and parents pushing strollers can get onto the trains. We are also spending tens of millions of dollars on putting up noise barriers along the rail network—in the electorate of Bulimba and elsewhere—so that the people who live along railway corridors who have put up with the noise of trains for a century or more can enjoy some respite.

Mr Johnson interjected.

Mr ACTING SPEAKER: Order! I am going to put up a noise barrier. I am on my feet. I warn the member for Gregory under standing order 124. He is showing disrespect for the chair.

Mr BREDHAUER: The honourable member's question is a complete and utter sham. The $300 million share buy-back was initiated by QR because of the change in the value of its asset structure. That was tabled in the annual report, which the *Courier-Mail*, it would appear, has finally tumbled to. Our total contribution to Queensland Rail through the—

Mr Seeney interjected.

Mr ACTING SPEAKER: Order! I warn the member for Callide under standing order 123A. The member has not stopped interjecting all morning. The next time he does so, he will go for a walk.

Mr BREDHAUER: Over $600 million each and every year is contributed by this government to the cost of the train service contracts negotiated between Queensland Transport and Queensland Rail to provide transparent funding for those community service obligations that we as a government expect it to deliver. More than double each year goes into providing those services for the people who are the customers of Queensland Rail services across the Traveltrain network, the Citytrain network, through infrastructure services and the like.

Gribbles Pathology; Biotechnology Industry

Mr PURCELL: Before directing a question to the Minister for Innovation and Information Economy, might I welcome some people from the Bulimba senior citizens to the gallery—Vilma and Lennie Ward, who will celebrate their 30th wedding anniversary on Friday. There has been a lot of talk from the Queensland government about attracting investment and creating business opportunities for the Smart State while strengthening our traditional industries. I ask: can the minister tell us what recent developments have taken place in relation to new industries entering Queensland and how this will impact upon our traditional industries?

Mr LUCAS: I thank the honourable member for his question. The answer to his first question is, yes, he may welcome Len and Vilma Ward. They are great Queenslanders, and he has a great electorate in Bulimba. It joins my electorate. For many years I worked at the Balmoral Hotel.

Mr Purcell: Ducked and weaved.

Mr LUCAS: I ducked and weaved there in those days. I have a great fondness for that electorate and the wonderful people who live there. Last week I was also very pleased to be in

the honourable member's electorate for another reason—to open the new Gribbles Pathology $1 million pharmaceutical and food testing lab in Murarrie. Gribbles is a top 200 ASX listed company. It specialises, through its Amdel subsidiary, on the analytical testing of food, industrial, mineral and environmental material. This is another great Smart State story. It has relocated its laboratory from Sydney to Murarrie. All food testing for the Gribbles Group will be consolidated at its new Brisbane operation, which will assist with critical mass. This is a big win for Queensland. It has traded up to Queensland.

Gribbles's investment created 25 permanent jobs and 35 seasonal jobs. That is what the Smart State agenda is all about. It is not just about the science we are doing in our institutions, innovations and spin-off companies; it is also about creating these sorts of jobs and general industry as a result of our strengths. Gribbles has had a major contract with Queensland Sugar for a significant period. Where did it previously conduct all of its testing for Queensland Sugar? In Sydney! However, now all of its testing for Queensland Sugar will be conducted at Murarrie in Queensland. It is great news to see a Queensland company working with a traditional Queensland industry. Incidentally, the first sugarcane grown in Queensland was grown at Hemmant many years ago. Although it is now grown in more suitable areas, there remains that local link.

Gribbles's pharmaceutical testing facility is a further vote of confidence in the biotechnology industry in Queensland. Previously, the Premier informed the House of the recent opening of the wonderful Institute of Molecular Bioscience at the University of Queensland. We also had the strong vote of confidence between AstraZeneca and Griffith University and also the Institute for Glycomics at Griffith University. The state government invested $92 million in the IMB, creating 700 hundred world-class scientist and researcher jobs, and hopes to create 200 more in the future. It is a major centre for R&D commercialisation. We all know that the University of Queensland's record when it comes to spin-off companies is second to none. Those are the companies that will develop into the pharmaceutical companies of the future and that will further use the jobs created by companies such as Gribbles. We want to create jobs for everybody with our Smart State philosophies, not just for people in lab coats in universities.

We have a lot to offer. We have our enormous natural biodiversity in Queensland, with more tree species in one hectare of rainforest in the Daintree than in North America and Europe. There is our business climate and a whole range of other reasons to come to Queensland, and Gribbles has realised that.

Doctor Numbers, Gympie Hospital

Miss ELISA ROBERTS: I refer the Minister for Health to the fact that in January this year the Gympie District Health Manager stated that the Gympie Hospital had its full quota of doctors, yet now, four months down the track, according to the medical superintendent, the hospital's doctor numbers are at their lowest ever, and I ask: will the minister provide an explanation as to why Gympie Hospital is in such a crisis once again?

Mrs EDMOND: Doctors are employed for different periods of time. Some of the doctors employed would have been on contracts and I presume some have left. At this time of the year there is also a changeover period where overseas trained doctors around the state are finishing up their duties and a new batch are coming in. I presume that is the reason.

Charter Boat Industry, Taxation Ruling

Ms JARRATT: I direct a question to the Minister for Tourism and Racing and Minister for Fair Trading. Last year the Australian Taxation Office announced a draft ruling which would have decimated the rapidly growing charter boat segment of our tourism industry by removing the incentive to invest in it. The minister led the charge on behalf of Queensland's tourism industry and convinced her ministerial colleagues that the ruling would adversely impact on the tourism industries in their own electorates. I ask the minister: can she now advise of the outcome of the concerted campaign against this ruling?

Ms ROSE: I thank the member for her question. She has a vital interest in tourism and she joined with me in opposing the tax office draft ruling. I am happy to advise the House that months of lobbying, letters and protests have brought results. The Australian Taxation Office final tax ruling announced last week is the saviour of the charter boat industry in Queensland. The ATO's

draft ruling would have imposed an enormous financial strain on the rapidly growing tourism industry sector.

The originally proposed new tax on charter boats would have dealt a devastating blow to the Queensland tourism industry. The final ruling will give charter boat operators certainty on how the tax applies to their businesses and will enable them to continue their contribution to regional tourism. It allows operators to claim appropriate business deductions while at the same time providing a deterrent for the small minority who may have been doing the wrong thing. The draft ruling threatened to destroy the incentive to invest in tourism. I am pleased that a concerted campaign, led by the Queensland government and the charter boat industry survival campaign, has achieved a good result for everyone.

Last year I wrote to Treasurer Peter Costello and federal Tourism Minister Joe Hockey outlining the potential adverse impact of the draft ruling on the negative gearing of yachts, houseboats and other leisure craft. I told them that the confirmation of this ruling would have dire consequences for the charter boat industry in Queensland and would seriously impact on our tourism industry. The implementation of the ruling would have cost up to 1,000 jobs in Queensland. The cost to coastal economies would have been in excess of $100 million annually. The draft ruling threatened the growth of the charter boat industry, especially in the Whitsundays, Cairns, Gold Coast, Hervey Bay and Hinchinbrook areas. Boating holidays are a significant component of tourism in Queensland and provide enormous economic benefits to many coastal regions. I am glad that commonsense has prevailed. The industry now has the certainty that it needs to continue to grow.

Plainlands Intersection, Warrego Highway

Mr FLYNN: I direct a question to the Minister for Transport. Political games are being played at government level in regard to road funding. The Lockyer has an infamous section of the Warrego Highway running through its heart at Plainlands. For many years the local residents, particularly the residents of Laidley, have pleaded with both the state and federal governments to help reduce the carnage on this road. A good start was made with the upgrade of the Gatton bypass. What has happened? At the launch of the upgrade—

Mr Lawlor interjected.

Mr FLYNN: I am entitled to ask my question. If the member would be quiet, I will ask it. As I was saying, a good start was made with the upgrade of the Gatton bypass. At the launch—

Mr ACTING SPEAKER: Order! I suggest that the member gets around to asking his question instead of making a speech.

Mr FLYNN: I will, if the member for Southport will be quiet. At the launch of the upgrade, Senator Boswell publicly committed federal funding to the Plainlands intersection, because he witnessed an accident up there—one of the minor ones, actually. He has since reneged on his commitment to fund one of the most dangerous intersections on the highway. I ask the minister: do more people have to die before people stop playing politics with lives, particularly in a de facto election mode? What has this government, particularly the minister's department, done to ensure that these overdue roadworks do not get shelved yet again because the state and Commonwealth governments cannot cooperate?

Mr BREDHAUER: It is all very well to tug at the emotional heartstrings in the way in which the honourable member has sought to do, but my job is to try to make sure that we deliver the best possible road network and the safest possible road network for all road users in Queensland, no matter where they live. However, there is some foundation to the member's question.

I went to the sod turning for the Gatton bypass project last year—in about October, I think it was—in the electorate of the honourable member. He was present on that day. I, too, a few minutes after Senator Ron Boswell had been through, witnessed the aftermath of a nasty accident at the Plainlands intersection—although, as I understand it, luckily no-one was seriously hurt in that accident.

However, I was a little taken aback, I would have to say, when the senator, during his speech, publicly committed that if I would do the necessary planning work on the intersection upgrade, he would make sure that the federal government would fund the project. I was taken aback because, as even the honourable member for Gregory would know, that is not the way the process usually works. But I agreed to do that and I had the Department of Main Roads do the necessary preconstruction planning work.

We then submitted our National Highway strategy to Canberra, as we usually do, and I made a special note in the National Highway strategy that the Plainlands intersection had been publicly committed to by Senator Boswell at the sod turning for the Gatton bypass project last year and that, therefore, I was including it in the projects that the Queensland government was requesting the Commonwealth government to consider funding.

I sent a copy of the strategy to Senator Boswell and I said, 'You made the commitment up there. Maybe you could talk to John Anderson to help deliver'. I was a little surprised when he wrote back to me earlier this year basically saying, 'Due to the tight budgetary circumstances that we are facing in Canberra'—and off the top of my head I think that the cost of the intersection upgrade is $11.9 million; I do not have the figure with me—'I want you to identify $11.9 million worth of already committed and funded projects on the National Highway in Queensland and give one of them the chop so that I can give the $11.9 million to Plainlands'.

To be quite honest with members, I am not in that game. I am not going to say to the people who live along the National Highway in the electorates of the members opposite—or, for that matter, anyone who lives along the National Highway in the electorates represented by members on my side of the parliament—'That $11.9 million that you were going to get for road funding in your electorate has gone to Plainlands'.

I admit that the people in Lockyer have a case. The member has made representations to me about this issue. I think that the intersection should be upgraded, but I do not think that it should be upgraded at the expense of some other poor beggar who lives on the National Highway who would have their project dudded by the equivalent of $11.9 million. I actually sent back to Senator Boswell the forward program for works on the National Highway and I said, 'You might like to identify where the $11.9 million is going to come from, because I will not.'

Mr ACTING SPEAKER: Order! Before calling the member for Pumicestone, I welcome in the public gallery teachers and students from Benowa State School, which is in the electorate of Surfers Paradise.

Water Reform

Mrs CARRYN SULLIVAN: I refer the Minister for Natural Resources and Minister for Mines to claims on Adelaide radio by federal Treasurer Peter Costello that upstream water users in New South Wales and Queensland are responsible for all of the River Murray's problems. I ask: what does the minister say about those claims and the Treasurer's threat to link national competition payments to the states with water reform delivery?

Mr ROBERTSON: I must say that I was extremely disappointed to learn of the federal Treasurer's comments on Adelaide radio last week. I can only assume that he was perhaps playing to the local audience down there. I am sure that even the member for Warrego would join me in informing the federal Treasurer of the real situation with respect to Queensland's contributions to flows in the Murray River. I was concerned when the federal Treasurer said—

> I think the biggest problem we have on the Murray is where upstream—this is New South Wales and Queensland—people are taking more water out of the Darling-Murray system than the river can handle.

Whilst I join with the Premier in welcoming the level of cooperation that we are currently getting from the federal government, unfortunately, that does not extend to the federal Treasurer.

It is a well-established fact that the amount of water that Queensland has historically contributed to the Murray River is negligible. Queensland's total contribution to the Murray is reflected in both the money it now puts into the system and the water that it returns to the system. The total traditional, or natural, flows from the Queensland Murray-Darling Basin—and this goes over a number of catchments, such as the Border Rivers, the Condamine-Balonne, the Paroo, et cetera—is around 2,300 gigalitres without any extractions. On factoring in the current extraction levels, the current flow from Queensland Murray-Darling Basin streams averages some 1,440 gigalitres or 62 per cent of natural flows. In fact, the Murray-Darling Basin Commission's own technical reports acknowledge that extractions from Queensland streams into the Murray-Darling Basin are negligible in terms of the amount of water that makes it to the Murray River and, consequently, there is a negligible environmental impact on the Murray River.

As everyone knows, we are actually addressing issues such as environmental flows right across the Queensland Murray-Darling Basin through our water resource plans for the Border Rivers, the Condamine-Balonne and other catchments, such as the Paroo, the Neebine and so on. This seems to have escaped the federal Treasurer's attention.

I think it is also important to put on record that Queensland's contribution this year to the Murray-Darling Basin Commission is likely to be in the order of some $850,000. That is of a total $38 million that all states contribute to the Murray-Darling Basin Commission, which just underscores the contribution that Queensland historically makes in terms of the amount of water into the system and the funding formula agreed on a national basis.

It is clear that the federal Treasurer is out of his depth and that he displayed an appalling lack of knowledge in relation to this particular issue. I am pleased to say that federal ministers Kemp and Truss agree with us. Other states agree with us. The only person who does not agree with us seems to be the federal Treasurer.

Schoolies Week

Mr BELL: I refer the honourable the Premier to his announcement of the members of the 12-person schoolies festival board—all fine people, but selected without the courtesy of any consultation with the local member. I ask: why is it that, with the arguable exception of the tourism bureau representative, not one person who works or lives in the Surfers Paradise CBD, where most of the schoolies activity occurs, has been appointed to the board?

Mr BEATTIE: I say to the member for Surfers Paradise—I want to do this with great courtesy—that schoolies is an event for the whole of the Gold Coast, not just for Surfers Paradise. We can look at what happens in Southport and Broadwater. As the honourable members on the government side will tell the member, this is not an event that happens just in Surfers Paradise. I think we need to get that clearly on the record.

The honourable member made a submission to the committee headed up by the Minister for Tourism. That submission was taken into consideration. In consultation with my ministerial colleagues, when we appointed the board we moved to have the minister, who represents an area of the Gold Coast, as the chair and the mayor of the Gold Coast City Council as the deputy chair. None of my government's local members were included, nor was the honourable member for Surfers Paradise.

The member for Surfers Paradise can understand that I have some government members who would not have minded actually sitting on that committee. I took the view that it would be better if we had no members on the board, other than the minister to chair it. That was the best way to get some bipartisanship, if you like, to make sure that this was done in the interests of the whole coast.

Having said that, I want to make this very clear: every one of the government members had a very direct say in the considerations that were deliberated on by cabinet. Indeed, so did the member for Surfers Paradise. We gave his views particular attention. I need to assure the member of that. I do not want this to be misunderstood. The member for Surfers Paradise has a key interest in this. We have taken his views on board. More to the point—I have said this to the government members and I say this to the honourable member for Surfers Paradise, as I would say to the Leader of the Liberal Party—the Minister for Tourism as the chair and the mayor as deputy chair are keen to have their ongoing views. We do not want this to be something that is started and ended; we are keen to hear ongoing views.

In terms of the composition of the board, obviously we listened to a wide range of people. The truth of the matter is that there were probably, I would suspect, without exaggerating, 400 to 500 people who could have been put on this committee. The appointment of every one of those people could have been justified. The important thing to do, of course, is to make a choice. We have tried to be fair about that choice. I assure the member that what we are trying to do is get results. I would urge the member—indeed, I would plead with the member, because I know that he is serious about these issues—to work with Minister Rose as chair and the other members of the committee to make sure that we get the result we need.

As the honourable member knows, this year's schoolies will be very difficult. It will be very difficult because three states commence holidays at the same time. We are trying to manage this. I know that there are some people—I read this from time to time—who believe that we should take a laissez faire attitude and not get involved. That is naive and not realistic. We are trying to manage this in a way that recognises the rite of passage for young people. We are trying to do it sensibly. We are going to need all the help we can get and we certainly need the member's help as well.

Sustainable Catchment Program

Mr MULHERIN: Can the Minister for Environment outline to the House what initiatives have been undertaken by this government as part of the sustainable catchment program?

Mr ACTING SPEAKER: Order! Before calling the Minister for Environment, I welcome a second group from the Benowa State School in the electorate of Surfers Paradise.

Mr WELLS: In answering the honourable member's question, I acknowledge his interest in the sugar industry and his support for the sugarcane farmers in his area. Indeed, he has taken me on a tour of a number of sugarcane farms in his area and displayed appropriate technology in action.

I say to the honourable member that the Queensland government is seeking a sustainable future for the sugar industry on the basis of the industry's importance to the state economy and to those regional communities that depend on the industry for their livelihoods. As part of the Queensland government's commitment to environmental protection, my agency has developed a series of sustainable catchment partnerships with sugarcane farmers, environmental groups and local community groups. This project will help cane farmers adopt sustainable farming practices that will provide on-farm benefits and improve the quality of storm water run-off into streams that drain into the Great Barrier Reef lagoon. They will also allow monitoring of the uptake and environmental benefits from adoption of sustainable farming practices in key cane farming catchments.

I am pleased to advise honourable members that the first round of grants has been delivered to canegrowers in Sarina and Mackay. Seven Mackay canegrowers will receive grants of up to $5,000 each to complete conservation work on their properties under the state government's sustainable catchments partnerships. These seven projects are of the highest quality and focus on improving water usage, reducing run-off and sedimentation in watercourse, and protecting and revegetating important wildlife conservation areas.

Examples of successful projects include building of tail water dams to reduce run-off, installing—

Mr ACTING SPEAKER: The microphone system has gone off.

Mr WELLS: I believe honourable members can hear me anyway. Mr Acting Speaker, with your indulgence I will continue to save the time of the House.

Examples of successful projects include the building of tail water dams to reduce run-off, installing pipes to redirect mill effluent and replace vegetation. The projects are due for completion in August this year. The addition of sustainable farming practices provides a win-win for all involved. Land-holders win through the improvements to their farms to help to stop the run-off.

Miss SIMPSON: Mr Acting Speaker—

Mr WELLS: The local community wins through the protection of local riparian values—

Opposition members interjected.

Mr ACTING SPEAKER: I have given the minister an extra 10 or 15 seconds. I will call you when I am ready. You have another 10 seconds or so, Minister.

Mr WELLS: I commend the sustainable farming practices of the farmers in the sugar industry and encourage them to take up these advantages that we are offering.

Royal Brisbane Hospital, Staff Cuts

Miss SIMPSON: My question is directed to the Minister for Health. I table a leaked document showing that Royal Brisbane Hospital staff cuts this month have severely compromised quality health care in the emergency department. Is it not true that RBH is $19 million in debt and vital hospital services are being cut because the government is broke?

Mrs EDMOND: Before I answer that question, may I confirm my earlier statement to the member for Gympie that, as some doctors leave, other doctors take their place. One senior doctor started at Gympie yesterday and another one will be starting next week and they will be back to their full complement, as I suggested.

In terms of hospitals' budgets and services that will be cut and will be expanded, may I say to the member for Maroochydore: she only has a week to go; watch this space.

Queensland Council of Social Services

Mr FENLON: My question is directed to the Minister for Public Works and Minister for Housing, and I ask: today QCOSS has released a report claiming that this government has cut funding for housing in Queensland. Can the minister advise if this really is the case?

Mr SCHWARTEN: I thank the honourable member for the question. I note in passing that it is Kim Landers's anniversary of her debut on the silver screen, and I wish her well in that regard.

I also wish to comment on the honourable member's commitment to affordable housing in his electorate. It is much more sincere than the report that we have before us today from QCOSS. The fact is that any casual observer of the budget papers would not make the claim that QCOSS has because, when I became minister, the annual budget for housing was $330 million. It is now $475 million, and every person in this House knows that that has been against a background of severe cutbacks from the federal government. That is a point that QCOSS does actually get right.

The report is a bit like the curate's egg: it is good in part. But the truth of the matter is that it is worth about five out of 10 if one is marking it. What does it leave out? The first thing that it does not take cognisance of is the fact that we as a government have taken a deliberate policy to intervene in large density communities to have community renewal work. When I became minister what did we find? We found scores of houses in high density places such as Inala and Manoora in Cairns where people simply did not want to live. They were dormant assets and this government decided to do something about it. Since coming to office we have spent over $70 million. Is that in this report? No, it is not. Is it housing funding? Yes, it is absolutely.

What else is left out? Some $3 million for the Home Assist/Home Secure Program—an increase this term. Is that mentioned in the report? No, it is not. Is it housing money? Of course it is, because it aims to keep people in their own homes and out of public housing. The reality is that one of our biggest programs in Queensland is our indigenous housing program. Is this mentioned in the report? Only in passing. We are spending $196 million over five years in the 32 DOGIT community areas to try to do something about overcrowding.

The report mentions something about overcrowding but it does not mention the program that we put in. What of that program? That program is some $80 million this year. How much comes from the Commonwealth government? Some $27 million! What is the Queensland taxpayer putting in? Three bucks for every buck that comes from the Commonwealth. Is that mentioned in QCOSS? No, it is not.

This report is severely compromised. I would suggest that, if that is the best effort that QCOSS can put in, then I must speak to the honourable member beside me and ask her why she funds it. The truth is that this is a very badly flawed document that is being put out as being accurate. It is not accurate. It is a pakapoo ticket and it should be put into the rubbish bin immediately.

Rural Financial Counselling Services

Mr HOBBS: My question is directed to the Minister for Primary Industries. I refer him to the severity of the drought across Queensland and the financial hardship that it has caused many farmers, graziers and small businesses. His department has reduced its 25 per cent share of funding by $3,000 per counsellor to the community rural financial counselling services located in Longreach, Roma, Charleville, St George and Miles in 2002-03, and I ask: given that the Treasurer has demanded a special dividend of $10 million from DPI Forestry, no doubt because of another revaluation being done—and, incidentally, now I know why the bore drains out my way were being revalued the other day—can the minister confirm that he will provide this funding for rural counsellors as he is committed to by 30 June 2003?

Mr PALASZCZUK: The honourable member has raised two very interesting issues here. The first one concerns the DPI Forestry dividend. I would like to set the record straight in this House in relation to that matter now.

As honourable members would know, DPI Forestry is the government's commercial forest grower and it provides dividends to the government—and so it should. It has provided dividends since it became a fully commercialised DPI business unit back in 1995. If there is anything special about the dividends in recent years, it has been the performance of DPI Forestry.

Let me now refer to the DPI Forestry report, where the executive director, Ron Beck, for 2001-02 says—

I am particularly proud of the organisation's commercial performance for the year, obtaining a $110.6 million profit from ordinary activities ... a 187% profit increase on the previous year, which helped DPI Forestry deliver a record $11 million dividend to the Queensland Government, representing another large increase—188%—on the dividend paid in the previous year.

Driving these results have been record timber sales—2.1 million cubic metres, including plantation timber sales of 1.75 million cubic metres.

Mr Hobbs: Rural counsellors; come on. Answer the question!

Mr PALASZCZUK: Further—

And DPI Forestry's 2001-2002 scorecard shows further record performance: an 11.4% return on assets; establishment of 6,653 hectares of softwood and hardwood plantations; low lost time injuries down to 33 with average days lost due to injury reduced to 20.

Mr Hobbs: Where's your money?

Mr PALASZCZUK: The member for Warrego raised this issue. He compared both. DPI Forestry should be congratulated on its performance.

In relation to the rural counselling service that the honourable member raised as part of the question, as a government we believe the work being done by rural counsellors is of extreme importance, and it is part and parcel of the Department of Primary Industry's drought strategy. In relation to the money, just wait until the budget comes out next week.

Emeritus Professor Stuart Pegg

Ms BARRY: My question is directed to the Minister for Health. Can the minister inform the House how the government has honoured Emeritus Professor Stuart Pegg, the internationally respected burns expert who retires as the Director of the Burns Unit at the Royal Brisbane Hospital campus at the end of the month?

Mrs EDMOND: It was my pleasure last week to honour the achievements of a man who has devoted his life to burns surgery in Queensland and has been an inspiration to many of his colleagues over a very long period of time. Professor Stuart Pegg is one of the world's most respected burns surgeons and has been a pioneer of burns surgery and research not only in this state but across Australia. We have named the new burns unit at the Royal Brisbane Hospital the Professor Pegg Adult Burns Centre.

Professor Pegg joined the Royal Brisbane and Royal Children's Hospital in 1967 as a surgical supervisor. Back then, burns units were unheard of, but Stuart Pegg recognised the need for a specialised burns service and set up a bed for that service. This was expanded into a ward which has been in operation ever since. In 1977 he was named director of the burns unit, a position he still holds until his retirement at the end of this month.

The centre is now recognised as the most advanced in Australia, providing for the needs of not only Queenslanders but also patients from the Northern Territory, the Pacific rim and northern New South Wales. Indeed, it has helped people from many places and played a key role in disasters, such as the recent Movie World and Surat explosions, and of course Bali. I would like to take this chance to recognise the dedication and hard work of everyone who works in this special ward.

Last week I was at the Royal Brisbane Hospital on three occasions, twice with the member for Aspley. One of the things staff continually told us was how great the new hospital was, how they enjoyed working there, how much better these facilities are than the previous facilities. They were delighted with the state of the facilities, contrary to some of the things we read in the media.

Mr ACTING SPEAKER: Order! The time for questions has expired. Before calling the Leader of the Opposition, I acknowledge the presence in the public gallery of school leaders and teachers from Caningeraba State School in the electorate of Burleigh.

MATTERS OF PUBLIC INTEREST

State Budget

Mr SPRINGBORG (Southern Downs—NPA) (Leader of the Opposition) (11.30 a.m.): When we left parliament two Thursdays ago this government was broke. We come into parliament today and it is even more broke. We see headlines today 'Hidden millions prop up Budget'. We have also had explanations about what this government has done with regards to the raids on government owned enterprises in this state totalling some $1.3 billion. That follows the revelations

the opposition brought to this parliament when we last sat in this place. That is what we have to reflect on.

As I move around Queensland I find that increasingly people are saying to me that the reason we have this mess is that the Labor Party cannot run the economy. The Labor Party is not able to balance the budget. There is no doubt about that. What we are seeing here is a situation where this government, under this Premier and under this Treasurer, is running Queensland into an unsound financial position. Queensland has historically always enjoyed being in an extremely strong financial position. We have always had money in the bank; our assets have always been strong; there has never been any situation where our financial circumstances have been compromised.

To be fair to the former Goss Labor government, it was able to largely preserve that as well. This government has a spendthrift mentality and is incapable of properly running the finances of this state. As a consequence, what we are seeing is this government mortgaging the future of Queenslanders—the futures of our children and our children's children. It is a typical Labor approach to running the economy of this state. What we have heard today from the Treasurer is a rather lengthy ministerial statement that provides me no comfort whatsoever. All I was able to garner out of that is that the government is going broke increasingly expeditiously. We have to do something about it. How do we know that that is right?

This morning the honourable member for Callide raised an issue with the minister for innovation and energy. He said, 'How do you explain that the wholesale price of electricity has decreased from $60 per megawatt hour to $16 per megawatt hour yet the price to electricity consumers in Queensland has increased by six per cent?' As I understand it, in dollar figures that is an average of $45 for each Queensland power consumer. How do the mum and dad consumers right across Queensland feel when we have seen the wholesale price of electricity across Queensland reduced by 75 per cent yet their power bills have increased by six per cent? That is absolutely inexcusable.

The minister said the week before last in answer to a question from the opposition that $16 was low, but it seems to be working out at around $20 per megawatt hour. That indicates that this government is propping up its failing bottom line, which has been so much exposed in this state over the last few weeks, by robbing electricity consumers in this state—by getting more money than they budgeted for from stamp duty and by getting a greater slice of GST revenue than they could have ever hoped for under the old Premier's conference formula when there used to be the feeding frenzy in Canberra. It amounts to some $5.8 billion this financial year and about $6.1 billion in the next financial year, which is $300 million more than the old formula would have given the state of Queensland.

We have seen a situation where late registrations have been imposed on motorists in this state. It is $40 if you are a day late. If the government is going to take six months, eight months, 12 months to process a licence application or to process a mining lease transfer—costing an enormous amount to the investor and affecting the productive expectation of the service industries that people rely upon—they should pay because they do not pay one single cent. There is no urgency on their part at all.

A hard done by pensioner in Queensland who has always taken the option of an annual licence fee will find it has increased from $11 to $22. Is that fair to the Labor battlers in this state? No, it is not fair. So those pensioners that by and large use that option are the ones subsidising this government's economic mismanagement.

What we also saw this morning was extraordinary innovative explanations about what is happening with regard to the share buy-back for QR. The Minister for Transport stood up and said, 'Don't you know that we put $400 million a year into subsidising commuter rail services in this state?' All we saw this morning was a 'give-some take-some' mentality. Does that mean that we extract $300 million from $400 million and we are really $100 million worse off? What sort of bizarre economic logic are we seeing played out in this place by this government? They have tried to justify it by saying that former governments have also requested dividends from government owned corporations. Of course they have done. That has been allowed for. In actual fact that was always intended when the then Treasurer, Keith De Lacy, put legislation before parliament in the early 1990s establishing these government owned corporations. But it was never intended that they would strip them of every last vestige of their equity. It has always been appreciated by all sides of this parliament that what they make by way of profit by and large goes back to government to assist with running the very necessary capital infrastructure needs and social policy needs of this state. That has always been accepted because they are government owned

corporations. They are supposedly run as a corporation which is at arm's length from government. They are managed in a quasi private enterprise way. However, they are accountable to their shareholding ministers and they provide a dividend to state.

Where we have problems is when the government not only sucks out of them the normal realistic dividend but does not leave them enough to be able to reinvest in necessary infrastructure on behalf of the Queensland taxpayers. Not only that, the government forces those government owned corporations, those government owned entities, to go out there and expose themselves to voodoo economics by revaluing themselves and borrowing against that to the extent that their equity is so reduced that they are no longer viable or may be compromised. That is what the problem is. The Auditor-General alluded in his report to parliament that the practice which is being adopted by this government is so uncommon that he had not seen it anywhere before and it was bordering on illegal and may in fact have to be tested in court.

That is the difference between this government, which cannot manage the budget, and this coalition when it was in government insofar as its approach to our government owned corporations and the dividends requested of them. The fact that the government is stripping those dividends and stripping the equity from those government owned corporations and the assets which they own undermines the financial stability of those entities and puts this state in a very difficult situation.

Mr Lucas interjected.

Mr SPRINGBORG: The minister cannot answer a question relevant to Queensland. When we asked a question about why the wholesale price of electricity had gone down from $60 a megawatt hour to $16 per megawatt hour he jumped up and said it was due to tariff equalisation and something that happened in South Australia. That is the biggest load of rot I have ever heard. It is such a feeble, benign attempt to justify something. The simple reality is this: at a time when it was running at $60 per megawatt hour we were able to maintain the tariff equalisation process and people were paying less for their electricity. The minister's justification does not work. At least it should be the same. The whole point of the deregulation and freeing up of the electricity industry in Queensland was to provide cheaper electricity to large industrial users and also domestic consumers. What we have seen is domestic consumers in this state—

Mr Lucas interjected.

Mr SPRINGBORG: The wholesale price for electricity has dropped and one would have thought that the price paid would have followed that down. But what has happened? The wholesale price of electricity has gone down 75 per cent and the cost to consumers has gone up by six per cent. It is totally unjustifiable. What we are seeing here is basically a hands-free government. We have a Racing Minister who is not responsible for racing. We have an electricity minister who is not responsible for the ambulance tax, which is going to slug small businesses in this state. We have a Health Minister—

Time expired.

Townsville Multicultural Support Group

Mr BRISKEY (Cleveland—ALP) (11.40 a.m.): I rise to inform the House of a publication which I think members of this House should be very interested in—that is, a publication on living in harmony. I take this opportunity to table a copy of this publication for the benefit of the House.

Ms Nelson-Carr interjected.

Mr BRISKEY: It is an excellent publication. The publication was produced by the Townsville Multicultural Support Group Inc., or TMSG, a community based organisation which includes over 180 members from diverse ethnic backgrounds and which supports refugees and early migrants on arrival through a range of programs. Part of the mission of the TMSG is to promote a greater understanding of multiculturalism through tolerance and acceptance of people from different ethnic and cultural backgrounds. The project, entitled Living Harmoniously, was inspired by the responses of children to visits to their schools by members of the TMSG. By all accounts the schools were enthusiastic and delighted to participate.

These simple but extremely intuitive messages produced by the children in this booklet are an excellent reminder to us to promote living in harmony in our daily lives. The visits to schools by members of the group helped to demystify multiculturalism for schoolchildren. It also introduced them to people from different backgrounds and enabled them to meet people from other cultures

to help them see that we are all the same. The project also drives home an important message—that is, it is our differences which bring us together.

The booklet entitled *Tips for Living in Harmony* was produced by the group in conjunction with outback, inland and coastal north Queensland students. The main aim was to further the understanding of the riches of living in a multicultural society to school-age children. This project was inspired by the responses of children to visits by members of the group from such diverse countries as Fiji, Somalia, Borneo, El Salvador, Iraq, the Philippines and Ireland.

Twelve members of the group visited seven schools throughout the Townsville-Thuringowa, Hinchinbrook, Burdekin and Dalrymple shires. The members have lived in Queensland for between six months and over 20 years. Initially, the visits involved the members sharing geography, the language, song and traditional customs of their countries of origin and responding to questions from the students. As the children became more comfortable and developed trust, the members shared more personally their experience of settlement and the response by Australians. This led into discussions and exercises around the Living in Harmony theme. To get the students thinking, a prompt sheet of questions was provided and asked many questions, such as: how do you feel when you meet someone who looks and speaks differently from you? How do you think that person might be feeling? What can we do to make each other feel more comfortable? What is multiculturalism? There are many wars around the world, so what do we know that we could teach the world about living in harmony?

The tips from the children are truly insightful. Their ability to perceive the parallel between the need to resolve the little daily individual wars, hurts and resentments and misunderstandings and the resolution of world wars and conflict was inspiring and hopeful. Some of the tips which the children shared included, 'When you get angry, don't take it out with fists or battles. Try to talk,' and 'Try to recognise other countries, cultures, religions and do not step on each other's beliefs,' and 'We have enough love for our family. It's not hard to love other people also,' and 'It doesn't matter if we are white or black people or speak a different language,' and 'To tell them to be nice and not to fight anymore and just get on together,' and 'Say sorry to Aboriginal people because we took over their land and move on together with them.' I think there are some very good tips in there for some honourable members of this House to take notice of. In fact, I have sent a copy of the booklet to all honourable members.

The multicultural harmony project was a great success. Teachers have said that by creating an awareness of the impact and importance that migrants have on Australian society our children will hopefully grow up to be more tolerant and know a lot more about working together towards living in harmony. Some have said that they feel very privileged to have been involved in such a project, especially given the current news and topical issues such as the war against Iraq. In particular, Mingela State School had a unique situation where it was basically a one culture community—that is, all families own land and cattle in the area, children are from two-parent families—

Time expired.

Office of Governor-General; Health Services

Ms NELSON-CARR (Mundingburra—ALP) (11.46 a.m.): The furore surrounding the Governor-General has now finally run its course, but the way in which John Howard and Peter Hollingworth have performed during this debacle is nothing short of pure arrogance and it guarantees uncertainty about the office of Governor-General. Indeed, I would suggest that it is severely damaged. Peter Hollingworth could never win; the public campaign was never going to end; and his attempt to fight his critics was self-defeating, yet he arrogantly held on. Thank goodness sense prevailed. We picked a dud, so let us now move on and hopefully a woman will be appointed. When I say 'let us move on', it never ceases to amaze me how quickly we can lose sight of the daily issues that affect all Australians, such as health and education. By this I do not mean to trivialise the reasons for the publicity surrounding the Governor-General's position. Covering up paedophilia and sexual abuse of children is a heinous crime.

While we were fed daily doses of the catastrophe surrounding the Governor-General the health of Australians continued to be under threat with John Howard's plans to destroy Medicare and now our higher education has copped a devastating blow, taking us back to the Menzies days when higher education was a privilege for the rich, not a right for all. It means fee increases, deregulation—nothing short of bribery. Fees are now set to rise by 30 per cent and full fee-paying student fees can increase by 50 per cent. Thanks, John Howard! How ironic it is that he and his

colleagues—his middle-class colleagues—all had a free education paid for by the taxpayer. And his plans for Medicare are no different.

No more will Australians have the right to access affordable quality health care services. John Howard will, of course. His term of office has continued to erode our basic rights. The rate of bulk-billing by GPs has decreased by 11 percentage points, with only 69.6 per cent of GP services now bulk-billed, and more than 10 million fewer GP visits were bulk-billed this year compared to when John Howard first came into office. The average out-of-pocket cost to see a doctor who does not bulk-bill has increased by 55 per cent since John Howard came in.

In Townsville we have a federal member who continually deflects his government's mean and arrogant divisive policies by concentrating on state issues. He attacks our health system with no regard for patients and their families, frightening them rather than telling them the truth. It is ironic that he calls our health system chronic when he and his government did not contribute one cent to our tertiary hospital—not one cent. Now, with the new health care agreement, his government will be decreasing health funding to the states by $1 billion. What will this mean to our emergency departments? While he covers up, we get on with it and address critical areas the best way we can. The waiting times for cancer patients in Townsville had reached an unacceptable level, but we have addressed this in the short term and boosted the budget in the long term. Emergency patients will always be treated immediately, and the care and treatment of other patients is a priority.

I have nothing other than praise for the oncology unit in Townsville. I thank its outgoing director, Nick Wickham, who will be missed greatly. Nick has been a huge asset to Townsville. His compassionate, genuine and caring nature make him unique. I place on the record my thanks to Nick and wish both him and his wife all the very best in their new home. His suggestions for reform and his active recruitment for his replacement have been very welcome. Thank you, Nick.

Although recruiting for radiotherapists continues to be a worldwide problem, Queensland offers a package that is extremely attractive. The member for Herbert should be lobbying his government on this important issue. Commendably, after intense persistence by state health ministers, the Commonwealth increased university places for radiotherapy training and new graduates will begin next year. However, it has not committed to any further funding, and that is not good enough.

I say to those families suffering the heartache of cancer: be assured that we are doing everything we can to help make you well. It is worth remembering that, despite recent media reports, the truth is that Queensland radiation therapists are already the second highest paid in Australia behind New South Wales, which has a much higher cost of living.

Cancer treatment services will get a multimillion-dollar boost in the state budget to shorten waiting times. This will include a million-dollar recruitment and retention package for the 170 radiotherapists and physicists working in radiation therapy in Brisbane and Townsville. This package will include a special training allowance, special scholarships, generous relocation incentives and an extra educator position in Townsville. This latest package will make Queensland even more attractive for recruitment, considering that it is acknowledged Australiawide that we have the world's best technology for treating cancer patients.

Government Owned Corporations, Dividends

Mr QUINN (Robina—Lib) (11.50 a.m.): It is becoming all too apparent that the government has become addicted to squeezing special dividends or equity returns out of government owned corporations. This is for one very good reason: over its first term, the government raided every hollow log and upped the dividend rates to 95 per cent of profits from GOCs, leaving nothing else to raid or to get out of the system. That is why we are seeing all of these special dividends, equity returns and share buy-backs. All of these creative accounting measures are being put in place to rip out of GOCs as much money as possible to prop up the government's failing budget bottom line.

We have only to look at what it did over the previous couple of years in the power industry to understand how reliant it has become on this new creative accounting method of finding cash for this cash-strapped government. In the previous term of the government, in budget year 2000-01, it took $150 million out of Powerlink. In the 2001-02 budget, Energex contributed $150 million under that special deal highlighted by the Auditor-General. If ever there was a shonky deal, that stands as the hallmark of a shonky deal. The Auditor-General raised issues about whether or not it was legal, whether it was standard proper accounting practice and whether it had been done

anywhere else in Australia. That is the sort of thing that Alan Bond and Christopher Skase made into an art form. They declared special dividends after revaluing assets. When the balloon burst, the assets were no longer there. That is how the house of cards collapsed. The government has employed exactly the same creative accounting procedures in this instance, which is really an exercise in funny money.

As I said, the Energex deal was worth $150 million. In the following financial year, 2002-03, it was into Energex and Ergon again for another $50 million. More importantly, today the Treasurer flagged that the special dividend coming out of Stanwell, Tarong and CS Energy—the $165 million highlighted by the *Courier-Mail*—has not been used to prop up the 2002-03 budget; it will appear in the forthcoming budget. We know where $165 million will come from—out of that area. Put in another $50 million out of Ergon and Energex and we have $215 million coming out of the funny money tricks that the government is indulging in to prop up a budget that looks pretty disastrous.

Mr Horan: Queensland Rail—buying back themselves.

Mr QUINN: Yes, there are all sorts of creative tricks. At the end of the day, what are they revaluing? Powerlines, poles and railway sleepers—all of the things they can never sell off, anyway. We see a desperate government searching for creative ways to generate cash to prop up its bottom line. At the same time, what are the people of Queensland getting? They are not getting increased government services; in fact, they are getting poorer government services. The number of hospital operations performed by Queensland Health over the past two years has been fewer than the number performed five years ago. How can the government justify raiding the GOCs, propping up its bottom line and, at the same time, delivering poorer services to the people of Queensland? That is what is going on. And where we are not seeing poorer services, there is an increase in prices—for example, an increase in rail fares or an increase in electricity prices. This is happening all the way down the line.

This is a typical Labor government; we see higher taxes and charges, hollow logs being raided and, at the same time, poorer service delivery. What a pathetic excuse for a government this one is turning out to be. There is plenty of PR through the Community Engagement Division. The government spends $25 million every year on fancy brochures on community engagement to cover up the disgraceful mess in terms of service delivery this government is sitting on.

Mr Terry Sullivan interjected.

Mr Lucas interjected.

Mr QUINN: Government members do not like it; they know it is true. They should talk to the people trying to get an operation. They will tell them that, time and time again, their surgery has been deferred. Some cannot even get on the waiting list. Is it any wonder that people around this state are now saying that this government is broke?

Time expired.

Voting Age; Youth Participation Strategy

Mr NEIL ROBERTS (Nudgee—ALP) (11.56 a.m.): The Beattie Labor government has demonstrated its genuine commitment to actively engage young people and their communities in the decision-making processes of government. Our current youth policy states that we will continue to promote positive images of young people and promote their inclusion in the community and in government decision making. The government's Youth Participation Strategy is the vehicle by which this commitment is being delivered. It has four main elements: a state Youth Advisory Council made up of 15 young Queenslanders who meet regularly to advise the government on legislation and issues affecting young people; regular online chats with ministers; the Generate web site, which provides information and opportunities to give feedback on government decisions and programs; and the Get on Board initiative, which aims to put more young people on government boards and committees.

We also have funding programs for both youth organisations and individuals to support ideas that engage young people in issues affecting their local communities. Underpinning our commitment to youth is the cabinet endorsed Youth Charter, which sets out the way in which government departments will consult with young people when they are developing policies, programs and services that directly affect them. The Youth Participation Strategy is, and will remain, an integral part of our commitment to proactively engage young people in their

communities and in government decision making. However, in my view, it is time to take this initiative one step further.

I believe the government should now consider lowering the voting age to enable more young people to actively participate in the democratic process. I believe there is a strong argument to lower the voting age to at least 17 and possibly 16. Young Queenslanders of this age are increasingly the subject of legislative reform and regulation. Lowering the voting age would give them a real say on these issues and in how their state and communities are governed. It would also be a natural extension of our existing youth participation initiatives and an expression of our confidence in our young people's ability to make a meaningful contribution to the governance of our state.

Young people today are better educated, they deal with a more complex and changing world and, through the many examples of their active participation in community affairs, demonstrate that they are ready to directly participate in our democratic processes. The voting age in Queensland was lowered to 18 in 1973. That was 30 years ago. It is time to do so again. If the voting age is lowered, it should be on a voluntary basis until the compulsory age of 18. Prior to its introduction, an appropriate transition period is required to identify necessary safeguards and to properly inform the next generation of voters about the new opportunity that awaits them.

The notion of lowering the voting age is not new. In March this year in the United Kingdom the House of Lords has passed the Voting Age (Reduction to 16) Bill, which has now been sent to the House of Commons for further debate. A private member's bill was also introduced into the Legislative Council in New South Wales in May this year. Internationally the movement to lower the voting age is gaining momentum, particularly in the United States and Canada. In Cambridge Massachusetts, 17-year-olds can now vote in local authority elections, and in the State of Maine, a bill has been passed to change the voting age to 17 subject to affirmation in a statewide referendum.

In Hanover, Germany, 16- and 17-year-olds were recently allowed to vote in a local election, and their turnout was higher than that for those between 18 and 35 years of age. Active participation in our democratic processes is an essential part of a healthy democracy. The power of one's vote is fundamental to this and it is time we extended the privilege to younger Queenslanders who I believe have the capacity to differentiate between the policies and platforms of political parties and candidates and to make meaningful contributions to public debate on issues that affect them.

One of the most common arguments against extending the vote to younger people is that they may be susceptible to the pressures of their parents and others when they cast their vote. This was precisely the main argument used to deny women the vote in the 19th and early 20th centuries. That argument was wrong then and it is wrong now. I commend this idea to the House.

General Agreement on Trade in Services

Mr FLYNN (Lockyer—ONP) (12.00 p.m.): How many times does One Nation have to deliver the warnings about GATS to members of this House and to the federal government before they get the message that, no matter the benefits they see on paper—if there are any—they are far outweighed by the certainty of job losses to Australia in the long term due to the removal of profits to overseas interests, the use of largely foreign labour, as we see now, particularly in the area of health, and the use of Australian assets and ideas for the benefit of multinational companies.

The Premier will recall the question without notice that I asked him on 13 May in which I questioned his apparent about-face on the free trade agreement with America. In the beginning, I thought our Premier had seen the light when he said that he had great concerns about this proposed agreement. He later regarded the free trade agreement—or suggested free trade agreement—in a different light and was encouraged that it could be in place by the end of the year.

The Premier said that the basis of his backflip was his correspondence with Mark Vaile, the federal Minister for Trade. I have read the papers from the minister's office, including his letter to me dated 7 May, and another glossy brochure that has been issued by the Department of Foreign Affairs and Trade extolling the virtue of the American position. America, America, America! Why is it, leaving aside the recent world conflict, that we sign everything that America puts forward? On reading the briefing on Australia-United States Free Trade Agreement No. 1 2003, I saw that every other sentence referred to the US. This alone should ring alarm bells.

We need to discuss fair trade and not free trade, which favours only the big players, which we are not. This government, and in particular the Premier, has supported Australian involvement in the film and television industry and has seemed to encourage the growth of the Australian film industry with the establishment and subsequent development of Movie World. In that light, I find it incomprehensible that this Labor government should support an arrangement whereby we will witness the demise of the Australian film and drama industry. At the moment, about 55 per cent or thereabouts of our television programs have Australian content. In my mind, it should be more, but, truthfully, I agree that we cannot lock out competition; it is anti-productive. But according to industry spokesman Mr John Wood—of *Blue Heelers* fame—the agreement risks seeing the Australian film and drama industry diminishing to nothing in the path of the American juggernaut containing a plethora of the usual rubbish that they produce masquerading as drama. I ask members to imagine 24 hours of *The bold and the beautiful* or *The young and the restless* as opposed to the meaningful drama and films that we produce here which are put together by Australian actors, directors and producers.

This is just one example of the downside of being the junior partner in such a wide-ranging agreement. What will we do when the European Union pursues its interests in our postal services, as expressed last year, and more recently our health services—although, given Queensland's Health recent record, we could not do worse. In many ways, Labor and the federal Liberal-National party seem to be the same party; they just swap power every now and then. I say: wake up Queensland and Australia. Do not sell our economy and our resources to Uncle Sam.

Fishing and Tourism Industries, Far-North Queensland

Dr LESLEY CLARK (Barron River—ALP) (12.04 p.m.): I would like to take this opportunity to draw to the attention of the House the impact of the SARS virus outbreak on two key industries in far-north Queensland: our tourism and live fish export industries. In April, international visitor arrivals were down 37 per cent compared to the number of arrivals last year, which equates to some 2,000 missing international tourists a week, primarily from Asia. Tropical Tourism North Queensland CEO Bill Calderwood has estimated that far-north Queensland tourism businesses can expect to see an average drop of 25 per cent this season due to the impact of the war in Iraq and the SARS health crisis. These impacts could translate into a cut of up to $100 million from the far-north Queensland economy and put up to 5,000 jobs in jeopardy.

But we are hoping that we have experienced the worst. The good news is that domestic tourism is up seven per cent following the major promotional campaign in Australia and New Zealand by the state and federal governments. Also, a survey reported in the *Cairns Post* today indicated that, within Australia, Cairns is No. 1 on the travel wish list of Japan's 130 million people, which is a testament to the great work that the TTNQ has done over many years. Of course, we still have to convince them to get on a plane and come here. We will continue these efforts, as will the state and federal governments.

Yesterday, the managing director of the Australian Tourism Commission, Ken Boundy, said that the commission had already begun rolling out campaigns in Japan, Ireland, the US and the UK, where consumer confidence is growing. Today in the House, Tourism Minister Merri Rose informed honourable members that we have just launched tourism recovery operations in our key overseas markets which should act as a catalyst for travellers to return to Queensland.

While the industry continues to seek additional government support, the inaugural Tropical Tourism North Queensland regional conference yesterday focused on finding opportunities from the current crisis. As Bill Calderwood stated—

> It is imperative that we now gather our resources and move on with strategic and flexible marketing in our domestic and international markets. The conference will examine the management of risk and how we as a region have and will respond to the current situation.

Tourism Queensland boss David Geshwind also had a very important message for the conference delegates, namely, the need to learn to become better risk managers because the tourism industry needs to recognise the fickle, vulnerable nature of the market.

Since 1989 in Cairns we have experienced the pilots' strike, Iraq War I, the Asian economic crisis, September 11, the Ansett collapse, Iraq War II and now SARS. As much as we would hope, there is probably no such thing as a normal year in the tourism industry anymore, and workshops are proposed for tourism operators to help them become better risk managers. The state government's recently released tourism crisis management plan will enable Queensland to

respond more rapidly and effectively to industry shocks, which can be anything from natural disasters to terrorist attacks or airline collapses.

The tourism industry is not the only one to be a victim of the SARS crisis in Asia. The live seafood export industry is really struggling. About $3 million to $4 million worth of fin fish a month is usually exported from Cairns, with 95 per cent of it going to Asian destinations, with Hong Kong by far the biggest buyer of all. Over the past eight weeks, demand has suddenly dropped to almost nothing with the widespread closure in Hong Kong and other Asian markets of restaurants and bars in response to the presence of the deadly SARS virus.

This is undoubtedly the worst crisis to hit the local fishing industry ever. Whilst the effect of SARS is showing some improvement, the industry estimates that it will take the state's fin fish fishery much more than a year to recover completely. Given that the seafood industry is the Cairns area's third largest industry and Cairns has the largest fishing fleet in Australia, the region is being particularly hard hit.

Ecofish, the seafood and marine industry cluster in far-north Queensland, is seeking an opportunity to meet with the Premier and Primary Industries Minister Henry Palaszczuk during the next two weeks to update them on the current situation in relation to SARS and to seek the government's support in assisting the industry to access exceptional circumstances assistance from the federal government. The fishing industry has never before accessed this scheme, but I believe that it has a very strong case. I hope that it will be possible to fit such a meeting into the Premier's busy schedule, because it is a very serious situation.

Fishers also want to discuss the possible deferral of the implementation of quotas planned as part of the coral reef fin fish management plan that is expected to be enacted from July this year by the Queensland Fisheries Service. Line fishers are seriously concerned that, with the fishing effort already severely reduced this year due to the SARS-initiated Asian market losses to which I have referred, new quotas starting in July will mean further reductions in their already very low or nonexistent incomes. I hope that this request will be given favourable consideration.

Our region and these industries have proven resilient after past crises and will no doubt bounce back again in the future. But the government has a role to play at this time and I urge our Premier and ministers to provide support, in partnership with the industry, to assist them to work through this difficult time.

Racing Industry

Mr HORAN (Toowoomba South—NPA) (12.09 p.m.): We have seen the Minister for Racing refuse to answer a question without notice in this parliament. I have now received two replies to questions on notice in which she has once again refused to answer.

We in this House often talk about honesty and accountability. We talk about giving the taxpayers of this state fair value for money. In this parliament we have a minister who takes the salary and takes the car but will not answer questions in parliament. She says, 'Ask Queensland Racing.' Queensland Racing does not sit in this parliament. She is the Racing Minister. She is the one who is responsible for racing in this state. It is an absolute disgrace and a shame on the Premier and the Labor Party that a minister responsible for a portfolio refuses to answer legitimate questions about that portfolio—questions about race dates and questions about stewards. She walks away and turns her back. That is an example of what this government has done. Almost 200 country race dates have been cancelled because the government has taken away their $24,000 of funding. Then there is the stunt of the community racing package, where clubs may get up to $5,000, of which only about half is for prize money, whilst $24,000 of prize money is taken away.

We have heard all the words of praise for volunteers. We have heard all the words of praise for the Year of the Outback. But what does the government do at the first opportunity? It turns its back on country racing, it turns its back on volunteers and it turns its back on the important social events in these areas, the jobs, the economy and everything else that is so important and so precious about country racing.

This is a government that does not care. It is disinterested, and its Racing Minister could not give a fig about anything. She does not care about the racing industry. This Racing Minister does not care. I will tell the House why that is the case. This portfolio is going under Labor. The government will shift it into Treasury and put racing with the Office of Wagering. There will not be a Racing Minister. That is how little this government cares about racing in this state. The only

reason the Racing Minister is still in the job is that there will not be a job. Why give the job to someone who might be a bit interested and might try when the job is going to go anyway? So we have only a de facto Racing Minister until Labor gets rid of the portfolio.

Why would Queensland Racing want to get rid of a chief steward who had a contract until August? Why would it want to sack him in the middle of our great Winter Racing Carnival? Why would it not keep that person, who was considered by the industry to be rolled gold when it came to integrity and knowledge of the industry? He is thought to be straight down the middle, fair, honest and accurate. The handling of the chief steward issue was an absolute disgrace as was the sacking of the other stewards. Of course, it was probably done to provide a position for some senior public servant from the minister's department. Once this government has gotten rid of the racing department and there are no jobs, it will shift those officers to the integrity section.

I will give two examples of the effect of this government's disinterest in racing on ordinary, good, decent people. The Maranoa Diggers Race Club will lose its one race day a year, which it holds on Caulfield Cup day. The Downs Harness Racing Club lost all of its dates. It went to court and fought the decision to remove its race dates. It got them back through an expensive court process. With this government in charge, the Downs Harness Racing Club will lose every single one of its 26 race dates—even though this club is basically supported by volunteers, even though this club has returned off-course totalisator dividends the equivalent of or better than the Gold Coast and Redcliffe clubs and even though it has a lower cost of racing per race meeting than the other two clubs. Queensland Racing will wipe out this club with this narrow-minded view, which will take harness racing out of rural areas of the state and out of one of the great breeding and competitive areas of the state. The Maranoa Diggers Club—proudly a diggers club—holds a race day once a year. It is the heart, backbone and soul of Mitchell in terms of fundraising. The scouts, the kindergarten and the pony club are all involved. They do well out of that one race day a year, as do their neighbours at Morven. That is gone.

What does that say about how the government cares about rural communities, our great racing industry, volunteers and community organisations? This is a government that is broke. It is a government that could not care less. It is a government that harbours and hides a minister who is totally and absolutely disinterested in racing. It is a shame—a shame on the Labor government and a shame on the Premier who keeps the Racing Minister there.

Time expired.

Fishing Industry, Cairns

Ms BOYLE (Cairns—ALP) (12.14 p.m.): I am sorry to inform honourable members that the fishing industry in Cairns is in major strife. The fishing industry is facing the worst crisis in its very long history in the far north. The fishing industry has contributed much to the lifestyle and health of the people of far-north Queensland. It has contributed very importantly, in a growing manner over recent decades, to the economy of far-north Queensland.

Cairns has supported, still supports and hopefully in the future will support the largest fishing fleet in Australia, with over 800 vessels fishing regional waters for prawns, reef and freshwater fish, crabs, bugs and lobsters. Of particular note are live reef fish and sashimi quality tuna, both of which are exported via the direct air links to Japan, Singapore and Hong Kong. Aquaculture activities continue to grow, with a focus on prawns, barramundi and red claw. The total value of fishing catch is approximately $144 million. My comments in summary of the industry's contribution in far-north Queensland are taken from the chamber of commerce's annual report for 2002.

We are very proud of the industry in Cairns, but it is time now for all of us who are able to assist to stand behind the fishing industry, facing as it does a dreadful crisis consequent on SARS. Whereas about $3 million to $4 million worth of fin fish a month are usually exported from Cairns, with 95 per cent of that going to Asian destinations—Hong Kong is by far the biggest buyer of all—trade has declined to almost nothing within a matter of six to eight weeks. Over the last eight weeks demand has dropped and dropped, and there is still not a sign of recovery, despite there being some positive signs of movement in the tourism market. The prices have dropped as well. In fact, some of the prices offered per kilo for these fine tropical fish are lower than the cost of catching them and sending them to market.

There is no doubt that this is a dreadful time, not only for those who own and operate the fishing boats and trawlers but also for all of those who work in the industry and for their families. I know that many of the trawler owners are doing the best they can to find other work within the

industry—repairs, maintenance and other useful jobs—to try to keep their employees on, but this cannot go on much longer. Already it has been necessary to put off many employees. That means there is a very wide flow-on to families around Cairns and the broader region.

I am able to offer some figures to members to demonstrate the seriousness of this crisis. Whereas normally in March there is around $5 million of trade in tuna, particularly out of the port of Cairns, most of it to Japan, in April that figure had dropped to $1 million. Whereas the price of fish domestically is usually high, that, too, has dropped and our industry now, with its fine barramundi and its famous seafood, has reached rock bottom.

The current price for export live coral trout is about $24 per kilo. The break-even figure is around $18 a kilo. That the trade has in times past been very lucrative is indicated by the fact that the yearly average price for a live coral trout is around $33 a kilo and the best price, around Chinese New Year, is $70 a kilo.

Quite properly the industry is turning to governments, federal and state, for some assistance. It is asking for meetings with the Premier as the Minister for Trade and with the Minister for Primary Industries. It particularly requests that this state government delays the implementation of the fin fish fishery plan, on which we and the industry have been working for so many years. The difficulty in the industry's bottom line is already serious. It will take years to recover. It is my view that we should do all that we can as a government to support this industry through a most extraordinary crisis. If delaying the implementation of the fin fish plan will assist, then we should certainly do so.

I hope indeed that the industry representatives who spend so much time speaking on behalf of their industry, going beyond the call of duty in terms of working to grow the industry and to support it, will indeed be given a meeting with the minister and the Premier as soon as possible. In the meantime, I am pleased to inform members, however, that there is some improvement in the tourism numbers coming to Cairns. It appears that the SARS crisis may be coming to an end.

Mr DEPUTY SPEAKER (Mr McNamara): Order! Before calling the honourable member for Gladstone, I would like to recognise the presence in the gallery of staff, students and parents from Beerwah State High School in the electorate of Glass House.

Mr and Mrs Jeffers

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (12.19 p.m.): I rise to speak on behalf of a resident in my electorate, Mrs Jeffers, who has been diagnosed by her Brisbane based haematologist with pure red cell aplasia. The initial prognosis was that Mrs Jeffers would be transfusion dependent. One of the consequences of that can be an iron overload and that creates other health problems. Dr Morton, her specialist, recommended she have a trial of injections of EPO twice weekly for six weeks, and if the trial was successful it was recommended that the treatment be continued monthly with counts every three months to ensure a monitoring check is done on her condition.

The six-week trial was concluded in the first week of April. The superintendent of Gladstone Hospital supplied and administered the EPO, and he advised Mrs Jeffers after that trial that she was ineligible for assistance because of the type of problem she faces. It was also mentioned to Mrs Jeffers that the drug required for the two-injection treatment was approximately $1,100. Both Mrs Jeffers's GP and her specialist believed that the trial was successful and that it maintained an acceptable level of haemoglobin, enough to avoid the necessity for blood transfusions. Her specialist in Brisbane recommended the continuation of that treatment.

However, on the basis of the decision of Dr Mottarelly at the hospital, Mrs Jeffers has been refused that treatment. She was getting the blood transfusions until she started the EPO treatment from the Mater Hospital, whereas the EPO was administered by the general hospital. This is a special circumstance in the case of Mr and Mrs Jeffers; both are pensioners and Mr Jeffers is also receiving treatment in Brisbane for bowel cancer. Therefore, the emotional situation in that house is certainly sensitive.

I wrote to the minister asking that the base hospital receive additional resources to allow them to extend Mrs Jeffers's treatment with the EPO injections because they are efficient and much less invasive. I sent that letter to the Minister for Health. In her latest blood test subsequent to this treatment, Mrs Jeffers's blood count has improved to 10. If it falls under eight, she requires transfusions. So the injections were working and they were providing a safe, comfortable and clinically sound treatment for Mrs Jeffers.

The Minister for Health responded—and I would like to thank Michael in the minister's office, too, for his assistance—and in part states—

This medication is available under Section 100 of the National Health Act 1953 for the 'treatment of anaemia requiring blood transfusion associated with chronic renal failure'.

Mrs Jeffers's diagnosis is slightly different to that, but the treatment is no less successful and, as far as her specialist is concerned, appropriate. In what time is available to me, I would have to criticise the Pharmaceutical Benefits Scheme, because in many instances it prescribes medication under the PBS only in given circumstances. If a doctor finds there is a very good clinical outcome with that same medication in a slightly altered situation, the patient is not eligible to receive the medication under PBS. They have to pay for it at full cost, and at $1,100 a week for the two-injection treatment it is well outside the Jeffers's affordability.

The Minister for Health goes on to say—

Given the rapidly growing pressure on the health budget with increasing demand for high cost drugs, it is difficult to justify this expenditure when a cheaper alternative is available. While it is acknowledged that Epotein may be a more convenient treatment, it is believed that Mrs Jeffers should be able to achieve an equivalent clinical response with the alternative treatment. This situation differs from patients having chemotherapy where expensive treatment may be life saving or provide significant improvement in quality of life.

My belief is that it has improved her quality of life, and I table those two letters.

Mrs Jeffers is due to have another blood test tomorrow—that is, Wednesday the 28th. The results of that test will determine whether she has to have more transfusions. I call on the Minister for Health to follow past guidelines for medical decisions—that is, that best clinical outcomes are the overriding consideration—and allow Mrs Jeffers this treatment. I call on the federal government, through PBS, to be more accommodating in the guidelines that it sets out for medication available under the PBS, particularly where a good, sound, less intrusive treatment can be achieved.

Public Housing

Ms NOLAN (Ipswich—ALP) (12.24 p.m.): I am a big believer in public housing. I support it philosophically because it provides security for vulnerable people, and I support it because of what it has done for my family. My grandmother was left with no money to raise three children on her own, and that is what she did. All of the three have had successful careers and made a huge contribution to society. My uncle is CEO of one of Australia's top 100 companies.

The family were brought up in a housing commission house in Warwick, and there is no doubt that without the security of that home they would not have even stayed together, let alone grown up to be so strong. No-one can raise a family while battling a greedy landlord, finding someone to get the stove fixed and being shunted from dump to dump all over town, but in Ipswich today that is what is happening to families. Families evicted from the closing Riviera caravan park are searching for somewhere to go. People are stretching friendships by staying over with friends. Women are finding it hard to get out of violent situations, and every day support agencies are turning people away.

Today the Queensland Council of Social Services is labelling Queensland the homelessness state. That is how big an issue this is. There are many reasons for the rise in homelessness. Tenancy databases run by cowboys are keeping people out of the private market. The recent stock market boom and bad publicity about so-called tenants from hell are keeping middle-class investors away from rental property, and in Ipswich the huge rise in house prices has pushed rents up. The big reason, though, is that the federal government is walking away.

Since 1998 the Beattie government has increased its own commitment to public housing from $330 million to $475 million. We are in the process of pushing through world first legislation to regulate tenancy databases, and we are leading the nation in exploring innovative approaches, like the Brisbane Housing Company. When it comes to housing, though, the Howard government does not care.

Since the Second World War, when Australia initiated public housing to cope with returned soldiers and the baby boom, the federal government has been primarily and unarguably responsible for public housing. But the Howard government does not believe in public housing. It has withdrawn $90 million from housing in Queensland over the last four years and is planning cuts of $174 million over the next Commonwealth-State Housing Agreement. It has cut so much money that, while in the early nineties there were around 2,000 new public houses being built each year, there are now around 300. The Howard government does not even have a minister for

housing. Rather than funding public housing, the Howard government has an ideological agenda to put its money into rent assistance and into the incredibly inequitable $7,000 first home buyers grant.

The Howard government wants to put a bit of money into people's pockets and let the market do the rest. But the market is not doing the rest. Last year an Ipswich domestic violence and housing forum, organised by Carmel Brown, Amy Stockwell and others, was told that in one year Booval Community Service turned down 719 requests for housing, while the Ipswich Independent Youth Service was around the same. The issue for these agencies is that, while we can get people into emergency housing, there is then nowhere for them to go.

The quality of low-cost housing on the private rental market in Ipswich, as I am sure it is elsewhere, is very poor and rent assistance does not help that. It is not just the supply. A very respectable single mother friend of mine recently pointed out the vigour with which some real estate agents enforce social prejudices. You might have rent assistance in your pocket, but if you are a woman with two kids and a dog or if you are Aboriginal you will find trying to find a cheap place to live on the private rental market a very demoralising experience.

I am the first to acknowledge that this issue is more important than to be turned into a political football, but I do believe that when it comes to housing the community sector and the state government really are working. The primary responsibility for housing funding is now and has always been federal. The housing shortage is affecting real people right now. Unless the federal government realises that the market is not going to fix this, it will get worse. Without a real commitment to quality public housing, we will see more homelessness in Ipswich and right across Queensland, and that is something for which we will all pay.

MINISTERIAL STATEMENT

Australian Magnesium Corporation

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (12.30 p.m.), by leave: The Australian Magnesium Corporation provided an update on the project through its release of 26 May 2003, to which I will refer. The Commonwealth and state governments have jointly recognised the importance of the AMC project to the development of value adding industries. I remain satisfied that the public investment in the project is in the national and Queensland's interest.

The April announcement and subsequent letter to shareholders indicated a number of facts about the current status of the project: AMC has been unable to reach agreement with its principal contractor, Leightons, on the lump sum price for the engineering, procurement and construction contract; AMC would pursue an engineering, procurement, construction and management strategy involving United States based Fluor Corporation and Leightons which would require approval from its banks; AMC has requested Fluor to deliver a detailed capital cost and schedule review by early June; while early indications are that some $150 million to $200 million in additional capital will be required to support the project, the exact level would determined after the Fluor review; this additional capital requirement may involve the participation of new parties; in addition, the new engineering, procurement and construction contracting strategy will necessitate additional balance sheet support; and production of first metal would be deferred from fourth quarter 2004 to first quarter 2005.

AMC has stated in its letter to shareholders that 'the business case fundamentals underlying Stanwell's international positioning remain sound'. The state is not aware of anything that would indicate a contrary position. AMC also announced on 26 May that the project required the introduction of new partners. They also indicated that they were seeking interim funding support from key stakeholders until any new partnership arrangement could be finalised. It remains a matter for the company to work with Fluor, Leightons, its major shareholder, Newmont, and its banking syndicate to implement its strategy to ensure that the project is delivered.

The state will continue to honour its contractual commitments and I expect that the Commonwealth government will do likewise. As honourable members would be aware, the Commonwealth and the state have pledged considerable infrastructure and financial support to the project. This support is on commercial terms and is the subject of various formal legally binding agreements with the company. These arrangements, which are set out in the AMC prospectus for its distribution entitled securities, are as follows:

Commonwealth

guarantee facility to assist AMC in obtaining total funding of $100 million;

CSIRO research and development commitment of $50 million.

State

$100 million subordinated loan to be used to fund distributions on the distribution entitled securities. This loan is now unconditionally committed and will be paid back by AMC when the project proceeds.

distribution support facility to a maximum of $28 million. This facility has now been repaid to the state.

$50 million to establish state owned infrastructure in the proposed Stanwell Energy Park which is subject to the payment by AMC of user charges. There is no obligation for payment by the state until the infrastructure has been constructed by AMC.

$70 million Stanwell Corporation Limited additional contingent cost overrun facility. This facility cannot be called on until after bank finance has been fully drawn.

$8 million Stanwell Corporation Limited working capital facility. This facility has now been repaid by AMC.

buyer specific infrastructure, particularly that pursuant to Stanwell Corporation Limited's energy supply agreement and water supply agreement. Construction of certain elements of the infrastructure has commenced. Stanwell has protected its interests through guarantees from banks and AMC.

Complex arrangements for the project are in place to protect the state's investment. These are specified in the various project agreements, including the individual agreements in respect of each of the facilities I have just outlined. The state subordinated loan and the Commonwealth guarantee are secured against the project's assets and rank equally, but behind the banking syndicate and Stanwell.

Until the bank's debt facilities are drawn down by AMC, the state and Commonwealth have priority call on the project's assets. The bank debt facilities can only be drawn down once a range of conditions are met, including an agreed cost estimate for the project, and sufficient funds are in place for the project to proceed. We will continue to closely monitor the situation as AMC endeavours to bring the project to fruition. The state does not intend to increase its current level of support for this project.

In conclusion, I would hope that those reporting this matter—and there will be some—take into account my ministerial statement to ensure that it is balanced.

Madam DEPUTY SPEAKER (Ms Jarratt): Order! Before calling the honourable Treasurer, I welcome to the public gallery teachers and students from Varsity College in the electorate of Robina.

MAJOR SPORTS FACILITIES AMENDMENT BILL

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Deputy Premier, Treasurer and Minister for Sport) (12.34 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to amend the Major Sports Facilities Act 2001.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Mr Mackenroth, read a first time.

Second Reading

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Deputy Premier, Treasurer and Minister for Sport) (12.34 p.m.): I move—

That the bill be now read a second time.

The redevelopment of Suncorp Stadium has been overseen by the Stadium Redevelopment Authority, established under the Major Sports Facilities Act 2001. With the redevelopment nearing completion, it has been necessary to look at the commercial arrangements to effect the transfer

of the stadium to the Major Sports Facilities Authority. The Major Sports Facilities Authority is the body established to manage, use, operate and promote Queensland's major sports facilities.

In examining these matters, there is potentially some ambiguity in the Major Sports Facilities Act 2001 which, technically, could prevent the Stadium Redevelopment Authority from entering into a commercial arrangement with the Major Sports Facilities Authority. This bill, therefore, adds clarity to the existing powers of the Stadium Redevelopment Authority and Major Sports Facilities Authority in order to allow the Major Sports Facilities Authority to acquire and operate Suncorp Stadium.

The bill provides the Major Sports Facilities Authority has and always had the power to enter into commercial contracts with the Stadium Redevelopment Authority in relation to the acquisition of Suncorp Stadium and without Governor in Council approval. The Bill further provides the Stadium Redevelopment Authority has and always had the power to enter into commercial contracts with the Major Sports Facilities Authority to dispose of any part of Suncorp Stadium without Governor in Council approval.

In addition, any works acquired or to be acquired through the Coordinator General under the State Development and Public Works Organisation Act 1971, section 134, may also be disposed of to the Major Sports Facilities Authority under a commercial contract.

I have informed the opposition that it will be necessary to pass this legislation this week as the transfer will take effect on Friday. I have given the opposition the courtesy of advising it that that will need to be done. I commend the bill to the House.

Debate, on motion of Mr Lingard, adjourned.

HIGHER EDUCATION (GENERAL PROVISIONS) BILL

Hon. A. M. BLIGH (South Brisbane—ALP) (Minister for Education) (12.39 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to provide for the approval of the establishment or recognition of universities, approval of the operation of overseas higher education institutions or interstate universities, accreditation of courses offered by non-university providers, and for other purposes.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Ms Bligh, read a first time.

Second Reading

Hon. A. M. BLIGH (South Brisbane—ALP) (Minister for Education) (12.39 p.m.): I move—

That the bill be now read a second time.

In March 2000 the Ministerial Council on Education, Employment, Training and Youth Affairs, comprising all federal, state and territory education ministers, approved a set of national protocols for higher education approval processes. These protocols are a key element of a national quality assurance framework for Australian higher education and have been designed to ensure consistent criteria and standards for all higher education approval processes across Australia. The current act which regulates such approval processes in Queensland commenced in 1993 and therefore does not reflect the new national framework. The Higher Education (General Provisions) Bill 2003 will ensure that Queensland's system is fully compliant with the new national protocols, that the language of the legislation reflects the state's current drafting practice, and that necessary improvements to the approval processes are included in the legislation.

The bill is structured around four approval processes—the establishment or recognition of universities, the approval of the operation of overseas higher education institutions, the accreditation of higher education courses offered by non-university providers, and approval for interstate universities operating in Queensland through an agent. The first aspect of the bill incorporates the processes relating to the establishment and recognition of new universities in Queensland. All new universities will be subject to a review of their operations five years after establishment or recognition. For universities established in another state or territory, there will be a provision that listing in the relevant Australian quality framework register is an additional criterion for recognition in Queensland.

Although the current act provides for an approval process for foreign universities wishing to operate in Queensland, it provides limited scope for quality assurance and sets no time limit on their approval to operate. This bill introduces a requirement that overseas higher education institutions be approved by the minister, in accordance with the national protocols, in order to operate in the state. Approvals will be subject to cancellation where the institution's delivery of courses in Queensland does not meet the uniform national standards. A new application and renewal procedure will be established with a maximum approval period of five years. Transitional arrangements will enable current approval holders to transfer to the new system within 12 months of the commencement of the new act.

The bill carries over most of the current procedures applied to non-university providers offering higher education courses. However, it updates the requirements to ensure conformity with the national protocols and increases transparency for applicants. Providers will be required to supply course survey data to the minister annually as well as an annual report, which will provide forward information on accredited courses and delivery arrangements and governance and financial matters that will allow the minister to monitor ongoing compliance with the accreditation criteria. I seek leave to have the remainder of my second reading speech incorporated in *Hansard*.

Leave granted.

In common with all other Australian jurisdictions, higher education providers accredited in other states and territories will no longer be automatically recognised in Queensland. A process will be added for such providers wishing to operate in Queensland, with current interstate providers being transitioned to the new system within the first twelve months of the new Act's commencement.

Interstate universities

Interstate universities properly established in another state or territory are currently able to operate in Queensland without restriction. In this Bill, that position will remain except for interstate universities which operate in Queensland through an agent or similar third-party course delivery arrangement. Interstate universities wishing to operate in this way in Queensland will be required to provide a written guarantee that they will comply with their National Protocol responsibilities for the courses they deliver in this State through their agent. The Minister may cancel the approval to operate through a particular agent while still recognising the university operating in its own right or through another agent, if this is warranted.

General

The Bill also provides for reasonable powers of inspection to enable assurance that all providers of higher education in Queensland are operating at nationally agreed quality standards, and provides for a show cause process should problems be uncovered. All decisions of the Minister will be subject to review by the District Court.

Penalties are also mandated for those who use the title 'university' in a fraudulent or unauthorised manner.

Consultation

An exposure copy of this Bill was sent to all providers of higher education in Queensland, the Education Ministers in other states and territories, and relevant Queensland Government Departments. There has been broad support for the Bill in its proposed form.

Conclusion

This Bill provides a new framework to ensure that all higher education providers in Queensland, regardless of their status, are subject to uniform national quality assurance procedures and approval or accreditation criteria. It is a vital means of guaranteeing that Queensland students have access to high quality tertiary education, and for taking action against providers who do not maintain the necessary standards.

I commend this Bill to the House.

Debate, on motion of Mr Lingard, adjourned.

LIQUOR AMENDMENT BILL

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing and Minister for Fair Trading) (12.42 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to amend the Liquor Act 1992.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Ms Rose, read a first time.

Second Reading

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing and Minister for Fair Trading) (12.43 p.m.): I move—

That the bill be now read a second time.

I am pleased to present a bill to amend the Liquor Act 1992 to introduce mandatory training for prospective licensees and nominees in Queensland. This bill responds to the need for the highest of standards to be maintained by licensees when supplying liquor within the community. The bill will ensure that the reputation of the liquor industry is enhanced and will herald a new era of professionalism within the liquor and hospitality industry. Training of new licensed operators will mean they have a demonstrated knowledge and understanding of liquor legislation and of the environment within which they do business. Training that encompasses the laws, best practices, risk management and harm minimisation can only improve the professional operation of Queensland liquor outlets and the image of the industry generally.

The bill will ensure that the chief executive for Liquor Licensing does not grant a new licence, transfer a licence or change nominee unless the applicant has undertaken a licensee's course. The bill provides the chief executive with some flexibility to consider whether training is really necessary for low risk venues and in certain circumstances to allow a period of up to 12 months for course completion for people in more remote areas to access a course. The bill includes provisions for the approval of trainers to deliver the course which will be developed by the Liquor Licensing Division of my department. Trainers will have to demonstrate not only their training expertise but also their knowledge and experience within the liquor industry. Ex-licensees who wish to enter the training field will also have their past conduct as a licensed operator considered to ensure the credibility of trainers is maintained.

The bill also contains an amendment to validate subleases and management agreements approved by the chief executive for special facility licences. There has been some doubt cast on these agreements as a result of a Supreme Court decision and the amendment will clarify their operation. I would like to express my thanks to the Queensland Hotels Association, Clubs Queensland and Restaurant and Catering Queensland for their assistance and foresight with this project to institute standards for the professional conduct of licensed premises to minimise harm. I commend the bill to the House.

Debate, on motion of Mr Lingard, adjourned.

TOURISM SERVICES BILL

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing and Minister for Fair Trading) (12.46 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to provide protection for tourists in dealings with inbound tour operators and tour guides, and for related purposes.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Ms Rose, read a first time.

Second Reading

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing and Minister for Fair Trading) (12.46 p.m.): I move—

That the bill be now read a second time.

The objective of this bill is to provide for fair trading in the tourism services industry and more particularly the inbound tourism industry. Some rogue elements in the inbound tourism industry are participating in unfair and exploitative trading practices that may tarnish Queensland's carefully nurtured image as a tourist destination. The conduct of rogue inbound tour operators has become an increasingly serious issue for our tourism industry, particularly on the Gold Coast and Cairns, two of the most popular destinations for our overseas tourists. Extensive consultation into these concerns revealed four main types of undesirable and unfair trading practices:

- controlled shopping;
- misrepresentations;

- overcharging for goods and services; and
- unconscionable conduct.

Consultation revealed that tourists from the emerging Asian economies such as China, Taiwan and South Korea are most vulnerable to these practices. Visitors on these tours commonly speak little English and therefore are vulnerable to practices which prevent them from achieving the best price for goods and services they might otherwise obtain by visiting a variety of traders. Inbound tour operators and tour guides receive fees and commissions from traders in return for taking tourists to certain traders' premises and for purchases of goods and services from those traders. Shopping as part of a tour and receipt of commissions by tour guides are generally regarded as acceptable commercial behaviour in the tourism industry. However, this practice becomes unacceptable when operators prey on particular vulnerabilities of tourists such as national origin, language and culture. Some inbound tour operators and tour guides prevent tourists from shopping anywhere except with traders designated by the inbound tour operator or tour guide.

Tactics engaged in by some inbound tour operators and tour guides to control shopping include:

- constructing itineraries that allow no free time;
- taking tourists to duty-free 'clearance warehouses' in industrial estates where there are no other attractions of interest to tourists;
- physically impeding tourists from shopping at non-preferred traders by blocking doorways and visual access to signs;
- taking tourists' wallets and passports under the pretence that it is not safe for tourists to carry them so that the tourist is unable to make purchases without the guide being present; and
- misleading groups by advising of non-preferred traders:
- operating in neighbourhoods that are unsafe;
- selling products that will be confiscated by Customs;
- not accepting travellers cheques; or
- are not 'government approved'.

Controlled shopping arrangements are driven by the desire to capture and direct a greater share of the tourist's shopping budget. The need to do this might flow from the sale of the tour package at cost or less than cost. Losses are then recouped by restricting tour participants to shops and restaurants that pay commissions to inbound tour operators and associated tour guides.

There have been reports of misrepresentation by inbound tour operators of the components of tours, the quality of accommodation provided and hidden charges and fees. Misleading representations by or on behalf of inbound tour operators, such as misrepresenting the quality of accommodation, aim to increase the profits of the inbound tour operators. Such conduct might happen where tourists are not well informed about products and services offered by other retailers and where business profitability does not rely on repeat business. Tourists may be vulnerable to this type of conduct because they are often unable to examine certain products, such as accommodation, prior to purchase.

Some inbound tour operators and tour guides, either alone or in cooperation with providers, inflate the price of goods and services, such as tickets to tourist attractions and restaurant menus, for tour groups. Consultation with industry has revealed that some sightseeing packages are being sold to overseas based tourists at double or triple local prices. A distinct, but related type of mischief, involves inbound tour operators and their tour guides charging for goods and services that are available at no cost to the general public.

In addition to all of this, other unprofessional or unconscionable conduct by inbound tour operators and their tour guides that may lower the quality of a tour includes—

- coercing traders to pay excessive commissions by threatening to exert influence over their tour groups not to use that trader; and
- changing itineraries to reduce free time or tour time to increase the amount of shopping time, including by altering itineraries without notice or consultation.

These problems impact heavily on our tourism industry. Tourists who do not enjoy their holiday as much as they should have and tourists who leave with a negative and distorted view of

Queensland are tourists who will not be coming back to this state, and neither will their friends, relatives and anyone else they talk to on their return to their country of origin.

This bill delivers on a commitment made by this government to address these issues by introducing a registration system for inbound tour operators. The bill also prohibits unconscionable conduct by inbound tour operators and tour guides and requires all inbound tour operators to adhere to a mandatory code of conduct to be made under this bill.

Registration Requirements

Inbound tour operators are the link between Australian product providers and overseas distributors of travel products. Inbound tour operators package and sell tours mainly to overseas based tour wholesalers or retailers. Packaging tours involves contracting with local suppliers for the supply of transport, accommodation, tourist attractions and restaurant services, and then planning an itinerary to incorporate those products. Some inbound tour operators also provide on-ground support for tours.

There are also some inbound tour operators whose business includes packaging and selling tours to the domestic market or to other inbound tour operators. Tourism industry consultation revealed that the problems in the industry are caused by tour operators whose primary business is selling travel packages overseas. Where the sales of such packages directly overseas is a minimal part of a tour operator's business, there is an industry acceptance that such businesses should not be subject to the same degree of regulation and that requiring these businesses to be registered would be unnecessarily onerous.

Therefore, while the bill requires inbound tour operators to register, it also provides as a defence to a charge of failing to register that the inbound tour operator sells less than 20 per cent of their packages over 12 months to overseas wholesalers, retailers or corporate buyers of travel packages. The threshold of 20 per cent over 12 months was determined through consultation with Tourism Queensland, the Australian Tourism Export Council and the Queensland Tourism Industry Council.

For businesses that have not been established for 12 months, the bill provides that regard must be had to the business already carried on, and the business likely to be carried on, in the 12-month period from when the person started to carry on the business of an inbound tour operator. It should be noted that all inbound tour operators, whether or not they are registered or have to register, are required by the bill to comply with the same prescribe minimum standards of conduct. Those minimum standards are set our in the prohibition against unconscionable conduct in the bill and in the code of conduct to be made as subordinate legislation under the bill.

Those inbound tour operators who are required to register will be subject to additional regulatory processes provided in the bill, such as disciplinary proceedings taken by the Commissioner for Fair Trading. As the mischiefs the bill addresses are more likely to occur in businesses primarily selling their packages overseas, the registration system will allow the Office of Fair Trading to focus its attention on prime compliance targets. The definitions of 'inbound tour operator', 'tour guide' and 'travel package' have been carefully refined following feedback from stakeholders during consultation. As this bill represents the first attempt to regulate the inbound tourism industry in Australia, it is important that the operation of key provisions be reviewed to ensure they work in practice. Accordingly, the bill includes a provision stating that the definitions of 'inbound tour operator' and 'carry on the business of an inbound tour operator' as well as the registration requirements must be reviewed within 18 months of the commencement of the bill.

The bill also recognises the financial realities of running an inbound tour business in these difficult times for our tourism industry. If an inbound tour operator is already licensed under the Travel Agents Act 1988 or equivalent legislation anywhere in Australia, they will not have to pay any fees under the bill. Persons who organise travel packages on a not-for-profit basis or for community purposes, such as for cultural or charity purposes, will not be required to register. To register, an inbound tour operator must be a suitable person. Factors that would be considered in determining whether an applicant for registration is a suitable person include, for example, whether the applicant has been convicted within the last five years of an offence against the bill, the Fair Trading Act 1989 or a corresponding law.

The Commissioner for Fair Trading may conduct inquiries to establish a person's suitability for registration and, if required, impose or change conditions on a person's registration if required to protect tourists. If an inbound tour operator commits a serious offence as defined by the bill or is found to have taken part in unconscionable conduct, the operator's registration will be cancelled. The Commissioner for Fair Trading may immediately suspend an inbound tour operator's

registration for up to 28 days if the inbound tour operator is contravening the bill or other relevant fair trading legislation such as the Fair Trading Act 1989 or the Trade Practices Act 1988 in a way that is, or may, cause tourists to suffer detriment.

Disciplinary proceedings can also be taken against the inbound tour operator in the new Commercial and Consumer Tribunal established under the Commercial and Consumer Tribunal Act 2003. Such proceedings may result in a range of orders being made including, for example, revocation of registration. Registered inbound tour operators will also be required to adhere to a detailed code of conduct made under the bill, which will complement the draft voluntary industry code, the Tourism Export Code of Conduct. The mandatory code of conduct made under the bill will contain minimum operational standards over and above the best practice guidelines contained in the Tourism Export Code of Conduct.

Tour Guides

Tour guides are individuals who accompany visitors on tours and provide information, assistance and advice to these tourists. Tour guides may be employees, independent freelance contractors, owner/operators or volunteers. Tour guides are not subject to specific regulation in Queensland or in any other Australian jurisdiction. Tour guides will not be required to be registered at this stage. The main focus of the bill is those rogue operators who direct those at the bottom of the chain of command to put into practice the unfair trading practices the inbound tour operators have organised. A full registration system for tour guides would require a rigorous consultation process including a national competition policy public benefit test.

If the strong measures in the bill are not enough to get the message across to tour guides, the bill has been drafted to allow for further regulation of tour guides, if required, by for example a code of conduct for tour guides. Given the time, I seek leave to incorporate the rest of my second reading speech.

Leave granted.

The prohibition on unconscionable conduct in the Bill applies to tour guides. The Code of Conduct will require inbound tour operators to ensure that their tour guides behave fairly in their dealings with tourists and traders. Such tour guides will be required to wear photographic identification, so that they may be clearly identified to the tourists they accompany, to retailers and to Office of Fair Trading inspectors.

UNCONSCIONABLE CONDUCT

Under the Bill, inbound tour operators, regardless of their registration status, and tour guides will be prohibited from engaging in unconscionable conduct when providing services to a tourist.

Extensive examples are provided in the Bill of what may indicate unconscionable conduct. Many of these examples were provided during consultation by those most affected by these unfair trading practices.

Unconscionable conduct will not be defined as an "offence" under the Bill. This is because unconscionable conduct is an equitable concept, more appropriately dealt with in the civil courts. An act of unconscionable conduct is described in the Bill as a "relevant contravention".

Action against inbound tour operators or tour guides who participate in unconscionable conduct will be taken in the District Court, or the new Commercial and Consumer Tribunal.

An inbound tour operator or tour guide who is found to have contravened the prohibition on unconscionable conduct may be subject to civil penalties or compensation orders. The penalty or compensation that can be ordered against a tour guide or inbound tour operator will be up to the limit of the District Court's civil jurisdiction (currently $250,000), and if action is taken in the Commercial and Consumer Tribunal, a penalty of 200 penalty units ($15,000) or compensation up to the limit of the Magistrate's Court Civil jurisdiction (currently $50,000) can be ordered.

INVESTIGATION AND ENFORCEMENT

The Bill provides that inspectors appointed under the Fair Trading Act 1989 are inspectors for the Bill. The Bill also provides appropriate and necessary powers to these inspectors to enforce the Bill.

These powers are standard powers for fair trading and other regulatory legislation and are carefully balanced to ensure the rights of persons who may be subject to these powers are preserved as far as possible.

For example, a warrant is required to enter premises except in very limited circumstances. Additionally, investigators must immediately identify themselves by producing their identification card and explain the purpose of their entry.

Other powers include the power to seize evidence about unconscionable conduct or offences that may have been committed against the Bill. To ensure tourists are not unnecessarily inconvenienced while on their holiday, the Bill specifies that inspectors may not seize a thing that is the property of, or is in the possession of, a tourist.

OTHER ACTION AVAILABLE UNDER THE BILL

Failure by inbound tour operators or tour guides to comply with the requirements of the Bill, including the Code of Conduct to be made under the Bill may result in the Commissioner for Fair Trading seeking an undertaking from that person not to continue or repeat that conduct.

The Commissioner for Fair Trading or a person aggrieved by the conduct of an inbound tour operator or tour guide may apply to the District Court for an injunction in terms the court considers appropriate. These terms may include

restraining a person from carrying on the business of an inbound tour operator for a stated period or except on stated terms and conditions, or take other action to remedy any adverse consequences of the person's contravention of the Bill.

The Commissioner may also commence proceedings in the Commercial and Consumer Tribunal against a registered or non-registered inbound tour operator or tour guide on a range of grounds, including if a condition of registration has been contravened or a breach of the mandatory Code of Conduct has occurred. The Tribunal is able to make a range of orders including reprimanding the inbound tour operator or tour guide, ordering payment of a penalty or suspending or cancelling the operator's registration.

The Bill clearly spells out that a registered or unregistered inbound tour operator or tour guide cannot be both prosecuted for an offence against the Bill and dealt with by way of disciplinary proceedings for the one contravention.

A clear power has been included in the Bill to enable the Minister or the Commissioner to make public warning statements in certain circumstances when satisfied it is in the public interest to do so.

CONCLUSION

Extensive consultation has been conducted on the Bill. This resulted in feedback from community and industry, which has been carefully considered in the process of finalising the Bill.

Throughout this process, industry and Government have formed a strong partnership to ensure that the inbound tourism industry continues to grow and prosper.

This Bill will protect tourists most vulnerable to exploitation and will enhance the reputation of Queensland's $14 billion-a-year tourism industry.

I am proud to introduce the Tourism Services Bill 2003 because it demonstrates that this Government is committed to taking action against the minority of people who have tarnished the hard-won reputation of our inbound tourism industry.

I commend the Bill to the House.

Debate, on motion of Mr Lingard, adjourned.

Sitting suspended from 1.00 p.m. to 2.30 p.m.

HOUSING BILL

Hon. R. E. SCHWARTEN (Rockhampton—ALP) (Minister for Public Works and Minister for Housing) (2.30 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act about the provision of housing and related matters.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Mr Schwarten, read a first time.

Second Reading

Hon. R. E. SCHWARTEN (Rockhampton—ALP) (Minister for Public Works and Minister for Housing) (2.30 p.m.): I move—

That the bill be now read a second time.

Today I am introducing the Housing Bill 2003. This bill repeals the State Housing Act 1945 and abolishes the Queensland Housing Commission, making way for a more contemporary and flexible system for the administration of the state's housing programs.

As the members of this House will know, the Queensland government faces many significant challenges in meeting the housing needs of Queenslanders and their communities. The constraints of diminishing financial resources, increased operational costs and growing and changing housing needs demand new and innovative approaches to the provision of housing for people and their communities. Delivering housing assistance in the same way it has been provided in the past is no longer an option if these challenges are to be met.

This bill provides a modern legislative basis for the state's present and future housing directions. Queensland's existing State Housing Act 1945 reflects the policy and administrative environment of 1945. It largely concerns the constitution and powers of the Queensland Housing Commission, a body created to allow the state, through the commission, to hold freehold land, construct and sell dwellings, create perpetual leases, and lend to eligible persons and approved institutions. The commission was established in an era when there was uncertainty about whether the state could own and deal in freehold title to land. However, times have changed and today there is no longer any doubt that the state can indeed acquire, hold and deal with land.

While it has been amended on many occasions to allow for the introduction of specific products, the general purpose and structure of the State Housing Act 1945 remains largely unchanged since 1945. It contains a high level of detail about many obsolete programs, outdated and restrictive approval structures and does not reflect the existing range of measures provided by the state government to families and individuals who are in need of housing assistance. The legislation of 1945 has become redundant and, therefore, has ceased to be a useful legislative tool for the government.

The Housing Bill 2003 has been prepared in response to the constraints of the existing legislation and supports the Queensland government's broader role in influencing the effectiveness of the overall housing system to expand the provision of appropriate and affordable housing for Queenslanders. The bill has two main objects, that is, to improve the access of Queenslanders to safe, secure, appropriate and affordable housing, and to help build sustainable communities. These objects will provide a strong basis for the government to continue with traditional responses to housing need as well as pursue new activities in response to emerging needs and changing circumstances.

The bill contains guiding principles for the administration of the act that uphold the importance of housing in people's lives and will guide the government's future action in seeking successful housing outcomes for Queenslanders to provide a better quality of life in safer and more supportive communities.

The bill establishes a range of powers that will enable the government to achieve the objects of the new legislation. The provision of public housing, grants, loans, land and other assistance to individuals and entities providing housing services are some examples of how the objects of the legislation may be achieved. Broad lending powers in the bill are intended to overcome the limitations of the existing act and enable lending for wider housing activities, such as loans to entities for the purposes of affordable housing and to individuals for purposes other than home ownership, such as modifying dwellings for accessibility purposes. These powers will enable the department to continue the operation of existing housing assistance programs for individuals and offer assistance to other entities providing housing services, such as community housing organisations.

In addition to the provision of direct housing assistance, this legislation also allows the department to develop, undertake or support other housing programs and initiatives such as funding to peak housing organisations and the provision or leasing of commercial premises in conjunction with the provision of public housing. The objective of such assistance is to build and strengthen the viability and sustainability of the housing sector in order to meet demand for high-quality, appropriate and affordable housing.

This bill recognises the role of government to maintain the integrity of programs and services that it delivers. In an environment of declining resources and increasing costs, it is imperative that appropriate mechanisms are in place to ensure that the state's limited housing funds are used to provide assistance to those most in need.

Non-compliance with the rules established for the department's housing programs has been a concern for some time as it represents a cost to government and the community as housing assistance may not be directed to those in genuine need. For this reason, the Housing Bill creates statutory obligations and associated penalties for public housing clients and those clients seeking other housing services directly provided by the department. These obligations are intended to assist the government determine a person's eligibility to receive housing assistance and ensure that such assistance is used in accordance with the purposes for which it was granted.

A key element of the bill is the introduction of a system to regulate not-for-profit agencies that deliver housing and housing-related services to some of the most vulnerable members of our community. The community housing sector provides housing to approximately 6,000 households at any one time and manages assets worth approximately $500 million. This sector operates a range of housing from crisis accommodation to long-term community housing for people on low to moderate incomes, many of whom face additional disadvantage in their lives.

Importantly, this bill introduces a system, under which the department may register these organisations, to give them assistance with which to provide housing services and regulate some aspects of their operations. In future, only registered housing providers will be eligible to receive assistance from the department. Registered providers that receive assistance from the

Department of Housing to deliver housing services will be required to comply with a number of specific minimum standards that will be prescribed by regulation.

The objective of the registration system is to ensure good outcomes for tenants and clients of registered providers and in particular ensure stability and continuity of tenure and service delivery by funded organisations. The system will also ensure accountability in the use of funds provided by government and provide a framework within which registered agencies can further develop their viability as providers of housing and housing related services. The registration system provided for in the bill will apply to organisations that are direct providers of housing, in addition to those that provide housing related services such as tenancy advice and advocacy and home maintenance and modification services.

The bill establishes a power for the department to appoint an interim manager of a funded service conducted by a registered provider in certain limited circumstances. These provisions will allow the government to intervene by appointing a person to temporarily take over a registered provider's management of tenancies and properties where there are breaches by the organisation of its obligations under the Housing Bill or the Residential Tenancies Act 1994.

These provisions are intended to protect the public interest in two ways. It is important that the government can both ensure premises occupied by tenants of registered organisations are safe, and that allocation and rent assessment and collection processes ensure equitable and accountable use of public assets and funds. The existing State Housing Act 1945 contains uncertain powers for the department to investigate possible breaches of that act. The bill addresses this situation by establishing explicit powers for compliance monitoring and enforcement of the legislation through the appointment of appropriately qualified and trained authorised officers. These powers will enable the department to investigate suspected breaches of the legislation by both clients in receipt of housing services and registered providers.

The bill provides authorised officers with the power to require information or documents from any person for information gathering and enforcement purposes. This power may be exercised in relation to the individual or organisation under investigation and third parties. It is intended to allow the department to obtain sufficient information in order to establish whether or not an offence or other non-compliance has been committed.

The bill also grants powers of entry by consent to assist authorised officers to conduct investigations in respect of registered providers. It should be noted that authorised officers do not have the power to enter residential premises of departmental clients in the course of investigating possible breaches of the legislation. The integrity of the services and programs provided and/or funded by government will be better maintained through these information gathering and enforcement provisions which will—

- encourage greater public confidence in the direct provision of housing assistance by the state, and in the funding provided to registered providers;
- support the department's effective administration of its programs; and
- provide an appropriate accountability framework for officers whose responsibility it is to make compliance and enforcement decisions in relation to the legislation.

The bill affords statutory rights to departmental clients and registered organisations to seek review of certain departmental decisions that may have a significant impact on their rights and entitlements. 'Reviewable decisions' and procedures for the conduct of reviews are outlined in the bill and will provide departmental clients and registered organisations a legislative guarantee that certain decisions will be reviewed. Savings and transitional provisions established in the Housing Bill are intended to ensure that no person in receipt of housing assistance under the State Housing Act 1945 is disadvantaged by the repeal of that act.

The Housing Bill has been subject to wide consultation with stakeholders and I believe there is support for the broad direction taken. There will always be differing views about how stringent the legislation should be in respect of client obligations and requirements on funded organisations. The Housing Bill strikes a fair balance in assisting the government to maintain integrity of the services, funding and other assistance it provides.

The Queensland government is concerned about the attrition of a range of affordable housing for low-income households, particularly in urban and larger regional areas of the state. The Housing Bill provides a strong foundation that will assist the government to continue to improve the effectiveness of its housing assistance programs. It also provides a contemporary

statutory framework from which to take a broader role in influencing the wider housing system to respond to the diverse housing needs of Queenslanders. I commend the bill to the House.

Debate, on motion of Mr Lingard, adjourned.

VEGETATION (APPLICATION FOR CLEARING) BILL

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.44 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act about applications under the Integrated Planning Act 1997 and the Land Act 1994 for the clearing of trees and other vegetation.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Mr Robertson, read a first time.

Second Reading

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.45 p.m.): I move—

That the bill be now read a second time.

The Queensland government has repeatedly stated its commitment to balancing land use with the need to protect the environment and maintain biodiversity. We have demonstrated that commitment many times.

On 16 May this year, the Premier announced a halt to accepting applications for vegetation clearing in Queensland. This halt does not affect applications received by my department prior to that date, and nor does it affect existing permits. The halt was agreed to in discussions between the Commonwealth and Queensland governments as a precursor to consultation with stakeholders about strengthening vegetation management arrangements across the state. The Commonwealth and state have been engaged in discussions about the need to reduce the level of clearing in Queensland. Both governments agree that we have now made enough progress to start discussing our proposed plan with stakeholders.

The Vegetation (Application for Clearing) Bill 2003 ensures a halt to accepting applications for remnant vegetation clearing on freehold land under the Integrated Planning Act 1997 and on leasehold land under the Land Act 1994 while we consult with stakeholders and finalise this major joint initiative between Queensland and the Commonwealth. This bill ensures that the Premier's announcement is underpinned by legislation, giving full effect to the halt on applications.

A wide body of scientific evidence shows that, unless current rates of clearing are reduced, future generations will inherit problems like increasing salinity, increasing greenhouse emissions, declining water quality, species extinction and other resource degradation. Environmental considerations do not exist in isolation. Damage to the environment affects our economy, our communities and our way of life. None of us can forget our duty to protect Queensland's resources for the benefit of all.

This bill is insurance for the fair and legitimate consideration of all stakeholders' interests. It would not be responsible to continue to receive applications for tree clearing while the phasing out of remnant vegetation clearing is being discussed with stakeholders. Until negotiations are finalised between Queensland, the Commonwealth and stakeholders, assessment managers in my department will be required to find that any application for a development approval for operational work that is vegetation clearing on freehold land, made from the time of the halt on applications, is not a properly made application. The chief executive of my department will also be required to refuse to issue tree clearing permits on leasehold land without considering the issues listed under section 262 of the Land Act 1994. No appeals will be allowed against the refusal to receive an application or to issue a tree clearing permit for the reason that this bill is an interim measure. Appeals will still be heard on refused applications that were lodged prior to midday on 16 May.

The government has taken due regard of the needs of land-holders to go about their legitimate business with minimal disruption. We have also considered the essential business of projects of state or national significance.

While there is some evidence that the El Niño effect has relinquished its grip, much of Queensland still remains severely affected by drought. Even under normal climatic conditions, many land-holders would not anticipate further useful rains until next summer. Therefore, land-holders on leasehold land who need to supply fodder for stock in a drought declared area or on a property that is drought declared may still apply for a clearing permit under the exemption clauses of this bill. Honourable members will agree this exemption is both reasonable and essential.

Similarly, the government agrees that it is reasonable to exempt projects declared to be significant under the State Development and Public Works Organisation Act 1971, or a project of regional, state or national significance. For that reason, the exemptions allow clearing applications for projects of regional, state or national significance to be accepted and considered against the existing codes and policies.

This bill will not affect leasehold land-holders applying to clear regrowth in an area that is mapped as non-remnant vegetation. Similarly, there is an exemption for clearing that involves weed control. This government recognises that to disallow applications for this essential work would jeopardise the effective management or eradication of weed species.

There has been no change to the current cases for when a permit for clearing is not required, and my department will continue to assess applications to clear vegetation that were received prior to 16 May 2003. However, land-holders should always check with my department to find out if their proposed clearing is allowable without a permit.

This bill will allow consultations with stakeholders on this very important issue to be carried out without the spectre of panic clearing hindering the proceedings. It is a fair and reasonable interim step. I commend this bill to the House.

Debate, on motion of Mr Lingard, adjourned.

SURVEYORS BILL

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.49 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to provide for the registration of surveyors, surveying graduates and surveying associates, and for other purposes.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Mr Robertson, read a first time.

Second Reading

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.50 p.m.): I move—

That the bill be now read a second time.

This is one of two bills being introduced today that will completely replace the legislation dealing with surveyors, surveying and mapping in Queensland. These areas are currently principally covered by the Surveyors Act 1977, the Survey Coordination Act 1952 and the Administrative Boundaries Terminology Act 1985. This bill replaces those parts of the Surveyors Act 1977 that provide for the system of registration of surveyors in this state.

A wide variety of Queenslanders—residents, investors and businesses—rely on the professional services provided by surveyors. The bill deals with the registration of surveyors, the processes for dealing with complaints against surveyors, and the membership and function of the Surveyors Board. It is essentially about protecting the public through a registration system for surveyors administered by the Surveyors Board of Queensland.

This bill has been triggered by several factors, including the principles of national competition policy and concerns of the Surveyors Board over administrative arrangements under the old act, particularly regarding the disciplinary provisions. These have been viewed as unnecessarily restrictive, and fail to differentiate as to the severity of the offence in terms of either process or penalty.

The act also created arrangements where certain functions were jointly administered by the board and the chief executive of my department. The regulation of surveyors and surveying has now been separated, and this bill concentrates solely on the regulation of surveyors, which will be entirely administered by the board. The bill is therefore a complete rewrite of the old legislation.

In line with the Competition Principles Agreement, a public benefits test was conducted in 1997 to examine the regulatory regime for surveyors, and a number of anticompetitive provisions were identified. This bill retains a system of occupational regulation for surveyors but removes three anticompetitive provisions relating to limits to the participation of non-surveyors in surveying business, regulation on the use of business names and the setting of fees for surveying boards.

The first provision mentioned is dealt with in this bill by removing restrictions that require the majority of surveying company directors to be registered surveyors. This will allow more flexibility in the way surveying companies are set up and will allow multidiscipline firms to be established. This provision achieves the intent of the old legislation in ways that do not restrict the scope of multidiscipline firms, by requiring a firm seeking registration as a surveyor to employ individual surveyors with appropriate registration levels and endorsement to carry out the required surveys.

The Surveyors Board will be able to assess the competence of individual surveyors employed by the firm, and the company becomes obliged to maintain the employment of appropriately registered surveyors for as long as it holds registration. That means the public will still be able to have confidence in the ability of the company to provide quality surveying services.

The second anticompetitive provision about the use of business names is already catered for by the Business Names Act 1962. So there is no requirement for this to be regulated by the board. The final anticompetitive provision, allowing the setting of fees by the board, has not been used for many years and is not required. Therefore, it has been removed.

The registration system will require the mandatory registration of cadastral surveyors, because the state's land titling system depends on the accuracy and reliability of their work. Registration of those with general competence in surveying and specialisations in particular non-cadastral fields of surveying will remain voluntary.

While the size of the board has not been changed, the composition of the board has been changed to increase community representation from one to two members. The bill provides scope for the other six members to be drawn from appropriate bodies representing surveyors. This will be able to include engineering or mining surveyor representation, allowing a wider pool of surveyors to be considered for board membership.

Up until now, board membership has been renewed every two years. That means there has been the potential for a completely new board to be appointed without any previous members remaining. Although this has not occurred, the risk to the board's continuity of business and the importance of skills retention on the board really require a system of member replacement to prevent this.

This bill introduces a revised system of half-board elections each year, meaning the board will always have at least four continuing members. This provides for continuity and stability for both the board and for the business community. The bill will formally allow the board to assess surveyors for registration based on competence, rather than the existing qualifications system, in accordance with national trends in assessing those in professional and technical disciplines.

The complaint handling and disciplinary processes have also been refined to increase clarity and transparency. Three tiers of disciplinary mechanisms will now be available to the board, depending on the severity of a complaint. Along with this revision is detail concerning how investigators can carry on these functions, which are in line with contemporary approaches present in similar legislation. The board does not have the power to award compensation to consumers affected by surveyor malpractice. The board's function is to deal with matters of professional conduct. Matters of consumer redress are best left to the courts, which have the expertise in this area.

The bill does give the board the power to require a surveyor to correct a survey as the outcome of a disciplinary process to ensure that an inadequate survey is rectified. However, the issue of any redress for loss caused as a result of those deficiencies is most properly left to the courts.

This bill has been open to wide consultation with the surveying industry and the community and incorporates some of the ideas and responses from those groups. Under this legislation, the Surveyors Board will be able to perform its functions more effectively, and the community can

continue to have confidence in the professionalism of Queensland's surveyors. I commend the bill to the House.

Debate, on motion of Mr Lingard, adjourned.

SURVEY AND MAPPING INFRASTRUCTURE BILL

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.57 p.m.), by leave, without notice: I move—

That leave be granted to bring in a bill for an act to provide for developing, maintaining and improving the State's survey and mapping infrastructure, and for other purposes.

Motion agreed to.

First Reading

Bill and explanatory notes presented and bill, on motion of Mr Robertson, read a first time.

Second Reading

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (2.57 p.m.): I move—

That the bill be now read a second time.

The Survey and Mapping Infrastructure Bill 2003 is the second of the two bills replacing the legislation dealing with surveyors, surveying and mapping in Queensland. This bill, along with the Surveyors Bill 2003, will allow the existing Surveyors Act 1977 to be completely repealed. As well as replacing parts of the Surveyors Act that deal with survey standards and obligations on surveyors, this bill replaces the Survey Coordination Act 1952 and Administrative Boundaries Terminology Act 1985. It deals with surveys and surveying, issues concerning survey marks, various datasets kept by the government, and defining and interpreting administrative boundaries established under any act.

The Survey Coordination Act 1952 understandably requires updating to accommodate changing technology and different focuses. Queenslanders rely more and more on information about land to support our social, economic and environmental development. As we place more importance on the accuracy, currency and quality of information, and as we see the benefits of more integrated access to that information, we need to set down principles to make sure that these issues are managed effectively. These principles include—

- assigning responsibility for capturing, maintaining and disseminating land related data;
- adopting standards for surveys and other processes involved in determining and marking land interests;
- identifying the datasets the state should develop and maintain to best address the needs of the community; and
- including systems to record and access survey and mapping information.

The bill details four of the state datasets managed by my department which make significant contributions to the land management information infrastructure. It is essential that these datasets are maintained effectively and accurately, and are readily accessible by the public. This bill details the obligations of surveyors to capture and provide information to my department about new and existing survey marks to ensure the Survey Control Register remains current.

Establishing and maintaining survey standards has been transferred from the Surveyors Act 1977 to this bill. My department will be required to consult the appropriate bodies and stakeholders when establishing these standards, which will be underpinned by key principles that will be detailed in the regulations.

This bill also details the processes for the government to deal with survey marks. This includes establishing and maintaining the marks, and managing the information about them. Established survey marks are of great value to the state and represent a significant investment in survey infrastructure, so survey marks will be protected through penalties for interference.

The bill also recognises the state control survey, a high precision survey, providing Queensland's spatial reference frame in a national and global context. This Smart State survey provides a basis for accurate position description throughout Queensland, which can be used for

activities as diverse as navigation, major construction projects and boundary surveys. This bill, like the previous one, deals with the obligations on surveyors in carrying out surveys, corrections of survey errors and how differences in surveys should be handled.

The bill goes into some detail about the obligations on surveyors when entering land to perform surveys. Surveyors often have to take measurements outside their clients' property. That's why it is common to see surveyors' tripods set up along sections of road that might seem a reasonable distance from the land being surveyed. This also means that surveyors often need to enter neighbouring land. Surveyors must first seek the occupier's consent, but if the occupier is not present or consent is not given, this does not prevent the surveyor from entering the property.

This does not exempt a surveyor from abiding by other entry requirements, like the provisions of the Workplace Health and Safety Act or the relevant vegetation legislation. And it definitely does not permit a surveyor to damage property. This is an issue about balance. It is not in the best interests of Queenslanders to prevent surveyors from entering property to do their jobs, but surveyors must also bear responsibilities along with their rights when they perform surveys—responsibilities to their clients, to the state, and, most importantly, to surrounding land-holders.

The bill carries over many provisions of the Administrative Boundaries Terminology Act 1985 unaltered, with the exception that the chief executive will no longer have a dispute resolution function. This function is an anachronism dating from the position of Surveyor General, which was abolished in 1992. Dispute resolution is far more appropriately handled through those trained in the law, and is ultimately a matter for the courts. Again, the surveying industry has been widely consulted on this bill, which updates the survey and mapping legislation and also consolidates existing legislation in this field. This bill will ensure that our survey and mapping infrastructure remains a resource that enhances the economic, environmental and social development of Queensland. I commend the bill to the House.

Debate, on motion of Mr Lingard, adjourned.

VALUATION OF LAND AMENDMENT BILL

Second Reading

Resumed from 13 May (see p. 1701)

Mr SEENEY (Callide—NPA) (Deputy Leader of the Opposition) (3.02 p.m.): It is with some pleasure that I rise to make a contribution to the debate on the Valuation of Land Amendment Bill. Land valuation is an important function that is carried out by the Department of Natural Resources. Before that it was the Valuer-General who provided a valuation for land in Queensland. That valuation is known as the unimproved value.

It is an important function because it is the unimproved value upon which the council rates are levied. Therefore, every land-holder takes a very keen interest in the unimproved value of their land and revaluations that may apply. I know that it is almost always an issue of some contention as to how those revaluations are arrived at. I am sure that, not long after becoming members of parliament, most honourable members would have had a number of constituents in their offices complaining about the revaluations of particular properties. It is an issue that causes, and has always caused, a deal of concern amongst the people whom we represent.

I have found that very few people understand how these unimproved values are arrived at and how the revaluations occur. Usually, most of the concern that is expressed about the revaluation stems from the fact that there is only a very shallow understanding in the community generally about the way the valuation system works, what happens after a valuation and what happens between the valuation and the change in council rates, which is what everybody is ultimately concerned about.

The other charge that is levied based on this unimproved value derived by the valuation process is the land tax charged by state governments. Because of the thresholds, the land tax probably does not impact on the same number of people as council rates. Council rates have an impact on every property holder. There is a level of concern about the increasing impact of the land tax which is based on these unimproved land values. They have continued to increase over time and thresholds have not increased accordingly. More people are being caught in the land tax net. More people are being required to pay land tax on properties. That tax is based on the unimproved value arrived at by the valuation process under the Valuation of Land Act.

It is important that there is some integrity in the system. It is important that the community generally has confidence in the system as a whole to produce unimproved land values that are

fair and equitable across the community so that the load is borne equitably by everybody in the community—so that everybody pays their fair share of both council rates and land taxes.

Over time a number of anomalies have been identified in the unimproved land value system. In my opinion, we have yet to arrive at a better system. I think that the unimproved land value system becomes more difficult to maintain on an equitable basis the further we as a community move away from a situation where there is an unimproved land base to compare against. In the large urban centres the concept of an unimproved block of land now belongs to the dim and distant past. It is very difficult to find a block of land still in its unimproved state. It becomes increasingly difficult to provide that basis upon which to measure the unimproved value which is the basis of rate collection and land tax.

The system is certainly criticised on a fairly regular basis by people who feel they have been aggrieved by the valuation system. I think the system certainly does have its failings in trying to arrive at an equitable set of values across a wide range of situations. It is understandable that sometimes the system results in a situation that is difficult to understand and not equitable. One of those situations was the genesis of this legislation. I refer to the large shopping centres that are now a feature of most suburbs and certainly a feature of most urban centres. The large suburban shopping centres have almost become commercial centres in themselves. They incorporate a whole range of businesses and provide a whole range of services to the community generally.

The minister mentioned a number of examples in his second reading speech such as Carindale, Indooroopilly and Garden City in Brisbane, Pacific Fair on the Gold Coast, Clifford Gardens in Toowoomba and the list goes on. There are certainly many more shopping centres of that type such as Pacific Fair in Rockhampton, Sugarland in Bundaberg, Stocklands in Townsville and so on. There are quite a number of those types of shopping centres in just about every large urban centre. The situation that arose was one where the valuation system—that is, the system that produces that unimproved valuation of land—simply could not deal with the changes in values that commercial centres such as that brought to a particular area. The system allowed for comparison with other sales in the area as a means of deriving an unimproved value for that particular piece of land and that certainly did not work in terms of the large shopping centres.

The other provision in the Valuation of Land Act—that is, the proviso method that allows for the unimproved valuation to be arrived at by taking the commercial value of the property and subtracting the physical assets—was the one that was adopted by the department. It produced quite large unimproved valuations, because those centres have an inherent value that is much more than the sum of the unimproved land and the physical assets on the property. When we talk about physical assets, we are talking about the actual value of the buildings—that is, bricks and mortar, which is the term referred to in the minister's second reading speech. The valuation that was produced after taking the commercial value of one of those large shopping centres and subtracting the cost of those physical improvements resulted in a very large value that in some cases was clearly, to my mind, more than could be reasonably said to be the unimproved value of the land.

Under that system there certainly were values within the property that were being transferred to the unimproved value of the land. This legislation arose out of the need to address that unfairness and that inequity. This legislation recognises those intangible elements of value that contribute to the overall commercial value of the shopping centre or the property and allows those intangible values to be subtracted from the commercial value as well as subtracting the value of the physical infrastructure to arrive at a more reasonable and a more accurate unimproved value for the block of land upon which the property is built. Those intangible elements can be a number of things, and there is a definition in the legislation which sets out to define what those intangible elements are. I note that the minister has tabled an amendment already in terms of the definition of those intangible assets, and I guess that that is an illustration of how difficult the definition of those things are.

There can be a number of elements that make up the value of a property that can be said to be intangible and not physical. The one that is probably most common is the lease of the property to a particular corporation or entity who by its reputation and by its name give value to the particular property. That is probably most common in terms of shopping centres and properties where there is a single major tenant that provides that property with a reputation or gives it a focus in the community that it would not otherwise have. There is a certain amount of goodwill associated with a tenant like that that attracts other tenants to a particular property and attracts those other tenants because their business does better there because of the presence of a particular lease.

Those types of things have been defined in the legislation as intangible improvements in relation to the land and they include the benefit that is obtained from non-physical improvements on the land such as a lease or a licence or some other right and the goodwill that is associated with the purpose for which that land is being used. I note that in the amendment the minister has tabled it includes a catch-all section of that clause which is set out as—

... other non-physical improvements prescribed under a regulation.

That basically allows the minister to, as I read it, produce a regulation to take account of any other non-physical improvements that may become apparent over time.

I do not think that conceptually I or any reasonable person would have any difficulty with what is being proposed in terms of the amendment that is part of the bill before the House. I do not think that anyone who understands the Valuation of Land Act and the unimproved value concept would dispute the fact that these types of intangible improvements need to be able to be deducted from the commercial value of the property so that the value that is arrived at after the value of those intangible improvements has been deducted and the value of the physical improvements has been deducted is a true representation of the unimproved value for rating and land tax purposes. Conceptually, the approach that is taken in the legislation before the House is the right one. It is a recognition that those values exist. It is a recognition that those values are major contributing factors to the commercial value and to arrive at a proper unimproved value the value of those intangible improvements must be deducted from the commercial value along with the value of the physical improvements.

Where the legislation before the House goes wrong is in the inclusion of a 20 per cent cap on the level of those intangible improvements which can be deducted from the commercial value. It seems to me to be contradictory to have a piece of that legislation that on the one hand recognises that these intangible improvements exist and they do have a value and that value needs to be recognised in the calculation of an unimproved value and then on the other hand cap or limit the amount which those intangible improvements can constitute a property's value. That seems to be a contradiction in terms. If we are going to recognise that these intangible improvements exist and if we are going to recognise that the value of those intangible improvements needs to be deducted from the commercial value in order to arrive at a fair and equitable unimproved value, then what is the purpose of limiting the value of those intangible improvements to some arbitrary figure—be it 20 per cent or 30 per cent or even 50 per cent? It is illogical to do both things. It is illogical to say that the value of these intangible improvements needs to be deducted to arrive at a fair and equitable unimproved value but then say that in this particular circumstance we are not going to allow them to be deducted if they exceed some sort of arbitrary cap. The two elements are contradictory, and that is the fault in the legislation.

If not for the provision of that 20 per cent cap in the legislation, the opposition would support it. There is no explanation in the minister's second reading speech as to why that 20 per cent cap was arrived at. There has been no explanation to the parliament as to why, first of all, a 20 per cent cap or a limit of any level was thought to be necessary, and there is certainly no explanation in the minister's second reading speech as to why the 20 per cent figure was chosen at all. Every member of the parliament deserves an explanation in the consideration of this legislation as to why that 20 per cent cap is to be imposed.

I do note that the setting of the 20 per cent cap is mentioned in the second reading speech that the minister presented to the parliament, but it is not part of the legislation. The legislation sets out that that limit will be set by a regulation and that regulation mechanism will allow the minister to vary that limit or that cap from time to time. There was a mention in the explanatory notes that the architects of the legislation at least recognised the need to be able to vary that limit.

The point that needs to be made at the very beginning is that there is no need for a limit to be placed on those intangible improvements at all. There has been no case put forward as to why there needs to be a limit on the value of those intangible improvements in the calculation of the unimproved value. As I said a moment ago, if that were done it would simply be contradictory to the main thrust of this bill, which is to recognise that those intangible improvements exist, that they have a value and that that value needs to be taken into account. If that value is in excess of whatever arbitrary figure is chosen for a cap, whether it be 20 per cent or 50 per cent, how can the minister justify including that value in the unimproved value? That is the question that the minister really needs to answer in his explanation: why was this 20 per cent figure included in his second reading speech—and I take it that it will be included in a later regulation to come before the House.

The argument still applies that, whether it is a 20 per cent cap, 50 per cent cap or whatever other limit the minister arrives at in the setting of that regulation either now or subsequently, there will always be an occasion when the value of the intangible improvements of a particular property will exceed that limit. In that case, the value of those intangible improvements will become part of the unimproved value, and that makes a mockery of the unimproved value system. It is because of that dilemma that this legislation is before us in the first place. That is the contradictory situation that we find ourselves in.

We are considering this legislation because a situation arose that needed to be addressed. But in addressing the situation, the minister brought before the House legislation that provides for situations to arise which are the carbon copy of that which the legislation sets out to address. This legislation is a step in the right direction, but it is only a small step. The effect that it will have in correcting the anomalies in the unimproved valuation system has been limited and negated in many instances by the inclusion of this 20 per cent limit, by this arbitrary cap, that the minister is going to set in the subsequent regulation which will come before this parliament at a later time.

It is important to note that the property owners are going to have to establish, first of all, that these intangible improvements exist; secondly, that they have a value; and, thirdly, what that value is. So property owners have to go through quite a long process to establish that these intangible values are part of the commercial value of their property and should be deducted from that value along with the value of the physical infrastructure. It is not something that happens automatically. It is not something that the government will incur a cost in doing. In terms of this legislation it is the property owners' responsibility to have their property valued by a commercial valuer and to put forward a case establishing that those intangible improvements exist and what their values are.

So after having gone through the process of establishing that the intangible improvements exist, that they have a particular value and what that value is, a property owner quite conceivably can then find themselves in a position in which the value of those intangible improvements exceeds the cap that the minister has set by regulation. What happens then is obvious. In this particular case only 20 per cent of the value of those intangible improvements will be deducted from the commercial value in the calculation. The remainder of that value of intangible improvements, be it another 20 per cent, another five per cent or whatever, will become part of the unimproved value of the property and it will be rateable and it will be the value upon which land tax is levied. That makes a mockery of the system and it perpetuates the problem that this legislation sets out to address.

The opposition will not support the concept of placing a limit or a cap on the value of those intangible improvements because of that illogical fault within the legislation. We will not support the inclusion of a limit of any sort upon the value of those intangible improvements. If it can be clearly shown that those intangible improvements exist and their value can be properly established, then that value must be deducted from the commercial value of the property along with the value of the physical infrastructure on that property. In that way the unimproved value that is arrived at in that valuation is fair and equitable and ensures that the rating system and the land tax system have a creditable base upon which it is applied. That cannot happen if we persist with this cap or limit that has been introduced into the legislation. If we persist with that, land tax and council rates will be paid upon the value of those intangible improvements.

So the more goodwill that a particular enterprise builds up, the greater value that they can accumulate in terms of their brand name, the greater those intangible improvements are—and they are built up only by hard work over a long period. If they are in excess of the arbitrary cap that the minister applies, they will find that that value will become part of the unimproved value and the enterprise will pay land tax and council rates on that value. That is an unacceptable proposition and it certainly does not comply with any sort of fairness and equity test in terms of the unimproved land valuation system.

As I said previously, the imposition of that cap or limit is not part of this legislation. It will be included in a regulation that will be introduced into this parliament at a later date. I make it clear at this stage that we will be opposing that regulation; we will seek to disallow that regulation when it is introduced by the minister for all of the reasons that I have outlined in my contribution to the consideration of this legislation.

The legislation itself makes provision for a regulation. Conceptually, we will support the legislation, because it recognises that those intangible improvements exist—it moves in the right direction—but we will oppose the regulation that limits the impact of this legislation to an arbitrary percentage of the property's value. That is a contradictory move and it is one for which the

minister provided no justification and no explanation in his second reading speech and for which I do not believe there can be any creditable arguments advanced. So we will certainly be looking to oppose that regulation when it is introduced.

As I said at the beginning of my contribution, the valuation of land has always resulted in some controversy. It is always an area in which constituents find themselves in conflict with the government, be it the Department of Natural Resources or, as it was known in the old days, the Valuer-General's Department. I am pleased to see that in this case the government has moved to address what was clearly an anomaly in the valuation of land system. Regrettably, the government has limited the effectiveness of that intervention by the inclusion of this arbitrary cap provision. I wonder why the legislation has been limited to such an extent. It certainly will impact on the government in terms of the land tax that the government can collect on these properties. As more properties fall within the land tax provisions, obviously the amount of land tax that the state government collects will be greater.

I struggle to understand why this provision has been included in the legislation and I look forward to some explanation from the minister in his reply, firstly, as to why a limit had to be set, and, secondly, why that arbitrary limit had to be set at 20 per cent. No doubt we can deal with that issue in more detail during the committee stage. With those comments, I look forward to the debate on this legislation and hearing the minister's reply to the second reading debate.

Mrs CHRISTINE SCOTT (Charters Towers—ALP) (3.32 p.m.): In rising to speak in support of this bill, I want to address where this issue fits into our valuation system now and where that system is headed in the future. Queensland's valuation system has always attracted considerable public attention because of its implications for rates and taxes. In the past year in this House, we have heard significant comment on the current system and what the future of our valuations might be.

This bill represents a very small part of the valuation system. As the minister has outlined already, in many cases the proviso method is not the prevailing valuation. When the Valuation of Land Act was passed in 1944, parliament could not have even imagined the world today, nearly 60 years later. It certainly would not have envisaged the business world and the thriving retail sector that exists in our malls and shopping centres. Our legislation constantly needs refining and updating, as does the way in which it is applied. I want to congratulate the minister on recognising that fact and moving forward on this issue.

Put very basically, valuations provide a basis for a progressive tax system, because land is a pretty good way of determining wealth. It goes without saying that there are many asset rich, income poor landowners, which is precisely why councils have so many tools at their disposal to make sure that rates are as fair as possible for everyone. It is critical that the land valuation is a true reflection of the land's value. It is up to councils with social policy considerations to use these tools in their rating.

For some time now it has been known that shopping centres in Queensland have been undervalued. If major businesses are not contributing their share to council revenues, the burden falls unequally onto other landowners, home owners, families and small businesses. At the same time, big business should not be oversubsidising other parts of society. A balance should be achieved, which is what this legislation does, and that is the message for the future.

This bill demonstrates that the Beattie government is focused on the future of the valuation system. This government is willing to examine the system and to introduce improvements, no matter how difficult that may be. However, it needs to be recognised that any review of valuations needs to have support and consensus from the stakeholders in this debate, and they are the principal users of the valuation service—local councils.

Despite what is often said about Queensland's valuation system, it is not unique. Having worked for a valuer for approximately seven years in my past life, I understand their background and the way in which the industry works. The only difference between the system in Queensland and that used in other states is that we use a slightly different base for our valuations, that is, unimproved capital value rather than site value, which is the base used by most other states. Extensive reviews have found that a rating system based on the value of land is the most logical and equitable method of revenue raising for local governments. The integrity of our valuation system must be preserved, both through minor changes such as those contained in this bill and through a larger commitment to determining the best way to calculate valuations now and in the future.

Valuation is not an exact science. The minister and his department should be commended for learning from experience and finetuning the system as we go while keeping an eye on a long-term reform agenda through the valuations review. This review of the valuation process will contribute to our understanding of the valuation system and will help the Beattie Labor government enhance the system to deliver the best possible valuations to all Queenslanders.

I understand that the review focuses in particular on the feasibility or otherwise of site value and I hope that, through this new review process, the methodology can be investigated thoroughly and a future direction can be set. This amendment is all about fairness for everyone and is an indicator of this government's commitment to the future of valuations in Queensland. I commend the bill to the House.

Mr WELLINGTON (Nicklin—Ind) (3.36 p.m.): I rise to participate in the debate on the Valuation of Land Amendment Bill. As previous speakers have indicated, the bill amends the Valuation of Land Act 1944 and extends the range of allowable deductions that can be claimed when properties are revalued. I note the minister referred specifically to how the new changes will impact on shopping centres. It appears to me that perhaps the bill can be extended further and have potential significant impacts on people who may be able to now lawfully raise objections to valuations.

I am pleased that the minister clarified in his second reading speech that when people talk about valuing properties, the unimproved value does not include the value of excavation or fill works performed on their properties. I also thank the minister for now providing a real incentive for good land management by farmers. In the minister's own words, he said that this means that if a property can demonstrate a market advantage through its reputation for good land management, its unimproved valuation may be reduced accordingly.

At the moment there is very significant growth taking place on the Sunshine Coast. A number of genuine farming families who have been to see me are concerned that, as a result of recent revaluations, their properties are increasing in value because it is difficult to find similar properties in the region. That is an unfortunate result of significant population growth. I ask the minister to clarify further in his reply how this bill may be able to impact on these genuine farming families who are now finding it very difficult when they lodge their objections—and I understand that some have already lodged their objections.

I also understand that, in the recent revaluation that was undertaken on the Sunshine Coast, when some genuine farming families went to review the list of valuations, they found it very, very difficult to reconcile and identify properties and their valuations. They could not see names, addresses, locations and so on. I wonder if the minister could clarify whether he has any proposals to simplify the process for people who wish to lodge formal objections to their new valuations? Is there a mechanism by which those people can more easily go through the data that is provided by the department to try to identify other properties in the region that they may be able to visit and inspect with a view to using them as grounds for proceeding with their official objection?

I note that in his second reading speech the minister said that this bill would be retrospective in that people who have already lodged objections will be able to rely on the contents of this bill in relation to objections they have already lodged. In particular, I note that clause 35A states that the application must be in an approved form. Then there is reference to the type of intangible improvements.

I ask the minister whether the new forms are readily available and what process the genuine farming families have to go through, if they have already lodged objections to their recent valuations, to have new matters brought before the tribunal for consideration. If the minister is unable to answer these questions in his reply to the second reading debate, I will return to them during the committee stage. At this stage I will be supporting the bill.

Mr SHINE (Toowoomba North—ALP) (3.41 p.m.): At the outset, I congratulate the minister on the Valuation of Land Amendment Bill. In passing, I also congratulate him on a decision to allow the service of his Department of Natural Resources as it operates in Clopton Street, Toowoomba, to remain open so far as lodgment of plans and access to surveyors—

Mr Robertson: You put up a very persuasive argument.

Mr SHINE: I thank the minister for that interjection, which I welcome. I place on record my thanks for the minister's consideration for the surveying profession, the legal profession and the general public of Toowoomba. It is a measure that is greatly appreciated.

The honourable member for Callide had much to say in relation to the 20 per cent cap. As I understand it, there has been a great deal of consultation and cooperation with industry with respect to this matter. Based on that consultation and input, the 20 per cent level is to be applied at this stage. It is to be seen as an industry benchmark but it will not be set in concrete, as I understand it. It is to be treated by way of regulation so that it can be varied as the need arises.

I am pleased to speak on this particular piece of legislation because, being part of the minister's legislative committee, I am interested in this area of valuations, particularly as it affects one or two of the major shopping centres in Toowoomba, Clifford Gardens and Grand Central. Because this legislation affects those shopping centres, it inevitably will affect the tenants of those shopping centres—the amount of rent they may have to pay and, ultimately, the amount that customers have to pay for the goods they purchase from such centres. Therefore, it is relevant and pertinent for me to make a contribution of some sort to this debate.

I do not profess to be an expert on valuation law or the principles that apply to valuation. As did the member for Callide, I express some amazement at times as to the methods that are adopted by valuers in determining values. I can relate to that complaint by constituents as to how revaluations are arrived at from time to time. However, this bill seems to me to provide a wider choice for ratepayers—in this particular instance, ratepayers who happen to be the owners of large shopping centres. If it does therefore provide a wider choice as to the method of valuation, then that seems to me to be an unarguably sensible thing to do. I understand that the legislation has been brought in as a result of concerns expressed by the Property Council of Australia and, therefore, the legislation reflects the type of consultation that the Beattie government is renowned for.

As I said, the benefit of the legislation is not just for the property owners but also for the tenants. One does accept that owners themselves pay the land tax and by law cannot pass that on, but what can be passed on are increases of rates. Of course, lease rentals are determined often by valuations.

The two methods referred to in the Valuation of Land Act for the valuation of property are the examination of comparable sales with respect to unimproved land and the valuation of improved land less the improvements made thereon. As I understand it, this legislation relates to the second of those two. It really involves a further definition of what constitutes improvements to include things that are intangible and not otherwise previously taken into account.

The minister refers in his second reading speech to the recent High Court case of Maurici v. Chief Commissioner of State Revenue, which was a New South Wales case that proceeded to the High Court. The question in the appeal to the High Court was whether or not, in fixing the unimproved value of an improved parcel of land under the New South Wales legislation, it is right to have regard exclusively or virtually exclusively to sales of scarce unimproved parcels of land in the same locality as the relevant land.

The facts were simple enough. The appellant was the owner of a parcel of waterfront land at Hunters Hill, a long-settled residential suburb of Sydney in which there are very few vacant residential sites. An assessment of land tax was made in September 1998 on the basis of the unimproved value of the appellant's land of $2.44 million as at 1 July 1997. The appellant objected to that valuation. The position of the Commissioner of State Revenue in New South Wales was that courts had held that the best method of determining land value is by direct comparison with sales of vacant land. The problem here, of course, was that there were very few instances of sales of vacant land at Hunters Hill, as one would understand. The appellant argued that the true value was about $1.2 million. One can see that there was a divergence of opinion.

Ultimately, the appellant appealed to the High Court and was successful. The High Court basically stated the principle that sales treated as comparable sales needed to be truly comparable. To put it another way, in valuing the land the respondent's valuer did not proceed rationally in that he was unreasonably selective in ultimately confining himself to two sales of scarce vacant land for the purpose of the comparison. The principle is that sale evidence must be relevant and sufficient in volume.

This is relevant to the situation I mentioned earlier of the shopping centres in Toowoomba—Clifford Gardens and Grand Central. It would be difficult to find any comparable sale were they to be sold. In fact, it would be impossible. Rather than have that comparable unimproved value basis of comparison, one would seek to adopt as being more sensible the other method; that is, the valuation of the shopping centre as it now is, less the improvements that have been added to that site since.

In doing so, one can now, because of this legislation, include intangibles such as goodwill, the brand or recognition name, the tenant mix, added value gained from marketing and promotions, broad design and general services of the complex. There is currently a 20 per cent cap. I have talked about that with reference to the comments made by the honourable member for Callide. No doubt the minister will have something further to say on that.

In conclusion, what must be pointed out is that what is being proposed here is not particularly novel in that it has already applied with respect to rural land for a long time. In rural land in terms of valuation, other improvements are taken into account in terms of the valuation of the unimproved value. For example, other than buildings and fixtures—or moveables, for that matter—to be discounted, it is proper for other things to be discounted as well, such as the removal or the thinning out of timber to make it a more valuable block of land or the getting rid of scrub, the picking up or the removal of stones, the improvement of soil fertility, the restoration or the improvement of the land's surface, excavation, filling, grading or levels—those types of improvements that have taken place but are no longer tangible but which have certainly had a lot to do with improving that block of land. I commend the minister for his initiative in bringing forward this legislation to meet a need, and I commend the bill to the House.

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (3.51 p.m.): In rising to speak to the Valuation of Land Amendment Bill, I would like to note that in the second reading speech the minister said—

This legislation, like my department, plays no role in taxing or rating.

In a purer sense, the minister is right. But, whether it is the current government or subsequent governments, the reality is that values are the basis for rates and taxes, and the level of values does have an impact on the rates and taxes that are paid, and intrinsically the department is involved.

In areas where the councils do not implement differential rating, the amount of increase in a valuation can substantially have an impact on residents. I believe that is one of the reasons for this legislation being brought into the House today. Places such as big shopping centres which are cited in the second reading speech and which other members have referred to have been affected, in their view in an artificially inflated manner, as far as valuations are concerned, and that has directly affected the rates and taxes that they pay.

This bill will allow that intangible improvements will be able to be deducted, albeit by regulation with a cap, for things like goodwill, brand recognition, tenant mix and added value gain from marketing and promotions. I believe that more accurately reflects the intention of unimproved valuations and it is to be welcomed.

The legislation directly identifies shopping centres. In the second reading speech the minister said that the amendment will apply to all land but it will mainly involve commercial enterprises. The clarification that I would like to seek is that in the same way that these shopping centres are affected by these intangibles so are surrounding land values. Proximity to a well-managed shopping centre can increase the value of surrounding properties, and yet if that same property were transferred into another suburb that did not have that shopping centre—and it may only be a stone's throw away—the valuation of that property could be significantly lower. I wondered whether the legislation will be able to be applied to urban properties or dwelling houses in close proximity to shopping centres, the valuations of which are directly inflated because of that proximity.

I recognise that waterfront properties have a degree of valuation added for their aspect. That is quite different to living in proximity to a shopping centre where the chances are that people face difficulties in the most part rather than benefits. A person may be able to walk to the shops, but the fact is that a family and their children have to negotiate greater traffic, bear a higher level of noise because of noisy traffic when travelling to the shopping centre and face the added risk that that additional traffic brings with it. So what I would like clarified is whether this deduction will be able to be carried on to adjoining home owners whose properties potentially are inflated in value because of their proximity to the shopping centre.

The other issue—and it may be a non-issue—is now that the government has recognised these intangible improvements on well-performing shopping centres will there be an opportunity for a disability factor to be allowed on valuations in shopping centres that have either been poorly located or, as happens in most cities when there is a shopping precinct established outside the CBD, where the CBD over time suffers?

One of the factors used in the valuation of unimproved value is surrounding land sales. Again, the minister's second reading speech states—

This definition recognises that while we are looking at unimproved value there will not be enough land sales—usually vacant land—for comparison.

Because it is one of the vexed questions that comes to my office, and probably the office of many honourable members here when it comes to valuation time, I raise the issue of the circulation of those valuations where property values have increased. Landowners will say to me, 'How come they have increased?' My response is the response I have from the valuation department, which is that it is based on sales. The community person will say to me, 'But there have not been any sales in my area.' When I then put that to the officers—and whilst I am not criticising them; they have a set of protocols that they work to and the valuers in my area are nice people—and have a debate with them, it is like having a lobotomy with my eyes open. I can never win the argument and I just feel mind-numbed at the end of the debate.

If I say there have been no sales in the area where this property has been revalued up, the usual reply is, 'Well, we have imported sales' or 'We have imported values.' So we get this artificial notion that, if there is no land sold in an area to benchmark values but valuers sense that property values have increased, they will then import like land sales, like land values, and use them for the basis of the revaluation up.

There is a sense in the community of frustration that they cannot win no matter what. If their area shows a static valuation or a reduced valuation because of the lack of demand or the unsaleability of property in that region, then the expectation of the landowner would be that the valuation would remain static or decrease. But in some instances it increases, and that is the argument that is used. So there is a real frustration in the community when that type of notion is applied.

I would hope that the ability to recognise good land management, and unimproved valuation reduced accordingly, will also be beneficial to those people who have good agricultural land. I know there is already protection for good agricultural land, but the way that land develops in Queensland, and probably other states, is that a lot of fringe agricultural land on urban development sites in cities—in particular, regional cities—is that that good land is consumed for urban purposes. In some cases, the land is sold to developers because the landowners are rated off their properties. They just cannot afford to maintain the property for its rural purposes because the rates just get beyond the pale.

I would hope that there will be some avenue in this legislation to allow for people who are on the fringe of urban development who would prefer to retain their land for its rural use to be able to use this new application to rural land using the proviso method to allow recognition for good land management, and therefore some of that good land on the fringe of urban areas to be retained in its rural use.

The councils are partly involved in the consumption of that land because of the delivery of services. As far as cost is concerned, it is easier to deliver water and sewerage mains in a direct line rather than to jump a significant portion of land. I would like to think that there are land managers on the fringe of cities and regional towns who would prefer to retain their rural pursuits but are not rated off, and that this will give them some relief.

The Scrutiny of Legislation Committee's comment on the bill was that there were no matters to raise. The minister has indicated that the legislation will be retrospective, and there has been no mention of that. However, in applying that retrospectivity I would seek clarification from the minister whether there will be additional cost to the department or whether there will be any additional cost to those landowners involved in requesting retrospective application of this legislation and what that cost might be.

The member for Callide has already indicated his objection to the 20 per cent cap. I will be interested to hear the debate, when and if that occurs, because I do understand the explanation that the minister has given in the second reading speech about the application of that cap, and its tangible application with a $450 million development and a potential $90 million claim for the intangible improvements. Without some sort of a cap or control, it would be possible for those who own these large shopping centres to artificially invest in the shopping centre and to claim an uncapped amount for that intangible improvement.

The only other thing I would like to comment on and put on the record is that in giving relief to these large shopping centres, and I am sure the developers of those large shopping centres commend the minister for the actions that are taken, I hope that the owners and managers of those shopping centres pass the savings on to their tenants and ensure that the savings that they make in this step that the minister has taken is also some relief to the amount paid by the

tenants of those large shopping centres—the rates at some centres being exorbitantly high. I trust that this bill will give those battlers—the shop owners and operators—relief in their burden as far as their involvement in the shopping centres is concerned.

Mr Robertson: We will watch with interest.

Mrs LIZ CUNNINGHAM: We will watch with great interest. Thank you, Minister.

Hon. K. W. HAYWARD (Kallangur—ALP) (4.02 p.m.): In rising to support this bill, I want to specifically address the workings of this legislation and its improvements on the previous legislation. I think many of these issues have been addressed by the shadow minister when he spoke in his presentation. I think in general, as he made clear, he is supporting this bill.

As we all know, Queensland uses a system of unimproved capital valuations as a base for calculating rates and land tax. Properties are given an unimproved value, which is the amount they could be expected to sell for without improvements such as housing, fencing, levelling, piping, et cetera. The valuations take into account nearby services like roads, railways, schools and shopping centres.

The best way to set unimproved values is to use land with sales of similar vacant or lightly unimproved land in the area as a benchmark. Obviously that would be the closest thing to what someone would be measuring. The situation is that in recent years it has been well established that this method runs into difficulties when valuing properties such as major shopping centres, which can be situated on large pieces of prime land in built-up city areas. It is difficult in these cases to find similar pieces of vacant or lightly unimproved land for comparison because there is usually no land left of that size to compare.

For that reason Queensland shopping centres have been somewhat undervalued for quite some time. This is not supposition; it has been borne out by independent experts. There has been a longstanding provision in the Valuation of Land Act 1944 that deals with these types of situations. The provisions allow valuers to deduct the added value of the improvements to the land from the total improved value which, with a bit of simple mathematics, will give the unimproved value, and the higher valuation is taken as accurate. This method, of course, is called the proviso method.

Analysing the improved market is not a new concept; it has been a system that has been applied to rural land for many years. As vacant land becomes more and more scarce, we may start to see its application to other types of land. It is an approach that has been given further validation by the High Court recently, as I understand, in what is known as the Maurici decision concerning waterfront property in Hunters Hill on Sydney's North Shore. As every member in this parliament would know, there is not a lot of vacant waterfront land in residential areas of Sydney.

In this case the High Court found that where there is a scarcity of vacant land sales, the improved market should be analysed. This does not mean that that value of land will be any less. In this particular case the value of the land has not been settled by a lower court yet. The High Court decision provides support for the proviso method of valuation that I mentioned before. It needs to be recognised that in most cases the proviso method will not deliver the prevailing valuation because the comparable sales will provide a higher and more accurate comparison. That means the vast majority of Queenslanders, I think importantly, will not be affected. Where it can be useful is in valuing rural land and shopping centres and similar properties.

As I understand it, the real problems that we have heard so much about arose in trying to set the value for improvements. Problems arose when shopping centres, for their own reasons, refused to supply the government with the value of their improvements. This obviously makes the government's job more difficult.

As the minister pointed out in his second reading speech, there are two kinds of improvements. There are the tangible improvements, which are the bricks and mortar of a property, and the excavation and fill, and then there are intangible improvements—non-physical improvements like goodwill and brand recognition. To address concerns arising from the application of this method, the government has introduced this amendment to ensure that an allowance will be made for intangible improvements if they exist and their impact can be assessed. Because intangible improvements are so difficult to quantify, an initial cap of 20 per cent of the property's total value is proposed.

As the minister has already pointed out, it has been set in consultation with independent experts in this field. This is not an insignificant amount in any way. On higher valued commercial properties, we could be talking about as much as $50 million to $100 million, for example. It also

places some responsibility back in the hands of the property owners for providing this information. As I have said, government valuers have run into problems in the past with trying to obtain the information they need to carry out their responsibilities and set really accurate valuations.

These amendments place the onus for providing this information squarely with the land-holders. The value of intangible improvements will not be deducted from the value of the land unless it is supported by information from the land-holder. The fact that this legislation will be retrospective also means that those valued under the proviso method last February will have the chance to be reassessed under the new legislation. It is important to note that the vast majority of property owners will not be directly affected by this legislation because they are simply not valued under this method.

I want to take the opportunity here to congratulate the minister on his speedy resolution of this important issue in a way that I think is good for all Queenslanders. I commend the bill to the House.

Mr HORAN (Toowoomba South—NPA) (4.09 p.m.): The Valuation of Land Amendment Bill is an important bill because it rectifies a valuation situation which would have had a significant effect upon small business, particularly those small businesses based in major shopping centres and more particularly the 66 largest shopping centres throughout the state affected by very substantial and, in some cases, massive hikes in their valuations with the department or the valuers using the proviso method. As an example, some of those increases were in the order of 850 per cent at the Clifford Gardens shopping centre in Toowoomba. Shopping centres are often composed of a couple of major anchor tenants and a large number of small businesses. It is those small businesses that eventually feel the brunt of increased valuations through their rates. That has a direct effect on their outgoings and the costs they have to pay as part of being in that shopping centre. Of course, land tax cannot be passed on directly under legislation but there is no doubt that an organisation—a superannuation fund or whoever it might be—that owns a major shopping centre is endeavouring to get a certain percentage of return for their owners or themselves. As a result, if they face increased costs there is no doubt that those increased costs get passed on to tenants.

However, such costs are directly passed on to a business through their rates. Small businesspeople face innumerable costs such as workers compensation costs and the current massive insurance costs if indeed they can get insurance. They face, for example, problems with the various licence fees and inspectorial fees they have to pay. Because they are small businesses, they are also going to be attacked and punished by the Beattie Labor government with the ambulance tax. Because they own a small business and even though they contribute through workers compensation, unfortunately they will have to pay the ambulance tax at their place of business in addition to paying it at their home. That is an example of the way that small businesses are being hit. If those people had been fortunate enough to be professional, highly paid bureaucrats in the Beattie Labor government they would only have to pay that fee once on their house, and I do not mean the bureaucrats sitting here in the corner.

Government members interjected.

Mr HORAN: He is highly paid. It runs right across-the-board. Compared to what small business owners make, a person at a high executive officer level would be earning far more than what most small operators make yet those small business owners still have to pay the ambulance tax. That is one of the many things they have to pay. This bill is about the flow-on effect from shopping centres to small businesses and the concerns that small businesses had in light of these valuations.

After the valuations were done in Toowoomba, the Clifford Gardens shopping centre had a staggering $22.85 million rise in land value. The value of that site went from $3.15 million to $26 million. It is an 8.38 hectare site and the value rose from $3.15 million to $26 million. Grand Central shopping centre rose from $5.1 million to $13 million. Other shopping centres in the suburbs did not see that sort of massive rise. For example, K mart remained at $3.35 million, Wilsonton shopping centre rose from $1.25 million to $1.7 million and the Range shopping centre also remained at its $1.35 million 1999 valuation. There has been much concern by the small businesses in the shopping centres that that was going to seriously affect the costs that they had to bear, and many of these shops had been feeling the flow-on effects of the drought. With Clifford Gardens being on the western side of the city, it is conveniently located at the cross-section of Anzac Avenue and James Street for those who live in the country to the west because it is on the road into the city. These small business operators had felt the effects of the drought

and many of them felt that the only option may have been to increase their prices, and they certainly did not want to do that.

The proviso system that was introduced and used has been a matter of some discussion during this debate. It is good to see that this anomaly is being addressed although, as the shadow minister has indicated, we have real problems with the regulation when it eventually comes in and the 20 per cent cap that will be the subject of that regulation. The Property Council has already indicated in a submission to the department that investment in Queensland would suffer due to a lack of predictability of investment returns in Queensland, small business operating costs would increase, job losses could be as high as 2,000 retail jobs and consumers would pay more as prices increase to cover the additional costs that retailers are faced with.

Had these unimproved values remained in place, then there would have been approximately $34 million extra money collected by state and local governments—that is, $18 million extra in land tax and $16 million in council rates. Property owners throughout Queensland have already faced a hike in land tax because the government removed the 15 per cent discount. The government has done a whole lot of things because it is going broke, and that was one of them. We all know how it revalued the assets of some of its government owned corporations and then gave Treasury permission to borrow and then use those capital funds for its recurrent expenditure. That is probably one of the worst ways of managing finances one could ever imagine. We have all stated in this parliament before how similar that was to the way Alan Bond operated, because he operated on the basis of buying a business, jacking up the valuation, borrowing a bit more, jacking up the valuation and so on. It was like a pack of cards—as soon as someone pulled out a card from the bottom or made a demand for certain payments or cash the whole thing collapsed, and that is the way we are heading in this state.

As I said, we have seen the 15 per cent land tax rebate taken away. We have also seen the widening of the payroll tax net, which will bring in somewhere in the order of another $95 million a year. All of these things have been done by a government which has been the beneficiary of about $400 million to $500 million extra per year in stamp duty on land sales. Despite that, it is still delivering almost $1 billion in general government losses each year. If we add on top of that the losses of government owned corporations from last financial year, the combined total loss was $2 billion—that is, a $2,000 million loss. This is a government that is looking at any way it possibly can to rake in more money because it is broke. In this particular instance, this was going to bring in at least $18 million more in land tax. But pressure from the Property Council and property owners has been intense enough to get the government to reconsider and change the inequitable proviso system it was using that did not allow for the intangibles.

This bill is looking at shopping centres, but we often find that people in the CBDs—and I am referring to the CBD of Toowoomba—end up paying a lot more in rates if we look at their valuation per square metre. There was an example quoted in the local media in March in that three adjoining buildings in Margaret Street were paying up to $14 per square metre in general rates whereas in places such as Grand Central retailers were paying about $2.30 per square metre, 0.63c per square metre in Clifford Gardens and $3.77 per square metre in Village Fair.That goes to show the difficulty of making the rating system fair. It is a very complex system. The matter they raised, which was not a state government matter—it was a local government matter—was the need for differential rates to try to bring about fairness.

On behalf of small business I am pleased to see that an effort has been made to overcome this particular anomaly, which would have affected literally hundreds, if not thousands, of small business operators. These operators already face enough problems of their own in trying to make a go of their businesses such as increased competition but, more importantly, the large and substantial fees that they have to pay to governments, particularly to the state government. One example of the way in which they feel they are being singled out is the ambulance tax and the fact that they have to pay it more than once.

Our shadow minister has indicated that we have some real concerns about the capping process, and that will be addressed when that regulation comes before the parliament.

Ms NOLAN (Ipswich—ALP) (4.20 p.m.): I rise to speak very briefly in support of the Valuation of Land Amendment Bill which was brought to the House by the Minister for Natural Resources and, of course, to point out—in a nice way—what I see as the silliness of the opposition's position.

This bill clarifies the process whereby shopping centres are valued. The issue is that in the past the land value of big shopping centres such as Indooroopilly Shopping Centre was calculated by taking the sale prices of unimproved land in the area and equating those values

with the value of the whole shopping centre block. The difficulty here, of course, is that a big single block zoned for commercial purposes is really worth a lot more than the multiple of lots of single adjacent house blocks. Under this method, shopping centres were greatly undervalued and shopping centre owners were not paying their fair share of land tax and rates. Big shopping centre owners were paying a lot less in land value based taxes for centres in Queensland than they were in other states. While they did not pay their fair share of land value based taxes, other land-holders such as ordinary home owners were effectively cross-subsidising them.

Last year the Department of Natural Resources sought to amend this anomaly and effectively revalued these properties. The subsequent uproar from shopping centre owners and the Property Council included the quite valid argument that the goodwill associated with the establishment of a shopping centre should be subtracted from its market value in much the same way as is the value of the buildings. This is a fair point and this amendment which enacts it is good policy.

A key part of the amendment, however, is that there should be a 20 per cent cap on what the value of that goodwill can be established as being. This is the part, of course, that the opposition has indicated today that it disagrees with. But the 20 per cent cap is absolutely central to the process of making equitable the amount of land tax that shopping centre owners pay as compared with the rest of us and, indeed, the amount of rates that they pay. So the opposition's position in arguing that it supports the bill but it does not agree with an absolutely central tenet of it is really a bit foolish.

I do not intend merely to spend time speaking about the nitty-gritty of land valuations. I wish to make the point that it is right to support sensible and equitable revenue measures. Some people in politics spend a lot of time trying to pretend that we can continually provide better services without increasing revenue. This is dumb and it is dishonest, and people know that. There are other people in politics, such as the Nationals, who subscribe philosophically to the notion that, while we tax small businesses such as farms and individuals, we should also take the trouble to tax the big end of town. Ask anyone in the street, with the possible exception of Kerry Packer, and they will agree with that philosophy. But what are the members of the National Party doing today? They are trying to be cheap populists; they are trying to argue that on this particular matter the big end of town should have a quite significant tax cut and that we should dress it up as the value of goodwill.

What we are legislating today is a sensible, equitable measure which makes sure that, just as everyone else is paying their fair share of land tax and rates, so too are the wealthy foreigners and the big corporations that own shopping centres. If the opposition does not agree with that it should not try to be tricky about it. Let its members come in here and say so. Let them treat Queenslanders like fools by telling them that the members of the opposition want more money to run their own opposition office; they want more money for country racing; they are going to spend more on hospitals, schools and police; and somehow they are just going to pluck the money for it out of thin air. The members opposite might be stupid enough to believe that, but other Queenslanders are not. I do not believe it, and that is why I support the bill before the House.

Mrs SHELDON (Caloundra—Lib) (4.25 p.m.): In rising to give my support to this Valuation of Land Amendment Bill 2003 I would like to make a few comments. Firstly, the amendments seek to recognise that 'intangible improvements', in particular those pertaining to developing a major commercial property into a profitable going concern, are recognised as real improvements where the statutory valuations are assessed using the improved value of the property. I see that the minister has foreshadowed that he will introduce an amendment in which he has defined 'intangible improvements'. It states—

"intangible improvements", in relation to land, include the benefit of—

(a) the following non-physical improvements to the land—

(i) a lease, license or other right;

(ii) the goodwill associated with the purpose for which the land is being used; and

(b) other non-physical improvements prescribed under a regulation.

This amendment will certainly provide a link to a broader scoping of the coverage of intangibles in regulation. This will ensure a clear understanding of the type of activities which might provide benefits through intangible improvement to the property value.

I think this is a good amendment. Certainly the Property Council has stated its support for it. Initially that council was very much the driver behind getting some of this changed. There is no doubt that when looking at a big commercial entity, these intangible benefits do exist, and the old

act was silent on the non-physical improvements that had recently been attributed to major commercial developments such as shopping centres. This clarifies and makes more equitable some of that valuation.

This amendment predominantly affects commercial entities, but there has been a major issue about land valuation on the Sunshine Coast very recently. As members would be aware, if we look at the unimproved value of the land and equate it with the sales that have occurred over the previous period, we will see that the valuation has increased. Of course, councils look to that when they are levying rates on land. Anyone who has had anything to do with the Sunshine Coast recently will realise that valuations of land and actual prices achieved in some instances have risen considerably. The problem arises in which a lot of ordinary residents—and particularly self-funded retirees whose income has been considerably under pressure due to decreased percentages being received on their term deposits and the bottoming out of the share market—are now finding themselves in a very precarious financial position, yet they are facing an increasing rates burden because of increased valuations.

Members may well say that those people have the value in their land, but that would mean that they then have to sell up and try to relocate somewhere else because they can no longer afford to live where they are, even though they happen to live in a residential A property. I think that is pretty inequitable. They may not even realise that value. We know there are highs and lows in property valuations and in market returns. I do realise that valuations are revisited, but this does not happen every 12 months. It is putting a lot of people in the position in which they cannot afford to pay their rates. Councils need to take a serious look at how they are going to rate these properties on increased valuation.

In this regard, there has been a lot of activity in the Caloundra City Council and a lot of propositions have been put forward. I am pleased to see that the council is now looking at a more equitable rating system that was put forth, may I add, by hardworking residents of the Sunshine Coast, including Bruce Laming, who is a former member of this place and who has spent quite a lot of time working out what he and others in the community, after public meetings, consider to be a fair basis on which to levy rates on increased valuations.

There is talk that bodies corporate will pay more because the council believed that, compared to the single dweller, the rates that were being levied were iniquitous. That is yet to be approved, although I think that verbal approval has been given by the council. These issues affect a lot of people because investment properties are affected. Providing there is not too much of a slug on unit owners that is transferred to them from bodies corporate, this may be one way of councils still being able to get adequate rates to provide services without really hitting people unfairly.

These days, a lot of people live in units and I think that has to be taken into consideration when looking at this whole issue. It is a very vexed question. I have written to the Minister for Local Government about it. I think that just shows what community interest and groups can do when they put their minds to finding a solution to a vexed problem that has been affecting a lot of people. I commend the people who have put a lot of work into it.

Mr Purcell: Get on with it, Joan. Come on, get on with it.

Mrs SHELDON: I thank the member for his untimely intervention. I am speaking about issues of major concern to the people in my electorate. I am sure that, as a member of the government, he would be interested in their concerns—or I sincerely hope that he would be—and not show undue impatience.

Commercial property is also important in terms of business investment in this state. In determining whether or not to invest in a state, businesses take all their outgoings into consideration. I think that this amendment to the Land Act should be supported. We will be supporting it when it is put to the House.

Mrs SMITH (Burleigh—ALP) (4.32 p.m.): This legislation and the events that occurred leading up to it have caused a lot of comment in my electorate and on the Gold Coast in general. The debate about rates and valuations is one that has been raging for some time. This bill is particularly pertinent in terms of shopping centres such as Pacific Fair and the Robina Town Centre on the Gold Coast. It is to be lamented that some Gold Coast city councillors have yet again tried to pass the buck instead of taking responsibility for the setting of rates. Councillors Peter Drake and Eddy Sarroff have both been supportive of changes to the rating system. However, it is of great regret, but somewhat predictable, that other Gold Coast city councillors

have tried to use this unique and specific issue of shopping centre valuations to again shift the responsibility for rate increases away from themselves, which is where it belongs.

As we all know, there is no direct link between increases in land valuations and council rates. Valuations are just one factor to be taken into account by councils when they are deciding what rates they will set. Councils can use the many tools available to them to mitigate valuation increases or decide not to increase rates at all. Councils have many options open to them, including averaging rates over a two- or three-year period, to cap or limit rate increases by a set percentage, or to introduce a differential rating system.

The Chalk report found that the best way for local governments to set their rates is to rely on valuations—a belief shared by the LGAQ and some members of the opposition. We all know that rates are necessary. They contribute to total council revenue to provide for a range of services. However, unlike charges for water, sewerage or garbage collection, which are levied by use, general rates revenue is based on property value, with the level of rates determined by the rate in the dollar on land valuations.

Local governments face a number of challenges in the rating process. They need to decide how much revenue they need to collect from rates and from which group of ratepayers. They also need to manage the fluctuations in rating levels that could arise from major shifts in property values, such as we have seen on the Gold Coast recently.

To help councils address these issues, local governments have a wide range of rating tools available to them under the Local Government Act 1993. These tools were endorsed and even expanded last year, giving local governments even greater flexibility in their rating processes. Councils have the ability to differentially rate, cap, or average out valuation increases, or even offer rate remissions or deferments to long-term landowners, such as pensioners and self-funded retirees.

Differential rating is particularly relevant here, because by establishing a differential rating category, councils are able to isolate any kind of land, whether it is beachfront, commercial properties or farming land. Councils make the decisions about which part of the community pays what part of the revenue. That is why councils will not necessarily be affected by this bill, because they have the ability, and have always had the ability, to manage any increases or drops in unimproved valuation when they set their rates.

In the case of shopping centres—and I am talking mainly about big shopping centres such as Pacific Fair—councils can set a different rate in the dollar to ensure sufficient revenue if the valuations decrease as a result of deducting intangible improvements or they could cap the rates, also known as a limitation of increase, which means that the local government may wish to cap the increases in rates to ensure no rating blow-outs. Rates averaging is also widely used and can be applied in this kind of situation, and that entails the impact of a valuation change being gradually introduced over three years, moderated by the previous valuations.

At the end of the day, we all know that increases in valuations are good for property owners. They are a reflection of the land's true value. In a booming property market, particularly on the Gold Coast, we would have to wonder if valuations were not increasing along with property prices. The Gold Coast City Council's recent rhetoric is just another smoke and mirrors attempt to divert attention away from its own failure of responsible rating practices. With less than 12 months until the next local government election, it is understandable that the council might be looking to shift the blame for any looming council rate increases. I call on those councillors involved to look at all the options available to making the ratings system on the Gold Coast fairer for all of its residents who have been caught up in increased development and subsequent increases in land values.

This bill is about making sure that the valuations are as accurate as possible. The integrity of the valuations process should not, and must not, be sacrificed to individual councils and their rating interests. I know that all local councils affected by this bill are considering its implications and are developing strategies to deal with it. That reflects not only the capacity and willingness of most councils to address these issues but also, and more importantly, it demonstrates the value and usefulness of the rating tools provided to councils by the state government. I commend the bill to the House.

Ms LEE LONG (Tablelands—ONP) (4.38 p.m.): I rise to speak to the Valuation of Land Amendment Bill. This bill is aimed at allowing for more accurate assessment of the unimproved value of land, in particular, land on which major commercial developments may have taken place. The example used in the explanatory notes is of a major shopping complex. Under the existing legislation, improvements, visible or otherwise, can be taken into account in calculating the

unimproved value of land. For example, if there are no comparable sales nearby against which the valuer can assess the unimproved value of a block, a valuer can instead assess the market value, subtract the value of improvements, and arrive by that process at the unimproved value.

The existing valuation process defines what the valuer can take into account as improvements. I suppose that this bill is the result of progress. Where once consideration of buildings or landscaping and so on were sufficient for valuation purposes, this is no longer so.

Today we are considering a bill to allow valuers to take into account the worth of leases, licences or other rights which are non-tangible but which can contribute to the improved value of a site. Of course, the effect of this is to produce at the culmination of the process a lower unimproved value. Indications in the explanatory notes are that the value of such intangibles will initially be capped at 20 per cent. That appears to be a significant proportion of a valuation, and I ask whether the minister expects that the 20 per cent limit will be reached with any great frequency. As this provision relates to what one could expect to be some of the most commercially valuable land in a local authority area, I ask the minister what indications he may have received from local government as to the likely impact on its rate base.

I note that this amendment will apply to all land, even though it is expected to have limited application, such as to shopping centres. I seek some clarification from the minister as to whether land held through, for example, grazing leases could be affected. For example, does he anticipate that a grazing lease on which native title has been resolved, possibly through an ILUA, and which as a result may be valued at a higher level than a lease on which the issue was still alive, could benefit from these amendments?

I note that it is up to the property owners to apply for improvements to be taken into consideration for valuation purposes and that this information must be provided by 30 June in the year prior to the valuation coming into effect. Finally, this amendment will also retrospectively allow 2003 valuations to be reconsidered if owners lodge a late objection.

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) (4.41 p.m.), in reply: I thank all members who participated in this debate. In particular, I thank the member for Callide for his support, albeit cautious, for this bill and the valuation system in Queensland. I look forward to his continuing support as we continue to review the overall system of valuations. I thank him and his colleagues for their overall support for our approach here.

The member for Callide did have quite a bit to say about the cap on the intangible component. One of the challenges with this legislation in taking account of unseeable improvements is in measuring them. One important reason for the cap is the nature of intangible improvements. Because they are not easily quantified or accounted for, there is strong potential for these improvements to be counted more than once in different categories, among other issues.

As far as the 20 per cent figure itself is concerned, I repeat to the member what I said in my second reading speech. In setting this initial cap in regulation we took a lot of advice. We consulted with the industry. We have considered expert evidence and advice from those who are specialists in this field. We have looked at what is done in other jurisdictions. We have analysed the information we have on just how the value in a property is spread. This approach is supported by those it will affect the most—that is, the large shopping centre owners such as AMP, Westfield and Queensland Investment Corporation, although they might understandably, for their own financial reasons, like the cap to be set higher. They have, however, indicated support for this approach—that we start with the 20 per cent cap, get some hard data from the industry, which we do not have, and then reassess the situation. That is why these amendments will allow more detailed direction in regulation as to what is included under intangible improvements.

It might sound easy and simpler to leave something like this open. It is important to remember that we are measuring things that are hard to define and even harder to measure. I take this opportunity to reflect on how we got to this point in the first place. That was the failure or inability of the industry to provide sufficient information to my department to allow it to make a more accurate assessment of the unimproved capital value of these large properties. That is what we are principally talking about here—those large shopping centres such as at Indooroopilly, Garden City and so on, where there is no market.

These shopping centres do not sell on a market. They are usually owned for extensive periods of time by the one owner, whether it be a Westfield, an AMP or what have you. They differ, therefore, in the way we are able to conduct valuations for all other properties, because there is always a ready market that informs valuers as to the improved valuation of a property as

a result of sales information. From that sales information we can deduct the improvements and come up with an unimproved capital value. But in this particular sector we do not have that sales information because there is no market.

Despite repeated attempts by my department to have these organisations inform us as to how to achieve an appropriate unimproved capital value, they were reluctant to do so because of the commercial sensitivity of the information. That is why, through consultations, we have set the initial cap at 20 per cent. That allows relief this year, on application. As more accurate information becomes available we will be able to better assess the appropriateness of that cap in future years, which is why the quantum of the cap—the 20 per cent—appears in regulation rather than in the principal legislation itself.

I thank the member for Nicklin for his thoughtful contribution. These amendments will principally affect enterprises getting a market advantage from intangible improvements. In the future this may well include rural enterprises, especially in niche markets. In the case of the member's constituents these advantages may be limited.

The member's other question was directed to helping landowners go through the objections process through access to the relevant sales information. My department has recently introduced a new product, the SmartMap valuation sales map, which is provided through all departmental service centres and contains information about all relevant sales in any selected area. In terms of the member for Nicklin's principal concern, that should provide easier access for his constituents to assess the appropriateness of the valuation performed by my department by making it easier for them to compare the valuation for their property with those for comparable properties in an appropriate vicinity.

The member for Gladstone asked about the retrospectivity provisions. I assure her that this is positive for everyone. Because the valuations came out earlier this year, which resulted in the issue we are addressing today, we of course needed these provisions to be retrospective to capture those valuations. The member for Gladstone mentioned the case of properties that may increase in value because they are adjacent to a major shopping centre and raised concerns about the impact that those increasing valuations have on rates.

I will deal with rating issues, particularly in relation to the contributions of the member for Burleigh and Caloundra in relation to areas where there have been significant increases in valuations over the last couple of years and a corresponding significant increase in rates imposed by local governments. I share the concerns of the member for Burleigh about the actions of particular Gold Coast councillors in seeking to apportion blame to the state government's valuation system for increases in rates in those areas.

I attended a community cabinet meeting at Tallebudgera a couple of months ago and met with a number of residents—battlers, without a doubt—who have lived near the beach, particularly around Palm Beach in the electorate of the Minister for Tourism, and who were suffering significant rating increases based on the continuing failure by the Gold Coast City Council to introduce an appropriate differential rating system to take the sting out of those significant increases. These are people who live, in effect, in fibro shacks near the beach, have done so for the whole of their lives and have suffered increases in rates of 500-plus per cent over the last number of years.

I place on record once again for the benefit of both the member for Burleigh and the member for Caloundra that councils at no other time in the history of Queensland have had greater powers and greater flexibility with respect to their rating systems than since amendments were introduced into this place by my colleague the Minister for Local Government and Planning. At no other time have councils in Queensland had the flexibility to put in place appropriate rating systems that protect their ratepayers from increases in valuations.

What certain councillors—and I am prepared to name one today because she has been at the forefront of the campaign on the Gold Coast—such as Councillor Daphne McDonald have been saying to their constituents is nothing short of irresponsible. I noticed in today's *Gold Coast Bulletin* that what she is saying is not fooling her constituents one iota. I commend those ratepayers in her division for taking up the fight against the nonsense that she is speaking and I note the abject failure of other councillors on the Gold Coast to support sensible reforms moved by, I think, Councillor Sarroff to address this problem.

While the Gold Coast City Council continues to point its finger at the state government for its inaction, I and other parliamentary colleagues like the members for Burleigh, Currumbin, Southport, Broadwater, et cetera will continue to point out at every opportunity that the way to fix

this problem rests wholly and solely with the local government—the Gold Coast City Council—and, similarly, with the member for Caloundra's local council. They can fix the problem. They have the flexibility, which at no other time in history they have had, to address this problem as a result of provisions put through this parliament by the Minister for Local Government and Planning over the last few months.

In closing, I once again thank all members for their support and commend the bill to the House.

Motion agreed to.

Committee

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines) in charge of the bill.

Clauses 1 to 4, as read, agreed to.

Clause 5—

Mr ROBERTSON (4.54 p.m.): I move amendment No. 1—

1 Clause 5—

At page 4, lines 21 to 24—

omit, insert—

' "intangible improvements", in relation to land, include the benefit of—

(a) the following non-physical improvements to the land—

(i) a lease, licence or other right;

(ii) the goodwill associated with the purpose for which the land is being used; and

(b) other non-physical improvements prescribed under a regulation.'.

Amendment agreed to.

Clause 5, as amended, agreed to.

Clause 6, as read, agreed to.

Clause 7—

Mr ROBERTSON (4.54 p.m.): I move amendment No. 2—

2 Clause 7—

At page 6, line 12, 'section 35A(2)(d)'—

omit, insert—

'section 35A(2)(e)'.

I table the explanatory notes to the amendment. This amendment provides a link to a broader scoping of the coverage of intangibles and regulations. This will ensure a clearer understanding of the types of activities which might provide benefits through intangible improvements to the property value.

Amendment agreed to.

Clause 7, as amended, agreed to.

Bill reported, with amendments.

Third Reading

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

RESIDENTIAL TENANCIES AUTHORITY AND OTHER LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 13 May (see p. 1710).

Mr HOPPER (Darling Downs—NPA) (4.57 p.m.): I am pleased to rise this afternoon to speak to the Residential Tenancies Authority and Other Legislation Amendment Bill 2003. The opposition will be supporting this bill. The major issue in this bill is that of the regulation of the tenancy databases. However, this bill also contains a number of minor or technical amendments to ensure that the legislation is in line with the business practices of the Residential Tenancies

Authority. The bill also addresses the issue of bonds that have been finalised; that is, cheques that have been issued but not banked. The bill allows the minister discretion regarding these funds frozen in the agency bank accounts. I will be seeking assurances from the minister that he will exercise his discretion only for worthwhile housing causes.

We sought consultation with a few different groups, one of them being the Tenancy Database Action Group, which has a number of concerns which I will now read to the House. It is concerned that most residents reside in boarding houses and the amendments mean that the residents can be listed on a tenancy database for breaking those house rules. The rent arrears periods which allow listings on a tenancy database are much shorter under the act than under the Residential Tenancies Act. The amendments mean that residents can be immediately listed under the serious breach section without any opportunity to have the matter determined by the Small Claims Tribunal.

Boarding house residents are often referred to as the first level of homelessness. All that stands between them and the street or park is their boarding house room. Residents in boarding houses are much more likely to suffer from mental, intellectual and physical disabilities and are amongst the most vulnerable of all our citizens. While many people choose to live in boarding houses for short periods, such as students, for example, the majority of residents live there because they cannot afford any other accommodation. They have very little security of tenure and can be evicted at very short notice. With the disappearance of affordable housing, there are simply no other options for some residents.

The current trend is that more and more families are being forced into boarding houses. It is common in the inner city for families with one to three children to be living in boarding houses because they simply have nowhere else to go. For example, a recent boarding house closure in Toowong displaced eight households, three of which were people with children, in their care.

As the legislation allows for such swift eviction without the opportunity of dispute and immediate removal of residents for serious breach, it is hard to imagine what the risk is in real terms to owners and caretakers. The risk to residents and their families, however, is great; they will be homeless. The use of tenancy databases for such a disadvantaged, disenfranchised and vulnerable group would be unjust and untenable. In addition to the above, it appears that, given the limited size of the boarding house industry, most boarding house owners freely exchange information about residents with each other anyway, obviating the need for a database listing approach to boarding house residents.

However, the legislation also allows for someone listed incorrectly or unjustly on a database to apply to the Small Claims Tribunal for an order for the listing to be removed. We talked about a few of these instances earlier today. Some of these people have been listed simply for not mowing the lawn. Others have been in a de facto relationship or a marriage that has broken up. A couple have a blue, and then one partner goes and lists the other person, and they are listed for life. This legislation will allow them to have their names taken off that database. Of course, there are about 600,000 listings Australia-wide. I hope that adequate planning will be done to ensure that the tribunal will be able to handle all of the applications that it might receive. I hope that waiting times will not be unreasonable, because there may be a flood of applications.

Almost surprisingly, the major stakeholders, whom one might expect to have polar views on the issues—the Tenants Union and the Real Estate Institute of Queensland—both appear generally happy with the legislation. Both made the point to me that the proof of the pudding will be in the tasting, that is, the quality and wording of the orders issued by the Small Claims Tribunal. However, both groups did have some specific concerns with the legislation.

Some of the concerns of the REIQ—and I will not go through all of them because there are far too many; I will only mention a couple—are to ensure that a tenant can be listed on the tenancy database only if they are a named tenant on the agreement, the agreement has ended, the reason for listing complies with the act, and the person listing has taken reasonable steps to disclose to the tenant that they are to be listed. There is concern that the provisions allow too great a length of time for a tenant to move from property to property and there might be a delay in the process of listing. The REIQ suggests that the listing can be made and a tenant can use the appeal mechanisms in the bill. There is also concern at the inability of a person to list once a bond has been disbursed.

This legislation allows for someone listed incorrectly or unjustly on a database to apply to the Small Claims Tribunal for an order to have their name removed. Let us hope, as I said before,

that adequate planning has been done to ensure that the tribunal will be able to handle these applications and that waiting times will not be unreasonable. I support the bill.

Mrs LAVARCH (Kurwongbah—ALP) (5.03 p.m.): It is with much pleasure and a great deal of pride that I rise in this debate to support the Residential Tenancies and Other Legislation Amendment Bill 2003. This bill contains provisions which, for the first time in Australia, if not the world, will regulate the listing of personal information on tenancy databases as well as provide relief for those who have been unfairly listed on such a database.

This is a bold step for a state to take, but it is one which will go a long way to deliver and restore dignity and quality of life to tens of thousands of Queenslanders. It is a step which will prevent many from being shut out of the private rental market, as is now the case, and it is a step which will unlock the door to the private rental market for many of those currently listed on databases for reasons which would clearly be outside the provisions set out in this bill.

At the outset, I want to place on record my thanks and congratulations to the Minister for Housing and Minister for Public Works, Minister Schwarten, for taking on board public concern over the use and operation of tenancy databases and championing the need to rein in the harm they could do as they continue to operate in a complete legal vacuum—not being covered by any laws, not answerable to anyone, no checks and balances, nowhere to go for recourse should you be incorrectly or unfairly listed, no-one to hear a tenant's version of events. If it was not for this minister's outrage over what is occurring in the industry and his commitment to address the problems, we would not even be considering these provisions here tonight.

I also want to express appreciation for all the hard work carried out by Carolyn Mason, the general manager of the Residential Tenancies Authority, and RTA policy officers David Breen and Janet Arbor, whose hard work in progressing the Queensland response to problems with tenancy databases has also been responsible for the drafting of the provisions in this bill.

The provisions of this bill are the culmination of work undertaken by many, but none more so than Fiona Guthrie, who was engaged by the RTA in October 2001 to coordinate a state government strategy regarding the use and operation of tenancy databases. Ms Guthrie's report entitled *Recommended Queensland Strategy Regarding Tenancy Databases* was presented in January 2002 and formed the basis for further work carried out by the special government backbench committee which I had the honour of chairing.

I also want to take this opportunity to thank my fellow committee members—Desley Boyle, member for Cairns; Peter Lawlor, member for Southport; Dianne Reilly, member for Mudgeeraba; Rachel Nolan, member for Ipswich; Liddy Clark, member for Clayfield; Christine Smith, member for Burleigh; and Peta-Kaye Croft, member for Broadwater—for all the time, effort, guidance and work that they put into the inquiry into the operation of tenancy databases and our committee's report which was tabled in parliament in September 2002. Appreciation and acknowledgment should also go to Ministers Welford and Rose for joining with Minister Schwarten to ensure that a whole-of-government approach could be achieved.

The starting point for the development of this legislation was the growing concern over the use and operation of tenancy databases. Concerns raised about tenancy databases included incorrectly listed information, listings even though there were no moneys owing, not being able to easily access, verify or correct information held, trivial or retaliatory listings, tenants not being informed of the listing or threats to list a tenant if they tried to assert their rights under a tenancy agreement, coupled with the cost of accessing any information held, particularly in the case of TICA, which charges by the minute for telephone inquiries. Added to this list was the lack of any ability on the part of a tenant to seek any redress or have any venue to approach to lodge a complaint or have a listing removed.

These concerns had been raised for a number of years by tenant advocates and housing services to the extent that they had formed a tenancy database action group, known as TDAG, to pool resources and garner support for regulation or prohibition on the use of tenant blacklists. It was particularly recognised by this group and others that tenancy databases have a flow-on effect in the housing system, causing pressure on emergency accommodation providers and on public housing as many were unnecessarily being shut out of the private rental market.

I also take this opportunity to acknowledge all their hard work and perseverance to bring this issue to the wider public attention and their contribution to developing this practical and workable response. It should also be pointed out that even industry, the users of the tenancy databases, have identified some level of criticism of the current operation of the databases, and it is pleasing to see that they are supporting the provisions of this bill.

During my committee's inquiry, representations from the rental property industry raised a variety of issues which go to the lack of criteria for listing, the lack of dispute resolution mechanisms, and the desirability of best practice guides for informing industry on the use of the information held on a database. I acknowledge and thank all involved in the industry who have worked hard to reach a workable solution to ensure the reliability and quality of the information held on databases. They certainly recognise that there is no place for inaccurate listings on tenant databases. It certainly does not help them in their risk management and their work as property managers.

It was from the starting point that a lessor has a legitimate entitlement to take reasonable steps to protect their property and to manage the return to be delivered on a rental property investment by undertaking checks on potential tenants that my committee formed the view that databases—if operated properly, used fairly, maintained accurately and monitored correctly—are a legitimate means to protect a lessor's interest. In reaching a conclusion that the Residential Tenancies Act should be amended to include listing criteria for databases as well as disclosure, compensation and dispute resolution mechanisms, we were very mindful of the need to balance the interests of lessors and the interests of tenants in the private rental market. We were also very mindful that overlaid on these private interests is a public interest in ensuring that the private rental market operates both effectively and fairly so that demand is not shifted from the private market to public housing because of the effect of database black listing unreasonably particular tenants from the private rental market. I am pleased that the minister embraced the recommendations made by my committee for legislative amendments and incorporated all bar one of these recommendations in this bill.

I do, however, understand the rationale for not being able to incorporate time limits for listings in state legislation. I believe setting a time frame for the holding of information is critical to the fair operation of tenancy databases. However, I note that the federal Privacy Commissioner has indicated that lengthy listings may breach privacy principles and complaints can be made directly to that office. This is where the distinction between what can be achieved at a state level and what needs a national approach is most evident. Because the setting of a time limit for the holding of information in fact regulates a database operator rather than setting a criteria for listing, limiting the time information is held can only be achieved through being able to regulate the operators themselves. It is this national nature of databases together with the mobility of the Australian population which demands that a national coordinated response be achieved if we are to have an effective and equitable regulation of tenancy databases.

I know that Ministers Schwarten, Rose and Welford are raising the need for national standards and a national approach at ministerial council level, and they certainly have our full encouragement to continue to champion the need for national standards. I also know that the tenant advocate groups and housing groups and services across the eastern seaboard are also promoting and championing a national response. I am also aware that the REIA is keen to have national standards. Because there is so much support for a national approach and national standards, I am optimistic that this can be achieved in the not-too-distant future. Queensland once again is leading the way. We have begun the journey and we will continue to pave the way to improve the quality of life of not just Queenslanders but Australians one and all. I commend the bill to the House.

Ms BARRY (Aspley—ALP) (5.12 p.m.): I am pleased also to rise to support the Residential Tenancies and Other Legislation Amendment Bill 2003 and in doing so congratulate the minister and his department once again for the detailed consideration and consultation that took place in bringing this bill before the House. The bill has as its objectives the following amendments to the Residential Tenancy Act: to clarify a number of ambiguous policy provisions to ensure the policy intent of the legislation is achieved; to correct some minor technical inconsistencies; to make provision for how unclaimed bonds over seven years old are dealt with; and introduce provisions for the listing of personal information on a tenancy database and related disputes. It also amends the Architects Act 2002 to enable the use of the title 'architect' for companies providing such services. This will of course allow architectural businesses to continue to use the title 'architect' whilst ensuring the public can identify persons who use the title 'architect' with confidence. It also addresses national competition policy review outcomes for the Queensland Building Services Authority Act 1991 by reinforcing the independence of the statutory insurance fund and ensures prudential requirements are prescribed in regulation.

Of course the major change is the introduction of the provision to regulate tenancy databases and to provide a disputation mechanism to deal with listings on such databases. I

congratulate the minister on the introduction of these changes which are, as the member for Kurwongbah so rightly said, a first for this nation. It is no surprise that such leading provisions come from Queensland and come from this minister, for providing a roof over people's heads is a priority for him and our government. Having a place for ourselves and our families to live, work and play is an expectation that we all have as citizens. For many of us, we hope to one day own our own homes. But for most people the road to home ownership is through the rental market. This fact is demonstrated by figures that show that 30 per cent of properties in Brisbane are rental properties and 70 per cent are owner occupied. Renting a home is something that most people experience at some stage in their lives. The first time that many young people move outside the family home will be into a rental property and for many older people the move to a rental property is often a move out of their large family homes in that they go into retirement village leases, rental apartments, caravan parks or unit rentals.

Moving home for job changes, personal family changes, education and transport purposes is common. They say that moving house registers as one of the most stressful events in our lives equal to that of divorce and death in the family. One can only imagine how terrible that process must be and how much more stressful it must become upon being found that one is either wrongfully or vexatiously placed on a black listed tenancy database and finds that they cannot get new accommodation and that they have no recourse to address this. The outcome for many people is that they simply cannot find a roof over their head for themselves and their families. This legislation will regulate the way in which people find themselves on such lists and will provide a dispute resolution process that will enable them to take action if they feel wronged by their situation.

The electorate of Aspley has a high owner occupier population, but its closeness to the city has seen an increase in recent years in investment property purchases. This will mean that more and more people who wish to rent will move into my electorate. It also means that more and more people will become landlords, so providing the balance between the rights of tenants to gain appropriate accommodation and the protection of landlords' substantive property investments is vital. As of tomorrow, I will become a landlord myself for the first time in the electorate of Clayfield. I have experienced some anxiety as I took out landlord insurance and filled out the various forms and considered the prospect of my new property being in the hands of tenants for many years to come. So I understand the rationale for a database for potential tenants. But as a young person who left home at 17 years of age I can tell members that I have rented more properties than I can remember, so I do understand how important it is that a person's name as a responsible tenant is protected from vexatious—

Mr Lawlor interjected.

Ms BARRY: One would not know, would they, prior to this legislation whether their name was on that list or not? With my name as a responsible tenant, I always felt that it was important that it was protected from malicious, mistaken or vexatious black-listing.

I know that this legislation has been the subject of much work to ensure that such a balance is found between the rights of tenants and the rights of landlords. I have had some insight into the work that has gone on into the research behind the legislation through my membership of the minister's committee and also my association with the member for Kurwongbah, Linda Lavarch, who has had incredible input into this outcome. I have watched with much enthusiasm the research outcomes and decisions that have been made in relation to the regulation of tenancy databases. I congratulate the minister and the member for Kurwongbah's committee for their work. This legislation will have as it outcomes one of the most important of human rights—a roof over more people's heads in my community. It also protects and encourages home investors by ensuring that their properties are properly tenanted. I congratulate all involved and commend the bill to the House.

Mr BELL (Surfers Paradise—Ind) (5.18 p.m.): In rising to speak to the bill, I will limit myself to the aspect that relates to databases. I was comforted to read in the minister's speech that a fair balance was being sought between the rights of tenants and the rights of lessors, for in legislation of this nature it would be easy to overlook the rights of lessors. After all, a lessor uses a database not just to find out whether a tenant can pay the rent but also whether the tenant will be a suitable tenant for that property and whether the landlord will be happy having that tenant there and should choose that tenant over another.

I did have a few questions upon which I would invite the minister to ponder in connection with clause 27 of the bill, which inserts the new section 284C. One is whether the listing, in accordance with the regulation, will in some manner be protected from the laws of defamation. At the

moment, of course, one of the reasons that databases are kept secret is so that there cannot be a plethora of defamation cases. One cannot argue against the fact that a database should be correct and that it should be verified, but on the other hand one does not want a situation in which it becomes open slather for tenants from hell to be able to say, 'Thank you very much for opening this up. Now I can take defamation proceedings.'

I am also concerned—and I would invite the minister to consider this—about how this legislation will affect tenancy databases which are maintained interstate. I do know that TICA, one of the biggest of the databases, actually operates interstate. I wonder how this bill, assuming it becomes legislation, will be able to have force and effect in respect of interstate databases. It would be somewhat ridiculous if we have restrictions on Queensland databases but there were no such restrictions on interstate ones unless and until at some future time—this is very nebulous—there might be some national restrictions or legislation.

I also invite the minister to give some thought to when an agreement has ended. One cannot make a listing on a database until the agreement has ended. Has the agreement ended when the time prescribed in the lease document runs out, even if the tenant is holding over? Has an agreement terminated when a notice of termination is given, even though the tenant might not have moved out? I think it is important to clarify these matters and I would invite the minister to do that.

My biggest concern, however, is when one reflects upon what will be prescribed reasons for listing on a database. Perhaps it is a situation in which the devil is in the detail. I would be very, very much happier this evening if I had before me all of the reasons that are going to be prescribed by the regulation. Right now we do not know how liberal or how restrictive that will be. We are really grappling with the phantom.

I do not intend to vote against this bill on that basis, but I would point out with great respect that the only manner in which members of the House can take exception to anything which is in the prescribed reasons set out in the regulation yet to come, or can take exception to something that is omitted from that regulation, is to move a disallowance motion for the whole of the regulation. I am informed by my good friend on my immediate right that it is not possible to amend a regulation, that one can move only for its disallowance. Therefore, it is very difficult for those of us who have not seen what is going to be in the regulation to know whether we are going to be happy or not happy and to know how we are going to deal with the matter if we feel that matters should be prescribed and are not prescribed.

However, for the moment I will support the legislation. I think in general principle the provisions relating to databases and the other contents of this bill are reasonable and supportable. I am, however, very worried about the detail of the prescribed reasons, that they may be so restrictive that they will be of no assistance at all in helping a lessor make a determination as to whether a tenant applicant for a particular flat, apartment or house is going to be a good tenant and one that will make the lessor happy.

Mrs DESLEY SCOTT (Woodridge—ALP) (5.24 p.m.): The tenancy database or, as it is fearfully referred to in my electorate, TICA, has been responsible for some of the most unfair, inequitable practices which have contributed to many families in my electorate running out of options for what is the most basic human right—that of adequate housing. Unfortunately, there are people who quite simply have no sense of financial responsibility, who may have no idea how to care for a home or how to live in a community, who sadly make a database necessary. Sometimes these people can respond to a community worker assisting them, but sadly there are others who simply thumb their nose at society and will cause trouble wherever they go. Thus, the need for a tenancy database is established to protect property owners who have invested their funds to provide for our private rental market. However, it has been painfully obvious to me for many years that legislation was required to strike a balance and to offer protection to tenants in privately rented properties who do the right thing.

I would like to commend, first of all, Ms Linda Lavarch and her committee for their initial report and, secondly, the minister and his staff for bringing this legislation to the House. It is very timely. This morning my electorate officer was visited by a mother and her young daughter who are seeking housing. They are listed on TICA and have been living in a park for some weeks. I have dealt with hundreds of people over the years who have battled to find a roof over their heads while listed on TICA. I must say that I have to thank Tim, my local LJ Hooker man, for clearing many, many names from that list. He has been very, very kind to many of my constituents. He is a good man.

Mr Pearce interjected.

Mrs DESLEY SCOTT: Next door to my office.

A government member: Thank you, Mr Hooker.

Mrs DESLEY SCOTT: Thank you, Mr Hooker.

As the federal government has turned its back on public housing we have seen a gradual increase in wait times. A three bedroom house in Woodridge now requires a wait of in excess of 12 months where once it was four to six weeks. There are many contributing factors involved, one of which is our urban and community renewal programs which have made the suburbs of Woodridge and Kingston far more desirable places to live. Families are recognising that Logan is a great place to raise their children. They enjoy the community spirit, the great services, the educational opportunities and so much more. This government has been eager to improve the lot of the people in my electorate.

It has often been a rude shock to people when they find that their names have been added to the tenancy database. I am pleased to see that the operators will now be required to notify a person in writing along with the details of the complaint, and that the person must be listed on the tenancy agreement and that, if in arrears, the amount must exceed the bond money held. Many of the complaints I have received have been for small amounts and often the names have remained listed long after the arrears were cleared. There was no safeguard. Now tenants will be able to apply to the tribunal within six months if they believe their listing is unfair. However, once the bill comes into vogue existing tenants who were listed previously will have 12 months to apply to the tribunal.

This legislation will truly even up the balance of power. The Small Claims Tribunal will be given powers to order amendments and, should the operator fail to comply, the RTA will be able to prosecute through the Magistrate's Court, with serious offences attracting fines of $3,750, or 50 penalty units. I believe it is fair that there be provision for a compensation order to be paid in cases where a person has suffered personally due to wrongful listing.

This legislation will bring about a great deal of positive feedback from my constituents, many of whom have felt powerless to fight to clear their names from such an all-powerful listing which has, in the past, had such a devastating effect on their way of life. I applaud these measures.

Mr CUMMINS (Kawana—ALP) (5.28 p.m.): The Residential Tenancies and Other Legislation Amendment Bill 2003 incorporates a number of worthwhile provisions to ensure the ongoing effectiveness and viability of the Queensland rental industry. One of the new provisions relates to the use of unclaimed bond moneys which have accumulated in the rental bond account managed by the Residential Tenancies Authority, or the RTA. As members are probably aware, the RTA administers a custodial rental bond service for people renting in Queensland. Prior to its establishment in December 1989 there were no laws or real controls about what happened to the rental bond moneys that tenants paid to lessors or agents. This put the tenants at a great disadvantage. With possession being nine tenths of the law, the bond money held by lessors does not always get back to the tenants at the end of their tenancy.

This is positive legislation that I know the minister—and indeed all of us on the government side of the House—support wholeheartedly. Sadly though, the minister's department has recently received correspondence from the present mayor of Maroochy council, who alleges that the management of the former Sunshine Coast Regional Group Apprentices Limited—SCRGAL—defrauded state governments of hundreds of thousands of dollars. She said that the alleged fraud happened during her time as SCRGAL chairperson. The claim centres around the Housing Industry Trade Training program—HITT—which was administered by the Department of Housing, or its project services branch. Mayor Grosse alleges that SCRGAL were falsifying records regarding the number of apprentices being employed on HITT funded projects. I understand that that letter was referred to the CMC. I commend the minister for doing that.

Sunshine Coast residents have clearly had enough. I believe that Mayor Grosse has been a party to improper actions that have allowed mismanagement, misappropriation, and utterly inappropriate goings-on that will bring about severe repercussions. Being a part of possible fraud against the state, against the same people whom Mayor Grosse is supposed to represent, is indeed reprehensible. At a federal government level, we have a member who gets drunk and gets thrown unceremoniously off Australia's national carrier, Qantas. Also, following a federal government Christmas party, that member finds himself so drunk that he cannot get out of a handicapped toilet. Sunshine Coast residents deserve far better. The mayor of Maroochy council must vacate the office that she holds. The people of the Sunshine Coast deserve far better.

Maroochy councillors can no longer simply grandstand by moving votes of no confidence. I challenge any of those councillors to move to dissolve the present council, thereby allowing an administrator to be appointed immediately.

I commend the minister for referring the allegations of fraud to the CMC. As we realise, that is the right and appropriate thing to do. The CMC is well aware of the numerous shenanigans of the Maroochy council, not only involving the mayor but also other councillors. I commend the minister and all of those who worked in the preparation of the report of the special government backbench committee to inquire into the operations of tenancy databases. I commend the bill to the House.

Mrs SHELDON (Caloundra—Lib) (5.32 p.m.): I would like to participate in this debate on the Residential Tenancies and Other Legislation Amendment Bill and, in particular, raise some concerns that I have. I realise that there has to be a balance between the rights of the tenant and the rights of the owner, or so-called lessor. However, I am concerned that this bill may well go too far in terms of looking after the rights of the tenant only.

Most responsible owners/lessors act through agents and, indeed, pay the agents a fair amount of money to manage the leasing of their properties. They expect the agents to make sure that the tenants who are put in place are responsible tenants—tenants who will pay their rent, tenants who will not damage the property, and tenants who will not have to be finally evicted. Any owner who has had to evict tenants knows that they have to go through a convoluted legal experience. It takes a long time to get a person evicted. It seems that quite often the rights of the person who has damaged the property and not paid their rent are taken much more seriously into consideration than the rights of the owner. I ask members to remember that investment properties are owned by all sorts of people. Those investments add to the infrastructure and economic balance of investment in any community.

Certainly, in some cases, there is no doubt that the database has been abused. People have a right to see that they are fairly treated. But as I have said, I have a concern that the owners and lessors are not considered adequately. I know that on the Sunshine Coast, where a lot of people are seeking rental properties and a lot of people are seeking Housing Commission properties, people have come repeatedly to my office—and I have a very good relationship with the regional Housing Commission authorities and I think that they do a very good job and often a very difficult job—complaining that they cannot get a private listing and, indeed, they cannot get a housing commission listing. Invariably, my office contacts the housing commission authority and invariably I find out that that tenant has been a tenant from hell. The housing commission has put up with them for quite some time. Those people have damaged premises and on a number of occasions have not paid their rent.

Let us face it, housing has to be provided for people in need and people who are economically in need. Those people who abuse the system are putting other people who would not abuse the system in a position where they cannot get tenancies. I know that some of the database listings are fair listings.

I would like the minister to address a couple of my concerns. The minister's second reading speech states that the bill requires that the person who proposes to list information about another party to advise that party of the prospective listing by written notice or by taking other reasonable steps to inform that party. That person also must give the other party a reasonable opportunity to review the information to be listed. That is fine, but I ask the minister: what is the time frame put in place for this? If the lessor or the owner is looking to release this property, or looking for someone whom they think would be a better tenant, how much of their rights are going to be abused by this concern taken up with the tenant?

The Small Claims Tribunal will have the power to make a range of orders about listings, including ordering a person to take steps or remove information or any other action that the tribunal considers appropriate. On the surface, that seems fair enough. But again, we need equity on both sides. Indeed, those found guilty of a failure to comply with the tribunal's order about a tenancy database will face a fine of up to 50 penalty units, or $3,750. I ask the minister: is there going to be a penalty or a levy put on a tenant who takes a matter to the Small Claims Tribunal that is found to be fallacious? I believe that what is fair on one side has to be fair on the other.

The RTA will also be able to prosecute such complaints in the Magistrates Court and will present evidence on the person's behalf. If a conviction is made, there is a further penalty. As the conviction has been made in the court and a penalty applies, I do not have much concern about that matter. Compensation can be paid by the convicted person to the persons listed for

damages and injuries sustained as a result of the listing. That is fine, but will that provision also apply to the lessor, or the owner?

I also ask the minister about the bond money that, after seven years, can be used for specific purposes. I notice that at the moment the amount is about $255,000. I ask the minister: where will this money go? If it goes into consolidated revenue, it will probably not go anywhere near housing. If it is definitely being retained by the minister within his department—

Mr Schwarten: It will be determined by the minister at the time.

Mrs SHELDON: That is fine. But what sort of housing will that money go towards?

Mr Schwarten interjected.

Mrs SHELDON: That is fair enough. I think that the minister has to have the responsibility and ability to act there.

Mr Schwarten: It has to go for housing purposes. It might be used, for example, to help tenant groups, it might be used to educate REIQ members or whatever the case may be. It has to be specifically for housing purposes. It does not go back to Treasury.

Mrs SHELDON: I think that is very important. Although the RTA has not been using this money up until now, it is important that it has adequate funds to do what it needs to do, too.

I agree with the inconsistencies in the terms 'lessor' and 'agent', because a lot of people do have an agent, as I mentioned before. Indeed, the agent should be responsible. Will tenants have two bites at the cherry? Can they take on the agent and also the lessor? This is an important point I would like the minister to respond to, because the lessor may not know that the agent has this tenancy database and may not know what is on it. I think their rights also have to be considered.

All in all, I can see what the minister is trying to do here. I do support procedural fairness. As I have indicated, it must be on both sides. I do have a concern—it is shared by the member for Surfers Paradise—that this amendment may go too far in favour of tenants' rights.

Hon. K. W. HAYWARD (Kallangur—ALP) (5.40 p.m.): I congratulate the minister on his review of the Residential Tenancies Act and on the amendments contained in the Residential Tenancies and Other Legislation Amendment Bill. These amendments cover a wide range of areas. It is my intention to focus on what I think many members of this parliament have focused on, that is, tenancy databases.

I welcome the introduction of this legislation, because it fulfils the sentiments of the Residential Tenancies Act by attempting to rebalance the rights of tenants and lessors and break down the power structure which is being created by tenant databases. Indeed, since their introduction in Queensland it has become quite clear that tenancy databases have been the cause of an imbalance of power between tenants and lessors, I think very strongly in the lessor's favour. This imbalance has occurred, I think, because prior to this legislation there was no legislation to cover tenant databases.

The lack of legislation has allowed some real estate agents to misuse tenant databases to list tenants unjustly. For example, some tenant databases operate on a system of two lists—a default list and a history list. A tenant being listed on a default list generally means that the tenant left the tenancy owing money in some form. However, a tenant can be listed on a history list for any number of reasons. I am sure that the minister has heard most of the reasons possible. Something as simple as an untidy garden can be given as the reason for listing. This has meant that in some cases where there has been a disagreement between a tenant and a property manager, the tenant has found himself or herself on a tenant database—for something that, even if the problem did exist, could be easily remedied.

Without any legislation, tenant databases are quite clearly unfair, because the tenant has to pay to access their information and the information given is very limited indeed. Database companies exist to make profits. One particular database company I have been informed about charges something like $5.45 per minute for the tenants to access information through a 1900 phone number. Feedback to tenant advocates from tenants has revealed that tenants are rarely given any information in under 10 minutes, which of course means that tenants can pay over $50 a time just to inquire about information relating to their own circumstances.

In some ways, being on a tenant database is like having a criminal record because once someone is on a database, even if the alleged debt is paid back, they are not removed but simply relocated to the history list. So they are still on another list. Consequently, there has been

considerable feedback to tenant advocates that some real estate agents have used tenant databases to threaten tenants. They may have said, 'If you do not behave, if you do not do what I want you to do, I will list you on a tenant database.'

I am sure that this legislation is welcomed by tenant advocates, such as the Tenants Union and the Tenant Advice and Advocacy Service operating in Queensland, and most importantly by tenants themselves. It is welcomed because this legislation will allow tenants to have access to the information the real estate agent intends to place on the database. There are mechanisms in the legislation which allow for the tenant to then challenge that intended listing if they believe the information to be incorrect.

Earlier I had an opportunity to speak to the member for Kurwongbah. She explained to me that this legislation foreshadows a regulation that provides that a tenant can only be listed if the moneys owed exceed the bond money held by the Residential Tenancies Authority and if it has been proven in the Small Claims Tribunal that that money is indeed owed.

There have been some comments made this afternoon that this legislation is one-sided. I think I can understand how some people can say that. Really, this legislation has to be seen in the sense of redressing the imbalance and ensuring that there is a good relationship between tenants and lessors.

I take this opportunity to congratulate the minister on the education process he has undertaken—to educate people who may become tenants about their requirements. I had the opportunity to attend the official launch of the animated CD *Renting with Rover*, which is put out by the Near North Housing Service. That CD was launched at the Geebung-Zillmere RSL by my friend and colleague Neil Roberts, the member for Nudgee. He did a great job. The CD is aimed at young people looking at renting a place to live.

Preparation of the CD involved a lot of consultation with young people, service providers and real estate agents. I have previously spoken in this parliament about the preparation of the CD and the whole project. Of course, that project provides an important opportunity to educate people who are likely to go into the rental market. I take the opportunity to mention it here because the coordination of that project was done by Hungry Hill Studios at Kallangur. That is an exciting resource of arts and culture for young people not only in the Kallangur area but in south-east Queensland.

I take this opportunity not only to welcome this important piece of legislation but also to congratulate tenant advocates—Tenants Union of Queensland, the Tenant Base Action Group and the Tenant Advice and Advocacy Service—my parliamentary colleague Linda Lavarch, the member for Kurwongbah; the committee she chaired on tenant databases; and, most importantly, the minister. Without those people, who identified the need for this legislation and the form it should take, tenant databases would continue to operate in Queensland as a tool of power for some real estate agents to exercise over tenants, to the inevitable detriment of tenants in Queensland.

Ms PHILLIPS (Thuringowa—ALP) (5.48 p.m.): I rise in support of the Residential Tenancies and Other Legislation Amendment Bill 2003. The most significant elements of the bill are those governing tenancy database listings. The 2001 report on the Residential Tenancies Authority identified two types of issues about tenancy database listings—problems about what and how information was put into the databases and problems about how the databases are run.

The problems with listing practices are about unfair, trivial or inaccurate listings, lack of disclosure about the information listed in many cases and the lack of any process to dispute a listing if you do not agree with it. Secondly, there are problems with how databases are operated, including the difficulty and cost of accessing information, inappropriate listing categories, information being retained for long periods after the problem has been fixed and, again, no process to dispute or correct a listing.

One of the difficulties in tackling the issues surrounding tenancy database problems has been determining where the solution sits. Is it a tenancy problem, a consumer problem or a privacy issue? Since there has been no national response to these serious problems, Queensland has forged ahead and developed the provisions set out in this bill. We already have national credit listing agencies which record data that is readily available to those who are advised that they have their names on the list. So we in Queensland have taken a logical, considered approach by establishing criteria for listing practices in relation to tenancies and making the people providing the listing information accountable for their actions. This will go a long way to addressing problem No. 1, that is, listing practices.

The second problem, database operating practices, is more problematic. Regulating databases and their operations is outside the scope of the Queensland Residential Tenancies Act 1994. The major databases are headquartered interstate. So there are obvious practical difficulties in our trying to deal with the database operating practices. I respect the argument put: that it is very important that a balance between protection for the lessor and the lessee is achieved. I know of many examples where tenants from hell have in fact destroyed owners' property. I am also aware of industry protection for landlords through specifically designed rental insurance packages. However, when we talk about protecting the tenant, we are talking about deeply personal data.

Tenancy databases essentially trade in personal information. That the personal information arises from or in relation to a residential tenancy is inconsequential. We must ensure that this information is objective and that it is factual data only that is recorded, not information about a person's marital status, race or income source. It is at its core a privacy issue surrounding the handling of personal information. It is here that the Commonwealth Privacy Act and the Commonwealth Privacy Commissioner can play a role.

The Commonwealth Privacy Act was extended in 2000 to apply to the private sector. This law addresses some of the issues raised through investigations into the impact of tenancy database provision, such as a person's right to access the information held about them, the costs of accessing the information, the need for a person to be told that the information is being collected and the purpose it will be used for. It also requires information held to be accurate, up to date and collected lawfully.

I understand that the Privacy Commissioner, Mr Malcolm Crompton, has been concerned about how tenancy databases operate. He has been reported a number of times in national media commenting on the seriousness of tenancy databases and recognising the groundbreaking work being done in Queensland on databases through this bill. The chair of the backbench committee on tenancy databases, the member for Kurwongbah, was able to meet with the commissioner as part of the committee's investigations, and I understand he was able to provide helpful advice about these issues. The Residential Tenancies Authority has also met with the Federal Privacy Commissioner a number of times. He has been very supportive of our important work and the approach we are taking in Queensland.

There are two issues, in particular, we hope the commissioner can look into at a national level to support the work here in Queensland. Firstly, once the tribunal makes an order about a listing, the person who provided the information here in Queensland must request that the database operator amend his records. I am sure this will happen. After all, people in Queensland are not likely to want to do business with a company that does not respect court orders. Nevertheless, if the database operators do not play by the rules, we will be looking to the Federal Privacy Commissioner to look into such behaviour, which would breach the information principles set out in the Privacy Act.

Another issue is that of the length of time some listings stay on databases even after the issue has been addressed. As has been pointed out by several previous speakers, it is not possible to make effective laws in one state about interstate conduct. I trust that the commissioner will also consider this issue in terms of the information principles in his act. Certainly I understand that he will carefully consider any complaints he receives about this issue. Mr Crompton's willingness to discuss tenancy database issues with the RTA, with Ms Lavarch and others involved in investigating the impacts of these operators on tenancies is encouraging, and I have confidence in the commissioner's commitment in supporting our work as part of ensuring an effective privacy regime in Australia.

In conclusion, I commend the minister for this legislation and the actions taken to date by the RTA and others in putting Queensland in the lead by developing the innovative legislative response, and I encourage all members to support the progress of the issue onto the national agenda.

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (5.55 p.m.): In rising to speak to this Residential Tenancies and Other Legislation Amendment Bill, I will be commenting on matters that have been raised before and several other matters as well. A major complaint that has been raised with me by people looking for accommodation in my electorate is this TICA list, and I certainly congratulate the minister on providing some balance to people listed on these negative databases in giving them the opportunity to respond to the implied accusations that the database contains.

I agree with previous speakers that there is, unfortunately, an element—a small element, I believe—in the community who are very poor tenants and who believe that because they do not own the premises they have no obligation whatsoever to look after the place and, in some people's minds, it is their right to do whatever they like, even if it results in damage. I concur with previous speakers and with the minister himself in saying that people who are destructive tenants need to be held responsible for the damage that they cause.

The minister has spoken in this chamber about the small percentage of Queensland Housing tenants who are destructive. Fortunately, the vast majority of tenants in Queensland Housing are responsible and look after the properties, but there is that element that has to be held accountable for their actions. I do not believe the legislation that we are debating today will unfairly tilt the table in favour of those people who are poor tenants, but it will give some response and respite to those who find themselves on a list often for reasons that they do not understand.

I have a family in my electorate which has had two long-term tenancies, and my argument on an emotional basis, I guess, is that if they have been good enough tenants for their leases to be renewed for five and eight years respectively, then their ability to show that they are good tenants is established. But the information that we could uncover appeared to be that they had a large family by today's standards, they were on a modest income and they maybe did not have all of the paraphernalia that would attach to a materialistic-type assessment of how good a tenant they are. The fact that they had tenancies that lasted five and eight years indicated that they were reliable payers, they looked after the premises, they did not knock them about, and yet they had been placed on a TICA list. That was reversed, but it was not without a degree of grief on their part in trying to find alternative accommodation and in being knocked back by real estate agents at every turn. The knock-back was on the basis of the TICA list.

The minister and I have had a number of discussions, agreeable and otherwise, about accommodation shortages in Gladstone and in Calliope. I will continue to make representations to the minister about the need for affordable accommodation in my region, which I know he recognises. However, it is those people who are forced out of the more affordable accommodation who are the ones that often suffer by not being able to get affordable accommodation in an area. They do not always get on to these TICA databases, but because they are on a limited income, because higher rent is not an option that they can consider, it is very easy for them to be dealt with less affirmatively and less positively than those who have more disposable income. I think any protection for people who through no fault of their own find themselves on these lists is welcome.

I also commend the minister on a couple of examples that he gave in terms of reasons for an application to the tribunal about an incorrect or unjust listing. One example given related to property being damaged not by the lessee but by another adult, a person beyond the control of the lessee. In the example that was given, it was a spouse involved in an incident of domestic violence. However, it could be another adult's child, it could be a visitor to the premises. In all these examples, the lessee could be held responsible for that damage without justification. The hearing in the tribunal gives an opportunity for information to be presented which could balance the potentially negative listing of that person; they may be able to present evidence that the incident was beyond their control.

The second example is particularly relevant and welcome. This example was a listing on a tenancy database relating to an amount of unpaid rent for two months, and during that period the person responsible for the payment of the rent was in hospital recovering from a serious accident. Whilst it rolls off the tongue as a little bit far-fetched, the reality is that it is very true and very reasonable and occurs quite regularly. I commend the minister for those two examples that clarify the sorts of matters that may, on the surface, justify the listing of a tenant but in reality, when all the facts are presented, that tenant is listed unjustly.

I am sure the minister will comment if this is not covered in the legislation, but there have been a couple of occasions where I have had people in my office as a result of relationship break-ups. One or the other partner agrees to take responsibility for certain bills. The other partner balances that by taking responsibility for other bills, and one defaults on that responsibility. That is another incident where the process that has been put in place under this legislation would give the disadvantaged party the opportunity to be able to prove that they are being unjustly listed, and I welcome that.

There is an element in the bill relating to the fact that a person must not list another person on a tenancy database unless the other person was named as a tenant in a residential tenancy agreement and the agreement has ended, and there is a reason prescribed by a regulation for

listing the other person. I ask the minister to clarify why those other reasons could not be listed in the primary legislation as opposed to it being done by regulation. We do have problems in this chamber dealing with regulations simply because they are subject, in total, to disallowance. One may only agree with one or two lines of the regulation, and yet by placing some very sensitive issues in the regulatory process, it means that the full regulation, which may be sound—

Mr Schwarten: There has been very considerable consultation with all the stakeholders. I am happy to get you briefed on that.

Mrs LIZ CUNNINGHAM: Thank you, Minister, I appreciate that extra information.

Another element of this bill that I wish to raise is a fundamental issue. It is probably something that in times gone by we have always assumed would be done because it is fair and reasonable, and yet it has become apparent that fair and reasonable does not always come into the assessment of all parties to an agreement, and that is the obligation for the supply of locks and keys. As I said, in this legislation there are some examples given, and those examples clarify the extent to which the occupier of a premises has a right to access all parts of that premises. That is reasonable if you are paying rent. We have seen on TV a few horror stories where people have had leases and they have only been allowed into part of the house, even though their lease was for the total premises or part of the premises. It would be fair and reasonable to expect a person to be able to access a lock-up garage or other secure areas, but after the lease has been signed the keys for those areas have not been forthcoming. I commend that aspect of the bill and its inclusion in this legislation.

I seek further clarification from the minister of clause 9. Clause 9 talks about an exemption to the Queensland housing commission complying with the notification periods, et cetera, for rental increases. I am sure there will be a reason for it, and I would appreciate in his summing-up if the minister could clarify those reasons. While talking about the housing commission, I wish to say that I found the housing commission officers in my electorate exceptional. They are very good people to deal with. They are understanding. I think they understand the spirit of not only the legislation with regard to the housing commission—

Mr Schwarten: They are rent subsidised. That is the reason.

Mrs LIZ CUNNINGHAM: They are rent subsidised.

Mr Schwarten: That is the difference.

Mrs LIZ CUNNINGHAM: Thanks for that. The housing commission officers, from my office perspective, are very good people to deal with and I commend the minister for his staff.

The bill also allows for the disbursement of rental bond money that remains undisbursed for the seven-year period. All I am seeking is a clarification from the minister of whether there will be a reporting requirement to parliament either on the part of the minister or on the part of the authority on the quantum of the money that will be disbursed and how that money will be applied. It says that it can be applied to a number of areas. They are very good areas. It can be for rental advisory services, supplying residential accommodation, improving relationships between lessors and tenants, facilitating the resolution of disputes by tribunals, the provision of housing or support, or related purposes as directed by the minister. All of those purposes are fair and reasonable. In fact many of them are welcome, but I seek clarification as to whether there will be a reporting requirement on the amount of money disbursed and how it is disbursed once it is made available.

The only other issue that I wish to raise relates to the Queensland Building Services Authority. I commend the minister for the fact that there is now a direction that the general manager, in deciding the action to be taken in relation to a licensee's licence, must not—it is a very direct statement—have regard to the implications for the statutory insurance scheme. I believe it actually places an obligation on the manager to think about the parties that are affected by the incident rather than the impact on the insurance scheme.

Clause 39 states—

... a regulation may require the fund ...

this is the insurance fund—

... to be managed in a way prescribed under a regulation; or in accordance with an external standard of fund administration prescribed under a regulation.

Why does it have to be so oblique? Why can those management protocols not be in the primary legislation with an example of the types of protocols that this clause relates to? I commend the bill

to the House. I believe it will bring balance to the community, and I look forward to the minister's response.

Mr LAWLOR (Southport—ALP) (6.08 p.m.): I rise in support of this bill, and I particularly direct my remarks to the provisions which are aimed at the regulation of information on tenants on databases and that provide a mechanism for handling disputes about listings.

The issue of the abuse of tenancy databases has been a concern for some years and the source of many complaints to each member of this House. We all hear horror stories of unfair and inaccurate listings, some of which can only be described as sheer blackmail. With this legislation, databases will only be able to be used for the purpose for which were they intended—risk management and debt reduction tools.

There has been an increasing number of tenants adversely affected by databases, and a listing has severe consequences and therefore severely undermines the tenancy law. A listing takes no account of the fact that a tenant may have lost a job, had a relationship breakdown or suffered a serious health problem. It is during such a life crisis that a tenant is most likely to default on an agreement, but having moved on from that crisis they may no longer be a risk to an investor, but under the existing system the listing could last forever.

Tenancy databases are run by private companies which generally market themselves to potential members based on the number of tenants listed. It is in their interest to promote negative stereotypes of tenants to exaggerate the problems faced by lessors. They have a vested interest in having as many tenants listed as possible.

Listings to date have often been for very subjective issues such as unkempt lawns and poor periodic inspections. Listings are sometimes vexatious and result from a clash of personalities and are essentially unappealable because there was no requirement to advise a tenant that he or she had been listed. They would simply find that they could no longer gain access to rented accommodation. Under this act that will no longer occur, because listings will only result from a serious breach. I mentioned previously that the threat of a database listing was often used by agents and property owners to blackmail a tenant into caving in to what were sometimes unreasonable demands. For example, the following was included in an open letter to tenants in a large residential complex—

> Additionally if we evict or have habitually bad behaviour or constant rent arrears, we have no hesitation in listing the tenant with TICA. TICA is the most popular data bank of bad tenants. Please believe us when we say listing with TICA will make it extremely difficult to rent again, especially in South East Queensland.

TICA, the Tenancy Information Centre of Australia, is one of the database companies and was the one which attracted most complaints to the special government backbench committee which inquired into the operation of tenancy databases of which I was a member and which was so ably and effectively chaired by the member for Kurwongbah, Linda Lavarch. Another example of a threat to list a tenant exposes another rort of the system. It is contained in a letter to a tenant and states, amongst other things—

> We trust you will appreciate the importance of this notice and the value in a tenant protecting their tenancy history. Should any tenant wish to discuss this matter further, you can contact us or TICA direct on 1900 222 0346 (calls charged at $5.45 per minute inclusive of GST).

So if one is lucky enough to find out that they are listed with TICA and wanted to discuss the matter, they could ring it on that number and pay $5.45 per minute for the privilege. There were many examples of tenants having to wait on the line for up to 20 minutes—a cost of over $100 to correct what was an incorrect or unfair listing. Another example states—

> Having a debt lodged with TICA also gives you a bad credit rating. If you were, for example, to apply for a loan or buy a car you would be denied because of this outstanding debt.

So this agent has taken the threat further to include loans and the purchase of a car, and the debt which was disputed by the tenant amounted to a couple of hundred dollars.

The bill provides for the Small Claims Tribunal to adjudicate on disputes about prospective and actual listings. This will enable tenants to appeal listings and, effectively, to clear their names. Most importantly, the bill requires a person who proposes to list information to advise a tenant and give them a reasonable opportunity to review the information to be listed. Any inaccuracies or misunderstandings can therefore be addressed and rectified at an early stage. I commend the member for Kurwongbah and the members of her committee who were so vitally involved in the investigative work that went into the preparation of this bill. I particularly commend the minister and his staff and his departmental officers on this most important piece of legislation. I commend the bill to the House.

Mrs CROFT (Broadwater—ALP) (6.12 p.m.): It is my pleasure to rise to speak in support of the Residential Tenancies and Other Legislation Amendment Bill 2003. This bill introduces a number of changes to the Residential Tenancies Act 1994 that will clarify a number of ambiguous policy provisions to ensure the policy intent of the legislation is achieved and correct minor technical inconsistencies. The bill also makes provision for how unclaimed bonds over seven years old are dealt with, but it is the next key highlight of the bill that I wish to focus my comments on this evening. The bill will introduce provisions for the listing of personal information on tenancy databases and related disputes and I strongly believe that the changes approved by the minister will go a long way to improving the lives of many Queenslanders. Exactly how many is anyone's guess, but during my involvement in the special backbench committee of tenancy databases chaired by Linda Lavarch, the member for Kurwongbah, the group and I met with many people whose chances to obtain rental housing had been shattered by the misuse of the tenancy database systems.

A tenancy database system is commonly used by real estate agents and other accommodation agents to record information about people who are renting properties. The data entered into the system is used to monitor payments and personal information about the tenants. The committee found that misuse of the tenancy databases was common. We heard stories of information being entered into the databases with little guidelines or training and certainly with no regard for the privacy of the individuals concerned. We also heard stories of how quite irrelevant and vexatious information had been entered into the database leading to black listing of tenants from obtaining other rentals later on. What we also found shocking was that the person who all the information referred to was not told of the database entries and what the consequences were. Tenants were then forced to ring a 1900 number to find out exactly what had been entered into the system about them and in doing so were charged a ridiculous $5.45 per minute. Imagine the frustration of not knowing what information, comments and opinions about yourself had been entered into a database system that was being used to determine whether or not approval should be granted to you for a rental.

This kind of situation will be addressed by the new legislation. The restriction on the listings section will mean that the listing person can only list persons who are named as the tenant on the tenancy agreement after the agreement has ended and only in line with the approved reasons as outlined in the regulations. Further, the listing person must also take reasonable steps to disclose to the person what information they are proposing to enter into the database. There must also be the opportunity for the person being listed to review the information prior to listing, except if the personal information is publicly available. These provisions will address many of the concerns that were raised with the committee. Providing people with the opportunity to address the concerns before listing has the potential to save heartache for many Queensland families. It is also good to see that the bill will introduce dispute resolution procedures that were completely absent previously. People have been finding out the hard way that once listed it is nearly impossible to have the listing removed. Under the new legislation, persons who have been listed on a tenancy database will be allowed to apply to the Small Claims Tribunal about a listing they consider incorrect or unjust. The tribunal may then make an order that the listing be removed or amended.

The government understands that there is a need for tenancy databases. Investors owning properties need to have the right to safeguard their investment, and accessing listed information on a tenancy database is a legitimate way of protecting that investment. However, what was needed was to provide more balance to the system, and I am sure that these amendments will provide that balance. I also take this opportunity to thank the real estate agents who contributed to the committee's review. In particular I thank Peter McGrath, Amanda Dunn and Maree Rogers, who had input to the committee on behalf of the Real Estate Institute of Queensland. They also took the opportunity to meet with me personally to go through some of the issues in more detail, which I appreciated. As I have said, listings on tenancy databases have brought grief to many Queensland families. This legislation brings more transparency and accountability to the process and ultimately will produce a fairer and more balanced system. I commend the minister and his department and commend the bill to the House.

Mr WELLINGTON (Nicklin—Ind) (6.16 p.m.): I rise to participate in debate on the Residential Tenancies and Other Legislation Amendment Bill. I do not intend to repeat much of the matters that have already been raised in the debate on this bill, suffice it to say that I will be supporting the bill. I congratulate the minister and his departmental staff on their work. Often in the House we use this opportunity to congratulate a minister or criticise a minister. I also want to put on the public record my appreciation and the appreciation of many people in my electorate to the

member for Kurwongbah, Mrs Lavarch, for her passion—I understand that she is the chairman of the government's working committee—in pursuing this issue. During the last government my office was on the 13th floor beside the member for Kurwongbah's office. I certainly know how passionately she is prepared to pursue issues of concern where there is genuine hardship. I congratulate the member for Kurwongbah on her involvement and support in having this bill introduced into the House.

Notwithstanding that, I do want to make a number of comments in relation to proposed chapter 7A, which establishes a process where a tenant may prevent their name being listed and may also be able to have the existing listing amended or removed. I also note that there is an opportunity there for them to seek compensation for an incorrect listing. I was wondering if the minister in his reply would be able to give any indication as to what sort of amount of money he envisages may be covered in this issue of compensation. It is important. Too often we talk about compensation and the figure I may be thinking about may be totally different to the figure that the minister or his backbench committee may have considered would be reasonable compensation. Perhaps in the minister's reply to the second reading debate the House will be able to give some guidance and direction to the court if an application for compensation is raised—that is, as to what quantum of compensation is reasonable in the circumstances.

While referring to this part of the bill, I also want to touch on the issue of section 284C, which imposes some restrictions upon the listing of a person on the tenancy database. In particular, 1(c) goes on to specifically set out a requirement that listing must not occur unless there is a reason prescribed under regulation for listing a person.

I noted that when the member for Gladstone made her contribution earlier this evening, the minister indicated that there had been extensive consultation on this matter and that he was going to provide that information to the member for Gladstone. I would also be keen to receive that information.

I do not wish to be pedantic, but I do have a concern when we see included in primary legislation significant issues which will be included in regulations. As the members for Surfers Paradise and Gladstone mentioned—and I also wish to record—these matters should be contained in the primary bill, if it is at all possible. I certainly believe that is where they should be, because this House does not have the capacity to amend a motion to disallow a regulation. Perhaps one day we may be able to amend standing orders so that we do have that capacity; at the moment we do not. Accordingly, I again wish to put on the record my reservations about having these matters contained in regulations and not the bill. Without further ado, I commend the bill to the House.

Mr LEE (Indooroopilly—ALP) (6.20 p.m.): It is a pleasure to rise in support of the Residential Tenancies and Other Legislation Amendment Bill 2003. My primary motivation in speaking in support of this bill is to express my gratitude towards the minister for introducing legislation that will have such a positive effect upon the many students who live in my electorate. Often they find themselves in share accommodation, renting from a real estate agent. Sometimes one of those students has responsibility for paying the rent and the others have responsibility for paying other bills in the household. From time to time, some of these people act in a way that is not quite appropriate and they do not pay the bills. I think it is unfair that the other students in that situation get tarred with that brush for many years to come.

The objectives of this bill are to amend the Residential Tenancies Act 1994 and clarify a number of what some might consider ambiguous policy provisions, making sure that the policy intent of the legislation is achieved. It will also correct some minor technical inconsistencies and make provision for ways in which unclaimed bonds may be dealt with. It will also introduce provisions for the listing of personal information on a tenancy database and related disputes. I am delighted to be able to support this legislation today.

Mr JOHNSON (Gregory—NPA) (6.22 p.m.): I rise to speak to the Residential Tenancies and Other Legislation Amendment Bill. I am pleased to see this legislation before the House. I say to the minister that when I read the legislation the only clause that I could not see in the legislation was the 'break neck' clause, which I will come back to.

I heard the member for Surfers Paradise and the member for Gladstone speak this afternoon. I have to congratulate the minister. I have been a lessor myself, too. I heard the member for Aspley speak—and I do not know whether she is in the chamber or not. She mentioned that she had bought a rental property in the electorate of Clayfield. In the past, I have had tenants that I could not remove from rental properties and those who caused havoc for the

people next door. It devalues the asset and devalues the whole activity of renting properties. I have always vowed and declared that as long as I live I will never own another rental property. I wish the member for Aspley well and I hope she does well from her investment.

When I call it the 'break neck' clause, I speak of the fact that I would have loved to have broken the necks of some of those tenants. I know that the minister understands where I am coming from. The people in question are the reason why we have this piece of legislation. If we can have a register of people who are not going to do the right thing and who are going to make somebody else's life a lot more difficult, so bit it. We have to have it.

I have said it before and I will say it again—and I have exchanged dialogue with the minister on numerous occasions, and I heard it said here in the House this afternoon—renting properties is usually a stepping stone to people purchasing property. The important fact about this legislation is that when renting property the criteria must be that people treat it as their own. Many people out there probably treat it better than their own, and they are class acts. I hope that they set an example for the people who are contemplating renting.

The real issue here is that those who do not look after property create an environment that makes it hard for those who do. As I see it—and as somebody said here today—renting a property is a stepping stone to buying property, whether or not it is a first home. I am a great advocate of people owning their own home. I think it is the ambition of every Queenslander to be able to own their own property. There are plenty of people who would dearly like to buy a property but it is way beyond them. I know that the minister has worked overtime to try to get more dollars into the system to help people purchase property.

I will touch on one more thing—and this is something that I have spoken to the minister about. As many people would realise, my own electorate of Gregory is disenfranchised compared with some of the coastal and city electorates. As soon as government housing is mentioned, the cost of freight to those areas goes up twofold. When talking about the distance itself, again it goes up twofold. It is a similar situation in Cape York in the electorate of the Minister for Transport. The significant charges in freight result in it being beyond the call of most people up there to ever own their own property.

I say to the minister that I will continue to support him in trying to get those extra dollars—by God I will! I believe that one of the greatest imposts we have on our society today is people who have been deprived of ever having the opportunity to own their own home. If they are given that opportunity we are going to see a lot of people with a lot more purpose in life. People will want to go out there and have a go at paying that property off, bettering themselves and giving their family a better choice and a better quality of life.

I say to the minister today that the Residential Tenancies and Other Legislation Amendment Bill is a double-edged sword. There are certainly benefits in it for the tenants and those who have not toed the line in the past. It is certainly an opportunity for them to rectify the situation and create an environment in which they can prove their worth and have their names taken off that register. However, it is equally important to make absolutely certain that the lessors of those properties are treated in the same vein and given the respect and courtesy that the investment of their properties deserves. It gives me great pleasure this evening to support the legislation before the House.

Mr NEIL ROBERTS (Nudgee—ALP) (6.27 p.m.): I would like to spend a few minutes on this bill and at the outset acknowledge the work of the member for Kurwongbah and the minister in bringing it before the House. In common with most members, I know of several people who have been severely disadvantaged by inappropriate and inaccurate listings on tenancy databases. Along with most members, I have endeavoured to support and help these people. I note the comments of the member for Southport when he referred to the significant call costs involved in simply finding out what information is in fact recorded against a person's name.

I had a recent example of a prospective tenant in my electorate who was out inspecting a property at the invitation of an agent. While she was away the agent did the search on the tenancy database. When she returned she was told for no reason that the house was no longer available. On pursuing the matter obviously she discovered that there was an inappropriate, inaccurate and totally false listing on the tenancy database which explained why she was having significant difficulties in renting a property for herself and her children. Therefore, I was very pleased to see this bill brought before the House. It is, in fact, groundbreaking legislation which is going to fix the problem and address those inequities in the majority of situations.

The bill is going to determine who can be listed, when they can be listed and for what reasons. Importantly, the bill contains provisions that people who are to be listed are to be notified. Therefore, there will be no more secret listings of people on these databases. Again significantly, the bill provides for an appeal mechanism and the ability of magistrates to award compensation in cases where it can be shown that people have been severely disadvantaged.

This bill is a significant step forward, but, as always, it is a bill that balances the rights of both landlords and tenants in an appropriate way. I note the previous contribution by the member for Gregory. I acknowledge that there are bad tenants. But there are also bad landlords. I think that any fair reading of the Residential Tenancies Act would show that it, in fact, balances the rights and responsibilities of both parties exceptionally well.

I want to close by making a brief comment on an initiative that has been mentioned by the member for Kallangur, and that is the recent release of an animated CD called *Renting with Rover*. This CD was produced by the Near North Housing Service with funding by the Department of Housing. It is basically an animated CD that provides information to young people on the pitfalls of renting, but also, importantly, on their rights and responsibilities as renters.

As I have said, the program is funded by the Department of Housing. A youth steering committee was set up by the Near North Housing Service. I would like to acknowledge some of those young people who were involved: Amy Ball, Lisa Mann, David Black, Alescia McCarthy and Peter Van Katwijk. Hungry Hill Studios of Kallangur produced the animation. It was actually developed by a young university student, Kieran Sullivan. One of the other driving forces behind the production of the CD was Janet Hayward. That CD is to be distributed to high schools throughout the northern suburbs of Brisbane. There are 1,000 of those to be distributed.

I was pleased to launch the CD with Ken Hayward recently at the Geebung Services Club. It is a great initiative and I congratulate Near North Housing on producing a very worthwhile resource for young people. I commend the bill to the House.

Hon. R. E. SCHWARTEN (Rockhampton—ALP) (Minister for Public Works and Minister for Housing) (6.31 p.m.), in reply: I start by thanking all of those members who contributed to the debate. I think that it has been a very good debate. It is pleasing to see that this legislation has the unanimous support of the parliament.

I want to touch on a number of issues. Firstly, I commend the member for Darling Downs for his insightful speech. He asked a number of questions. Primarily, the trend of questioning was what is going to happen to the money that, after seven years, languishes its way over to the RTA. The answer to that question is that it can be used only for housing purposes. It cannot go back into consolidated revenue. Wherever it is put to housing purposes, it is always ensured that the process is transparent by way of the annual report.

The member for Surfers Paradise made a number of interesting remarks, which proved to me that he really did not understand the legislation. One of the things that he pointed out was that tenants would be able to sue for defamation. I am not a lawyer, but, as I understand it, in order to be defamed something defamatory has to be said. I would not have thought that these databases are a place to defame people and certainly tenants—

Mrs Lavarch: The legislation will protect property owners from defamation.

Mr SCHWARTEN: The legislation protects people from defamation, but my point is that these databases have been used to defame people unfairly. That is exactly what we are trying to stamp out.

The second point that the member made was that it would be absurd to regulate over the border. We are not trying to regulate over the border. This is the Queensland parliament. I would have thought that even the most casual observer in the gallery would have worked out that we can make laws that pertain only to Queensland. Blind Freddy knows—and this was one of the things that was thrown to me earlier—that we cannot regulate databases outside Queensland, because they could exist in Noumea, Mars or anywhere else. I am concerned about what happens in Queensland—how our real estate agents behave themselves, what binds them and the tenancy arrangements that they have with tenants. That is something that we can do something about in this chamber and that is exactly what we are doing.

Members made a number of other points, but I do not think that they were more significant than the ones that I have raised already. Can I say that this has been a very worthwhile process to go through. I want to personally thank the member for Kurwongbah for her untiring efforts in this regard. It was the member for Kurwongbah who first brought this issue to my attention.

Coming from Rockhampton, I have to say that, in the time that I have been in this parliament, I have never had one complaint about a real estate agent. I think that says something about the size of Rockhampton—everybody knows one another's business, I guess. But it was the member for Kurwongbah who brought to me these frightful stories. Quite truthfully, I do not know why something was not done about this matter before. It is disgraceful that we have had situations where people, through no fault of their own, have ended up on these databases. They did not know they were on the databases and, when they have found out, they have not known how to get off them. That is just outrageous.

The fact of the matter is that a member of this parliament found herself on the database. Ms Clark, the member for Clayfield, who describes herself as a permanent renter—and she has asked me to mention this tonight; she thoughtfully took her name off the speakers' list to try to get this legislation finalised before the dinner recess—asked me to point out just how easy it is for somebody to be put on a database. She happens to like pets. If any member wants to suggest to me that the member for Clayfield would be a renting risk, then I hope that she occupies the house of the member for Aspley, because she is guaranteed of a good return.

I thank the member for Southport, the member for Mudgeeraba, the member for Ipswich, the member for Clayfield, the member for Cairns, the member for Burleigh and the member for Broadwater for their excellent report, after working in cooperation. As I said, this was a very worthwhile project, because what has come out of it has been a level of cooperation between the industry and the government and a level of cooperation between the opposition and the government. It shows that if good legislation that is well researched is taken into the marketplace, then the people who put us in this place are the winners. Indeed, it is a good bill.

It is times like this that I am really proud to be a member of parliament. Those people who say that politicians never make a difference in people's lives, that we are all one step down from people who peep through the louvres of public toilets, that we are people who really do not care, should be in this chamber tonight to see this legislation passed. I can guarantee members one thing: this will not be the front-page story tomorrow in the *Courier-Mail*. But it will be a front-page story for the battlers who are renting houses. It will never be forgotten that this government, with the cooperation of every member of this parliament, was the first government in Australia to legislate to protect the rights of people who rent. It has never happened before and each and every member of this parliament should be proud of it.

I take the point about subordinate legislation. The rights of this parliament to amend or otherwise is an argument that is bigger than me. But I can give every member the assurance that subordinate legislation is about ensuring the rights of all concerned. The rights of people are these, as the member for Gregory rightly pointed out: if people own a house and they rent it to somebody in good faith, they are entitled to expect that person to treat it properly. That is the standard that I have insisted on in public housing. That is the standard that every landlord is entitled to expect in return. Not for one moment should any member of this parliament believe that the regulations will in any way forgive people who want to abuse other people's property. That is not what this legislation is about. Quite the contrary: it is about ensuring that people who go about their business as landlords or renters can do so without the fear that some nark somewhere will put their name on a list and that they will not be able to rent again.

Finally, I want to thank the RTA and Carolyn in particular. This legislation has not been easy. No-one has done it before and there were all sorts of reasons why we should not have done it. But I want to thank Carolyn for taking the bit between her teeth and pushing ahead with this. I also thank Mr David Scrivens from the Crown and, of course, Boyd Backhouse for his untiring work and all the people down at the RTA who work very hard.

I thank my own offsiders, who work with me in my office. Peter Johnstone is representing them here tonight. I thank him and the rest of the staff. I thank John Conway for the efforts he has made—

Mr Hopper: Thanks for that briefing.

Mr SCHWARTEN: And the briefing that was provided today. I do not want to say anything more, except that this is a red letter day for all of us. This is the day that people who are on rent rolls throughout Queensland gain rights. This is the day that entitles landlords to have access to reliable data that will ensure that they have some ability to detect the people that they do not want to have renting their houses. I commend the bill to the House.

Motion agreed to.

Committee

Clauses 1 to 51 and schedule, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

SUGAR INDUSTRY AND OTHER LEGISLATION AMENDMENT BILL (No. 2)

Second Reading

Resumed from 15 May (see p. 2016).

Ms KEECH (Albert—ALP) (6.43 p.m.): I rise to support the Sugar Industry and Other Legislation Amendment Bill (No. 2). I do so because the regulatory reforms provided by the bill are the only hope for the long-term sustainability of one of Queensland's oldest and proudest industries.

As the member for Albert, who has had the honour over the past two years of representing the Rocky Point sugar growing area, I am fully aware of the industry's vital contribution to both Beenleigh and the northern Gold Coast districts, as well as to all of Queensland. Whether people live in a cane growing area or not, it is imperative for all Queenslanders that the sugar industry does more than merely survive in the future. We want and need it to thrive and prosper. However, this great industry is in real trouble.

Over the past five years Queensland's export position and competitiveness have come under significant pressure. This is due to a number of factors. The industry's share of world trade has dropped from 22 per cent in 1993 to 15 per cent in 2000. Given the only modest increase in consumption, the world market for raw sugar is presently oversupplied. Brazil, with a major share of the world market, has significantly lower costs of production than Queensland. The long-term average price of sugar is trending downwards, with industry earnings dropping from $1.84 billion in 1994 to $996 million in 2000.

Only this morning in this House, Minister Palaszczuk announced that the latest price for raw sugar on the New York Sugar Futures for October 2003 is a disappointing $A243 per tonne. Given that the federal government's Hildebrand report noted that survival price for growers is between $300 and $335, the current price is almost $100 less than many growers need to survive.

Given these problems, and despite the protests of the Leader of the Opposition, which we heard earlier in this debate, the Beattie government will not simply stand by and do nothing, as the members opposite would have us do. The members of the government will not allow Queensland's great sugar industry to simply flounder in these the most difficult times they have faced. In this we are one with the Prime Minister.

The Beattie government is committed to helping those involved in this industry who want to help themselves and to assisting growers who are committed to building their businesses in the face of adversity. That is why the Queensland and federal governments have together committed $150 million to the industry over the next four years. This is in addition to the $35 million already committed by the Beattie government.

Let me be quite clear. The industry's long-term sustainability and that of the regional centres the industry supports are under severe threat. That is why the regulatory reforms of Queensland's sugar industry, which we are debating in this bill, are so important. That is why the bill has my full support. Honourable members should not take my word for the very real challenges facing the industry. The federal government's Hildebrand independent assessment of the industry's report stated—

> The industry's best chance to survive and flourish is largely up to itself; on its willingness to change the way it organises itself in Queensland, and on learning to co-operate and take up good ideas of which there are many; on its willingness to support the best, most energetic and most able talent to lead for the good of each mill area or region.

The Beattie government and the federal coalition both support the view that regulatory reform is the only way forward if the sugar industry is to survive into the 21st century. In addition, both governments recognise that the industry faces another challenge, which is improving its environmental record. I welcome the recent announcements from the Premier and the Prime

Minister which focus on introducing tree clearing regulations and a protection plan to reduce impacts of pollutants flowing into the Great Barrier Reef.

The bill before the House is to be commended. It is visionary and represents a way forward for the sugar industry in Queensland. Growing sugar is a business—a family business which in the 21st century must be approached in a businesslike nature. The provisions of the bill then give back to the industry incentives to build on their investments. Individual growers will have economic freedom and flexibility to build their businesses. They will be free to contract with a miller, either individually or in groups, on terms better suited to their individual needs. They will now have an opportunity to participate commercially in value adding opportunities, either separately or in partnerships with a local miller, if they want to do so.

Today's latest sugar prices are a stark lesson to all involved in the industry. We cannot control the price growers receive this year or in any years to come. Therefore, for the industry to be sustainable in the long term, as a government and as an industry our focus must be strongly on productivity issues, which can be controlled at a farm level, at a state level and at a national level. If the industry improves its productivity, it will be profitable even at low world prices. If it does not, the future is certainly very bleak.

I move now to discuss the Rocky Point sugar industry, which is in the electorate of Albert. The historic Rocky Point mill was built in 1879 by Carl Heck and is Australia's only privately owned sugarmill. Of the many small mills in the area 100 years ago, it is the only one to survive today. This survival is a credit to the resourcefulness, tenacity and entrepreneurship of succeeding generations of the Heck family as well as the support from the Rocky Point growers. Bill Heck and his family deserve to be congratulated for an outstanding achievement in the success of this family mill, which contributes so much to the economy of Beenleigh and district.

More recently, the joint venture with the mill and Stanwell Corporation Ltd has seen a new cogeneration plant built on the mill site. At the recent Rocky Point cane productivity dinner, I was reminded that the sugar industry is about more than growers and millers. It is about suppliers, employees and economic and social viability of whole rural and urban communities from Rocky Point in the electorate of Albert to Mossman in the north.

As I presented to Mrs Lyn Russell my annual award to the woman who has made the most significant contribution to the cane industry over the past year, I was keenly aware that the cane industry is also about husbands and wives working side by side with their children and extended families to make a living for themselves and their family. Having being born and bred in the great sugar industry of Bundaberg and then later choosing to settle and raise our own family in a sugar growing town of Beenleigh, I know only too well the importance of the relationship between regional communities and a healthy viable sugarcane industry. This Saturday's cane festival parade through the streets of Beenleigh is testament to the intrinsic link between the Rocky Point growers, the mill and the wider community.

Only last month I had the pleasure of inviting to the parliament the eight young ladies who are the 2003 Rotary Cane Queen quest entrants. These young ladies who all live locally have spent months working hard in fundraising for local charities. I am looking forward to the crowning of the Cane Queen and Charity Queen at the Cane Queen Ball, which will be held on Saturday night.

Unlike the Leader of the Opposition and all National Party members who have contributed to this debate, I have confidence in the ability and intelligence of the growers not only at Rocky Point but also of all the growers and millers throughout all of Queensland to decide for themselves the best direction for their own industry. The bill encourages the freedom of individual growers to experiment, to innovate, and to reap the rewards of their own labour and entrepreneurship.

Only a couple of weeks ago in Townsville one of Rocky Point's major growers, Kriedemann Farms, was recognised for its innovation and entrepreneurship in adding to its bottom line. The 2003 inaugural smart sugar business award was sponsored by the Department of Innovation and Information Economy and presented by Minister Paul Lucas. Barry Kriedemann and his company were publicly recognised for the development of organic cane mulch and organic sugar that has positively contributed to the business's profitability and sustainability. So successful has Kriedemann's cane mulch innovation been that I am sure if members of city based electorates have put mulch on their gardens this summer—which I can personally recommend—it will probably be Barry's mulch.

The bill before the House is all about choices. We can either continue as we are or we can innovate, which is what the regulations before the House encourage. I have absolute confidence

in the Rocky Point growers and their supportive families and the community to come through this crisis as they have faced previous challenges throughout the long and proud history of the sugar industry. No-one is saying that the regulatory change will solve all the industry's problems but it is a good start.

I thank the Rocky Point growers and their families for the warm welcome and courtesy which they have shown to me as their new state member. Leaders in the community such as David Huth, Chairman of the Cane Productivity Board, Greg Zipf, Chairman of the Mill Supplier's Committee, Bill Heck, the mill owner, and Victor Schwenke are just some of the many fine men and women who have patiently educated me about the intricacies of the most complex and complicated regulatory framework of any industry in Australia.

Both the federal and state governments have put up multimillion-dollar packages to assist industry in making the most of the new commercial environment, and I certainly welcome that support. I would like to congratulate both Minister Palaszczuk and Minister Barton for their initiatives. In particular, I would like to congratulate them on the excellent report *Sugar: the way forward*, which was prepared by the respective departments and which gives a statement on the Queensland government's position on regulatory reform. It is clearly written and precise and has been very supportive of the industry. I commend the bill to the House.

Mr JOHNSON (Gregory—NPA) (6.55 p.m.): I rise to speak to the Sugar Industry and Other Legislation Amendment Bill (No. 2). With an industry as sacred to Queensland as the sugar industry, it saddens me somewhat that we find ourselves debating legislation in this House that could have severe impacts on the future of this industry. I do not believe the difficulties the sugar industry is currently encountering will be resolved by this legislation. What the government should be identifying with is maintaining stability at the present time, and looking at a way of getting productivity back on track. This is the most important issue for the long-term viability and future of this industry.

There are problems in all major industries and none is more severe than adverse seasonal conditions, but I think those of us who have taken time to learn and understand the complexities of the sugar industry know that there are other problems as well that have caused a major downturn to this very important and vital industry over the past five or six years.

The Centre for International Economics report has sought to throw out the practices that are proven and effective in the industry. This industry knows that it has challenges ahead and has been making responsible change in a responsible way to keep the bottom line on the right side of the ledger and in the right colour, but at the same time embracing the needs of not only the industry but also the flow-on benefits of support industries and complementary businesses. This industry has always been at the forefront of standing up for itself and it certainly needs to be given the opportunity to be competitive in the global economic marketplace, but it is very difficult to maintain this place in an unfair international environment.

When we look at the world market and the Queensland share in 1990 being 16 per cent compared to 12 per cent in 2000, the problems have been compounded by the cost of production in Third World countries like Brazil, which has probably advanced its cause by the smart work ethics and practices put in place by Queensland growers with an industrial revolution that put Queensland at the forefront of being efficient and productive.

There is no doubt that the sugar industry and their leaders know better, but the important factor is that they have to embrace change but not change that is going to send their asset base and associated businesses and industries in a downward spiral because of governments that will not listen and do not want to listen. The important factor is that the Queensland sugar industry retains its hard core knowledge and associated infrastructure, and we need to give it time to get back on an even footing.

There are many areas in Queensland that can take on the prolonged dry spells, and the Burdekin area is certainly one of those. But for SunWater's brazen charges in the Burdekin area, it could be an even more viable and productive area than it is. That is something that I call on the Minister for Primary Industries to talk to his parliamentary colleague the Minister for Natural Resources about.

Other wetter areas of the state with more guaranteed rainfall could probably survive. However, in recent years that rain has not been forthcoming, which again puts the sugar content levels at lower than expected, and of course favourable seasonal conditions are paramount to the production of a quality crop, governing the sugar content and making the industry viable as a whole.

Growers in this state use the best methods and techniques but still seasons will govern the quality of the crop and the sugar content. I really believe that governments, rather than a 'do as I say' approach, should be assisting with a more cooperative approach in ways of improving the lot of sugar growers in question. Road funding is a classic example and is something the coalition looked at back in 1996-98. Thanks to the member for Hinchinbrook with his representation, the coalition at the time injected $20 million into the roads in that area to enable farmers to do a quality job in their areas.

For too long lip-service has been paid to this industry by state and federal governments for the ongoing viability of this very important integral industry to Queensland. Politics must be put aside and the issues embraced to put our production and our marketplace status back at the pinnacle it was probably 20 years ago. Government must also recognise that the cost of production and maintenance of the operation is far higher in this country than in South America, and it never ceases to amaze me why in our hour of need both governments are treating the ethanol concept with a great deal of disdain.

The by-products of the sugar industry will have many advantages to this industry in value adding, investor interest and long-term sustainability of the many towns and businesses along the Queensland coast. The other fact that has not been given enough attention is the electricity industry. Improved techniques and the technology available today have given the industry a use for bagasse. That is another plus. These value-adding benefits from sugarcane are certainly ways and means of showing our farmers and their support base that charity starts at home. It is absolutely paramount that every avenue be exhausted to allow this industry to continue to prosper and develop, at the same time investigating suitable ways for farmers who want to exit the industry to do so with dignity and purpose.

I call on the state government Minister for Primary Industries and also his counterpart the Minister for State Development to make representation again to the federal government to address the issue of excise on ethanol and to immediately give the sugar industry every opportunity to fast-track its revival and secure a long-term and quality future for generations to come.

This is a lifeline that has great potential to put the industry in a total turnaround. The most sacred thing to the industry is the single desk market, and both the federal and state governments must be aware that if we lose this concept then the downward spiral will be expedited out of control. I call on the minister to take into account the human factor that could be further damaged if this legislation is allowed to pass without recognising that. This is an industry involving many people—some 6,500 growers—who have multimillion-dollar investments in plant and other associated infrastructure, and an economy that has been vital to the sugar growing regions of our state, and one of the long-term wealth generators of the economy of Queensland. Let us never forget that.

I trust that the minister will not allow this industry to be further denigrated and to fragment and disintegrate in an untimely manner. As I said earlier, it is not a time for politics; it is a time to face reality and address this dire situation in a responsible, forthright way that is going to protect the industry now and well into the future.

Sitting suspended from 7.02 p.m. to 8.30 p.m.

Mr STRONG (Burnett—ALP) (8.30 p.m.): I rise in support of the Sugar Industry and Other Legislation Amendment Bill (No. 2). The electorate of Burnett is most definitely a sugar seat. We have one cooperative mill in Isis and three Bundaberg mills situated alongside the Burnett River. The sugar industry, to say the least, is a major influence in the economic well-being of my electorate. Although other forms of agriculture such as horticulture, tree cropping, hemp and peanuts are growing as an economic force in the region, and even though last year the sugar crop was the worst that has been seen for some years, it is still the most influential determinant of economic health in my region.

Either poor sugar prices or poor crop size—it quickly filters through to all aspects of life in the Burnett such as less construction, less capital purchases, to less sponsorship of sporting teams and volunteer groups—no section of the community escapes the downturn in the sugar industry. As I stated, last year's crop was most disappointing because of not only a poor raw sugar price but also a crushing drought where many farmers on the north side of the Burnett had simply ran out of water, ran out of allocation and ran out of on-farm storage, and it was still only September. The three Bundaberg mills, with a capacity near 3.5 million tonnes, eventually crushed just over

two million tonnes. Isis mill's capacity of 1.8 million tonnes was never challenged, with only 900,000-plus being delivered.

The picture I am trying to illustrate in this place is the situation the Burnett sugar industry found itself in last year, which was the hardest it has known for some years. It was during this time as chair of the Bundaberg Sugar Industry Taskforce that I started to hear the pleas of canegrowers that something had to be done. Exactly what had to be done was, at that time, not known. I had some growers in private say, 'Get rid of CPA.' Some growers in public would say, 'Just give us money with no strings attached.' Within a short time the call was that change had to happen but, again, there was too much conjecture as to what.

The Hildebrand report, in my thinking, achieved two important things. It created a framework for further debate in the sugar industry. We needed somewhere to start, and it definitely achieved that. I believe it also gave hope to state and federal government elements and elements of canegrowers and miller groups that this is an opportunity to do major surgery on an antiquated system.

The three reports commissioned on the industry do have many similarities. One is the negative impact of the adverse effect syndrome. All three reports concur to some degree that the reluctance of grower groups to move forward with innovative change because of the 'adverse effect' it will or may have on the smaller farms has hindered this industry in making the necessary change needed to keep it from stagnation. This I believe is a typical example of the problematic nature of this culture that is the root of the problem.

Another highlighted problem of the three reports is the relationship between grower and miller groups, and the importance of negotiating arrangements as a mill region rather than as a statewide concern. This is another cultural hurdle for canegrower organisations. The changes in the bill to the statutory bargaining framework will free up the more innovative growers in the industry who have been, in some words, muzzled to undertake the necessary steps to lift productivity. Final offer arbitration will not be an option. This has raised a fair level of concern with growers that I have spoken to in the last couple of weeks. From their perspective this will remove a safety net from them, and there is no statute to force mills to come to the negotiating table. This, I believe, is where the bill does its best work, leaving behind the well-padded comfort zone of final offer arbitration and delivering the industry into the world of commercial reality.

Growers who control their extraneous matter, who have good tonnage averages and who are willing to review their transport arrangements, will have more to gain. Talking to millers on this matter, they desperately need throughput. As I touched on previously, they too have suffered over the last few years. It is unreasonable to assume that growers will be negotiated out of the industry. This fear by growers, as I see it, is sincere, but it also reflects the animosity growers have for their mill, another cultural trait that has been set over years of negotiating with mistrust. Removing the concept of cane production areas will have an immediate impact on life in the Burnett. It will create opportunities for growers situated within both the Isis and Millaquin catchments, which I believe will have flow-on effects for all growers in the region.

Talking with millers on this issue revealed that they tended to expect this may have happened for some time but do not necessarily see this as a negative. The changes to single desk allowing exemptions for domestic use is a major positive move for the industry in my area as it allows continuity of ownership of Bundaberg sugar from mill train through to refinery. It also gives the Isis Cooperative, which produces the highest quality of sugar in the world, a number of marketing options that they previously could not realise.

In conclusion, I commend the Minister for State Development, Tom Barton, and the Minister for Primary Industries, Henry Palaszczuk, and also people such as Bob McCarthy, who worked behind the scenes on these products, who have done an outstanding job in putting together this legislation which is, in some way, throwing the sugar industry a lifeline.

For the growers of my electorate it is not going to be easy. We are going down a path into new territory. Growers are correct in their concerns that they are losing their security blanket in the form of the Sugar Act, but we have to have change for the sake of the industry. When these new opportunities present themselves, I am sure growers and millers will agree that this legislation needed to happen. I commend this bill to the House.

Mr HOPPER (Darling Downs—NPA) (8.36 p.m.): I rise to speak to the sugar bill. We all know the doom and gloom the sugar industry has gone through over the past few years, and let me say that there is nothing more depressing for farmers if they do not know where their industry is

heading. As it is, they face a fairly dim future, and from what I can make out of this bill it has already little to offer in the way of security for our cane farmers.

The issue of deregulating in the area of cane production is of great concern to me. Cane production areas are about the only way I can see farmers having any security whatsoever. While this is in place, they are at least assured of some security within their industry. They know that they generally have a market for their product. Most of these growers are fourth, fifth and even sixth generation farmers who work their land. That were born there and so were their grandparents. They know no other way of life and, quite frankly, they simply do not want to. I have worked on the land all my life, and my children will be the fifth generation to work on my farm. I have a 15-year-old daughter who has been spending her afternoon welding up iron gates for the farm. The point I am trying to raise is: it is a way of life that is extremely unique.

Let us look at what happened to the dairy industry when it was deregulated. We can compare quotas with the CPA, which is the cane production areas which were mentioned before. This government has deregulated the cane industry and will put it in exactly the same position as the diary industry. Look what happened there. Some 25 per cent of the dairy farmers in Queensland have gone, and it looks like this might happen in the cane industry. These farmers must be protected.

I have personally worked very closely with farmers who have had to walk off their land. I hear the jests and the laughs of those opposite, but they have never faced a farmer who has had to walk off the land. I have had them break down and cry at their clearing sale. They could not place their dogs and they had to shoot them. Imagine the pain of going through this. This then puts pressure on relationships—

Government members interjected.

Mr HOPPER: And we hear more laughs from those opposite!

This puts pressure on relationships with their wives, and quite often their marriage breaks down because of the stress they are faced with, through no fault of their own. Some of the dairy farmers had hundreds of thousands of dollars worth of quota—thousands of litres of milk quota—and a pen was put through that overnight. A compensation package was put in place, but they still went, and they went out in droves. I cannot support this bill tonight.

One only has to look at the weather these farmers have faced over the last 11 years. It started in 1990 right throughout Queensland with the first big drought we have had for nearly 100 years. It has gone on for 12 years and people out there have been suffering, and suffering immensely. Productivity has been reduced, the cost of production has increased immensely and the price of machinery has increased. With the Australian dollar at its current level, farmers have to pay nearly double for their tractors and canefarmers use many tractors. Quite often dairy and wheat farmers use one or two tractors, but on a cane farm sometimes there are six, seven or eight tractors. What about the associated businesses that go with this industry? There are not only the machinery dealers but the local grocer and small local towns. It is the rural industries that support these businesses. Farmers are the backbone of these industries and the backbone of rural Queensland, yet here we have a government that is going to deregulate that industry and follow the path of the dairy industry. It is going to destroy a way of life of good people.

The cost of production in Australia is much higher than overseas and our canefarmers have had it uphill for a number of years. The industry is now looking at ethanol, and if that could take off it would be great. Dalby was looking at an ethanol plant, but that has been put on hold at the moment. There has been a heck of a lot of work put into the ethanol plant and it has been put on hold simply because there is not a 10-year excise on ethanol—it is only five years—and it will take three years to build that plant. That is the problem being faced there. If the ethanol plant had of gone ahead, it would have meant so much. It would have been a supply and demand area for—

Mr Palaszczuk interjected.

Mr HOPPER: The minister can say that to me now, but he needs to look at what he is doing to canefarmers. I would not say too much if I were him. He only needs to look at the average dairy farmer. They used to earn $300,000 a year and approximately $260,000 of that $300,000 was spent back in the local community. Deregulation of the dairy industry has taken that from the community. If only 10 dairy farmers leave that community that means that $2.6 million has gone from that area.

Mr PALASZCZUK: I rise to a point of order. This is the first point of order I have taken since I have been minister. The honourable member is misleading the House. What he is saying is untrue for this reason.

Mr HOPPER: In what way?

Mr PALASZCZUK: The honourable member has come into this House and basically said that the opposition over there supported deregulation when it was in government. Full stop.

Mr HOPPER: I did not say that.

Mr Rowell: That is dead wrong. We voted against it and you gagged the debate.

Mr DEPUTY SPEAKER (Mr McNamara): Order! The member for Hinchinbrook will resume his seat. There is no point of order.

Mr HOPPER: Let me get back to the bill. In relation to the CPA that has been lost from canefarmers, it is exactly what was taken from the dairy farmers. The dairy farmers lost their quotas and their quotas were the right of payment. That is what the CPA is for—canefarmers. That is exactly what the CPA is, and that gets us back to this bill. Our dairy farmers were stripped of that and that is exactly what this government is going to do to our canefarmers. Canefarmers are going to lose that security of payment when that CPA is stripped from them. They are going to lose the value of their farm. They are going to lose the value of their productivity. Let me get back to what I was talking about—that is, what those farmers do for their local communities and the fact that the money that they turnover will be stripped from their local communities. There is no way in the world I can possibly support this bill tonight.

Ms PHILLIPS (Thuringowa—ALP) (8.43 p.m.): As we draw to the conclusion of this spirited debate on the Sugar Industry and Other Legislation Amendment Bill (No. 2) 2003, it may be timely to restate the main policy objective of the bill, which is to implement regulatory change in the sugar industry to promote productivity, efficiency and innovation. I believe that members on both sides of the House are convinced that a change in the industry's regulatory structure is necessary in order to create a business environment that will promote the productivity gains essential for sustainability. The Prime Minister himself has acknowledged this by saying 'We will provide assistance on condition that there is change and reform and restructuring.' The member for Hinchinbrook and shadow minister for primary industries, who spoke at the beginning of this debate, is my neighbour. We share a significant boundary and issues flow freely across it in both of our electorates. While I do not have large areas of sugarcane growing actually in Thuringowa, I am very interested in changes that affect the industry.

I have met with representatives of canegrowers from the Herbert River region and they told me that to a large extent their problems with this bill are much the same as those posed by the honourable member for Hinchinbrook. Perhaps like many of the canegrowers whom he represents, the shadow minister really only has a problem with a few particular parts of the bill. One of these that has caused dissension is the removal of the existing statutory bargaining system which provides that a negotiating team elected by a one grower, one vote system negotiates a collective cane supply and processing contract with the mill. This contract is binding on all holders of the CPA. It is possible to have an individual agreement with the mill outside the statutory collective, but the mill supplier committee is entitled to know all the terms of this agreement, save the price for cane, and may take court action where it perceives the individual agreement imposes a significant adverse effect on growers supplying to the collective.

The member for Hinchinbrook talked passionately about the need to introduce processes to improve productivity. This existing process has been identified by the CIE as the key restriction in the act to achieving productivity gains. The canegrowers' request to retain the compulsory arbitration of disputes about the formation of cane supply contracts has been considered in some detail by the state government's lawyers and draftsmen. Compulsory arbitration of such disputes is possible under the current act because all growers must be a member of the single statutory collective, and individual agreements can be struck down if they are inconsistent with the collective contract. Thus the current act identifies the party to the dispute and prevents inconsistent arrangements emerging. Both factors are crucial to successful arbitration. However, as it is proposed to remove these restrictions on growers, practical difficulties emerge which would prevent an effective system of compulsory arbitration.

It is not possible after these reforms to identify precisely who are the parties to the dispute. Growers may be moving from group to group seeking the best deal. Certainty as to the exact nature of the dispute that the arbitrator would be required to adjudicate upon is difficult. It is not even possible in the fluid post reform environment to know exactly when a dispute has emerged.

There is also no mechanism to resolve the situation where an arbitrated outcome for one contract between the mill and a group of owners is inconsistent with a commercially negotiated contract with other groups and millers. Which should prevail? Given these uncertainties, it would not be possible to extend the operation of the Commercial Arbitration Act 1990 to disputes on contractual formation. That act presumes known parties and known terms, which is not possible in a post-reform environment.

The Queensland government has ensured that growers have a statutorily protected right to bargain collectively with a mill. This right, combined with the following factors, will ensure growers have sufficient market power to bargain with mills—that is, the urgent need of mills for as much cane as they can get, because throughput is the key determination of profitability, and the ability of growers to use their land for other purposes while a mill can only be used to crush cane. Growers in the Herbert River region have told me that they will not benefit from the removal of the restrictions in the act because currently only one company owns all the mills in the region. I want to point out that this bill does not seek to introduce changes for a specific area for one region of the state but for all the canegrowing areas of Queensland that will benefit from them. Some organisations within the industry are seeking to entrench the existing culture in the industry.Three major reviews over the past 12 months have shown that cultural change is essential if the industry is to survive.

Another significant amendment is the removal of the cane production area system. The bill will seek to remove the concept of cane production areas from the act. Formerly known as assignment, CPAs are in fact a licence allowing a grower to grow cane and supply a particular mill to which the grower is assigned. The bill will also remove the present restrictions on growers being able to transfer from one mill to another. To remove one of these ties and not the other would be to unbalance the system and prejudice one side of the industry.

There is no justification for maintaining a statutory licence for canegrowing, which is what cane production areas are. No good reason has been advanced for tying growers and millers together in this way. Indeed, canegrowers in general no longer put a high priority on the retention of CPA as one of the main issues confronting their members. In any case, with regulatory change the CPA system is likely to be replicated by a contractual arrangement. An example is New South Wales in which it is an unregulated environment. Cane production areas in New South Wales are called production area entitlements, or PAEs.

In many respects PAEs resemble the attributes and functions of CPAs. Detailed information on a grower's PAE, such as the location, description and farm tonnage quota, is provided as part of an individual contract between the farmer and the cooperative. Cancellation, alteration, transfers and grants of the PAE are implemented on the basis of the recommendation of a local farm rating committee to the board of the cooperative according to the conditions outlined in the agreement. Regulation on PAE also includes aspects of sugarcane growing, cultivation of only approved varieties, environmental issues, disease protection, harvesting, access ways, acquisition, payment and dispute resolution. All of these arrangements are developed and sustained without government intervention.

This contractual version of CPA also addresses the concern about the alleged loss of value of cane farms by the removal of CPA. The value of CPA is, on the information available to the Queensland government, usually bound up with the land to which it is attached. The trading of CPA is not common and the amounts paid are low. Any value that CPA has relates to ability to access mill crushing capacity. This ability will be replicated in a contractual form and it is this contract that will replace the value of CPA.

The final amendment that I want to talk about that has caused some discussion is the creation of cane supply contracts. The bill supports competitive and market forces to drive positive outcomes and trends for the sugar industry. The bill allows growers to freely engage in the market for the supply of their cane. Importantly, the bill also enables growers to participate and 'opt in' collective arrangements with millers as well as other interested third parties. Parties to cane supply arrangements are provided with scope to participate in more than one supply arrangement.

Removal of the existing and onerous statutory bargaining system will result in industry participants benefiting from greater freedoms to direct and control their own interests. The supply contract framework underpinned by a commercial reality will be supported by a dispute resolution process that is consistent with major regulatory reform. The processes of mediation and arbitration on the terms of supply contracts may be engaged at the election of the parties or in accordance with dispute resolution framework for commercial disputes.

In relation to the scope for grower participation in the exemption process, the bill significantly expands the scope for grower involvement. The field is left open for growers and millers to develop commercial solutions for value adding. The view that a mill owner is the sole party who can apply for an exemption is not a correct interpretation of the bill. A comparison of the bill's provisions with the current Sugar Industry Act demonstrates that the position between growers and millers has been equalised, whereas currently it favours the mills.

On raw sugar for the domestic market, the Queensland government has taken the decision that, to allow removal of the ministerial direction on export parity pricing, competition must be permitted for domestic raw sugar. The Queensland government would face significant financial penalties under the national competition policy if it were to remove this directive but not allow competition. With respect, canegrowers cannot maintain a position advocating both the removal of the ministerial direction and no competition for domestic raw sugar. Such a view is not tenable.

There is absolutely no evidence to suggest that allowing exemptions for the domestic market will in any way cause detriment to the operation of the export single desk. Queensland Sugar Ltd has been consulted about these proposals and agrees with this view.

The reason an exemptions process has been created is that all sections of the industry have been calling for this change to allow exploration of alternative products. To leave this change until 2006, which has been suggested, could jeopardise the industry's examination of ethanol and bioplastics as real options for generating new revenue streams.

I have every confidence that the amendments contained in this bill will enable the sugar industry to achieve higher levels of productivity, efficiency and innovation. That is good news not only for the sugar producing regions of our state but also their close neighbours, such as my electorate of Thuringowa. So I am very pleased to commend this bill to the House.

Mr MULHERIN (Mackay—ALP) (8.56 p.m.): It was interesting to hear the remarks of the member for Darling Downs when he made some comparisons between the dairy industry and the sugar industry. The dairy industry is a good example of an industry that was killed by regulation. Forty years ago the Queensland dairy industry was larger than the New South Wales and Victorian industry combined. It was a cosy arrangement whereby dairy farmers or their union sat down with government and the processors and agreed on a farm gate price. There was no incentive to value add the industry.

The member for Darling Downs tried to make a link between cane production areas and milk quotas. It just shows his ignorance of the cane industry. In relation to the dairy industry, a milk quota was linked to a price which was set by government, industry and the union. The cane production area is an area that is not linked to price because cane is not sold on the world market; sugar is sold on the world market and so its price is determined by the world market. I do not know how the member for Darling Downs could say that CPAs and quotas are the same thing.

With those few remarks, I would like to say that I support the Sugar Industry and Other Legislation Amendment Bill (No. 2) 2003. It is pertinent to recall the last six years for the Mackay/Proserpine sugar industry. It had the massive wet period during the 1998 crush, which gave it legacies of standover cane, soil compaction and rats. Then there was the orange rust outbreak in 2000, which destroyed the main variety, Q124. It also had record rainfall and massive floods in November 2000, which stopped crop growth. Last year was another difficult one because of the drought. All up, instead of the 11 million tonne crops that were the norm for the region in the mid-1990s, the average for the last four years has been only 8.6 million tonnes.

The industry around Mackay is now facing another low production year for 2003 and goodness knows what world prices will deliver. Today we heard the Minister for Primary Industries state that raw sugar is about US7c a pound New York No. 11 on the futures market, which equates to about $243 a tonne. The Mackay Sugar Cooperative will be lucky to crush four million tonne. In a good year, they could crush probably between seven and eight million tonne. The central region must be due for some good luck soon. I recall Louis Pasteur saying that chance favours the mind that is prepared—

Ms Jarratt interjected.

Mr MULHERIN: Yes, I did. I knew of him. I am pleased to report that the central region is creating the opportunity for success. It believes a virtual one business, involving the Plane Creek, Mackay and Proserpine mill areas, is the key to cost effectiveness in the region and is in the process of delivering on this initiative. The region's virtual one business plan includes profitability based on whole-of-industry solutions, raising industry standards through education and training,

creating more permanent employment opportunities, and a more closely focused adoption of research.

The government's regulatory reform bill before us today is also about creating the opportunity for success. The big picture with this bill is that it helps the industry change its culture—a culture of encouraging cross-subsidies. For four or five generations, one of the industry's sacred cows has been the cane payment formula. It is the epitome of cross-subsidisation. The bill will enable individual growers and groups of growers to innovate and get the reward from the mill for that innovation. For example, those who deliver cane with qualities for producing top-grade sucrose will not need to continue to cross-subsidise those who deliver lots of extraneous matter to the mill.

By addressing the bargaining arrangements of the Sugar Act, the bill improves the most important determinant of future industry performance and that is that it enables productivity increases. The bill will also enable incentives that reward growers who have good stands of cane and good paddocks to harvest. The industry cannot afford to continue to have the same harvesting costs where yields vary greatly.

Today, the Mackay Cooperative Mill has 1,100 growers supplying it and 287 cane harvesting groups. That is about one harvester for every four growers. The Proserpine Mill has a two-million tonne crush. It has about 20 harvesting groups. In the Plane Creek area, where the member for Mirani comes from, they have started to address the issue with the harvesting groups. The number of harvesters is a symptom of the inappropriate harvester payment arrangements. This bill abolishes the disincentives for commercial harvest contracts. This bill also abolishes cane production areas, which has been the reason why Proserpine and other areas have stopped their expansion. By increasing its cane-growing land, that mill can increase scale and asset utilisation, that is, improve efficiency in regard to mill and transport assets.

Four years ago, the Minister for Primary Industries, Henry Palaszczuk, gathered together the leading figures in the sugar industry to form the Sugar Industry Development Advisory Council, known as SIDAC. Grower leaders on this council from the central region are Jim Pederson and Paul Schrembri. SIDAC grew to recognise that future success would depend upon the industry at large understanding the key shifts that will impact upon it. Most importantly, it also recognised that business as usual was no longer an option for participants in the sugar industry. SIDAC identified three high-level opportunities and set up working parties that have been actively tackling the following issues: the integration of harvest and transport systems, systems to improve productivity and best practice agriculture, and new and improved products from cane and sugar. The bill delivers on all three issues by opening the way for individuals and the regional industries to innovate.

I turn now to marketing. SIDAC recognised that the industry needs to strive to diversify the product base by progressing biofactory and other options for sugar cane. The bill provides the opportunity on this front. It enables industry participants to seek exemption from vesting of raw sugar for the domestic market for alternative products and for export in bags of raw sugar for human consumption. While the domestic market for refined sugar may be growing slowly, the commercial opportunities for alternative products is limited only by people's mind-sets. I expect that, in developing the central region's business plan, as required by the Commonwealth government, the industry would involve or liaise with a range of manufacturing businesses and other potential partners. That is because, with the opening up of marketing opportunities, the focus will be on producing specialty sugars and non-sugar products. That initiative fits neatly with the region's virtual one business approach where the region has advantages, including a bulk sugar terminal, a good port, access to a large quantity of cane and a refinery at Mackay. The bill promotes diversity of outcomes for different regions and I am sure that the central region will look to creative, niche products for the future.

The key to a market for ethanol as a fuel is the price. That is influenced by Commonwealth excise, which is currently 30 per cent on all liquid fuels. In the recent budget the Commonwealth announced a five-year excise holiday for ethanol. However, I suspect that this is too short a period to encourage the level of investment needed. Who would invest $100 million knowing that the Commonwealth will slap a 30 per cent tax on the product in five years? The member for Darling Downs would know only too well that the ethanol proponents in his area have complained about this five-year excise holiday. It is not enough time for them to get a return on their investment.

However, I challenge the sugar industry to look further than ethanol. Ethanol may be a good value-added opportunity, but there are very many products other than ethanol that can be made from bagasse and sugar. These range from carboxy methyl cellulose, a thickener for the food industry, to lactic acid, which is also used in the food industry, to ephedrine, which is used in over-

the-counter remedies for colds. Another example of value adding is the furfural project that is being investigated by the Proserpine mill. Furfural is a chemical made from the hemicellulose fraction of bagasse. Furfural is used as a solvent in the plastics and coatings industries. An advantage is that, after extracting the hemicellulose for furfural, the rest of the bagasse is available for other uses, such as cogeneration. I encourage the sugar industry to undertake a detailed analysis of the many possible value-adding opportunities available rather than having a limited focus on ethanol.

Another factor that may assist value adding is that many international companies, for example du Pont, are looking for industrial chemicals from renewable resources. Sugar cane may well be a suitable renewable source of these chemicals. At the same time, the European and Japanese car manufacturers are looking at mandating that 10 per cent of car components must come from a renewable source. So there is another opportunity in the car industry. At the same time, value adding alone will not be enough. Addressing all facets of productivity needs to be done in parallel with investigating value adding.

Another challenge for the industry, if it seeks to position itself as a source of renewable chemicals, including ethanol, is that it will have to be able to prove that it is environmentally sustainable. A fact that the industry seems to ignore is that the research that the industry itself has already paid for shows that, by using scientifically based fertiliser applications, modern water management, controlled traffic farming and other productivity improvements, it will at the same time improve its environmental outcomes. This is one of the issues on which Frank Mason, who has been seconded from DNRM to DSD, is working with the industry in Mackay.

Growers and millers cannot continue to be totally dependent on sucrose in the longer term. A spin-off of the deregulation of the domestic market will be stronger market signals flowing more quickly, clearly and directly to all industry participants. That includes signals and incentives from the various markets—not just sugar—to millers and other manufacturers, from them to growers, and from growers to harvest contractors. That will then enable a more flexible and rapid response. Part of the response may range from renewed talks between milling interests in the region to a concerted effort to get a bioplastics facility established. The thoughts will not be limited by mind-sets and the central region is well placed with leaders and potential leaders to grasp the opportunities.

In summary, and as SIDAC recognised, the industry has a number of arrangements that are based on equity and pooling and not necessarily on commercial considerations. The Mackay Sugar's submission to the Hildebrand inquiry last year described this as death by equity. This bill delivers on that major industry weakness.

I turn now to some of the issues raised by the opposition speakers, whose theme seems to be that the government has not consulted adequately with the industry in its preparation of this bill. Just to remind members, the Queensland government has worked closely with the Commonwealth regarding regulatory change since the signing of the memorandum of understanding in September last year. The MOU looked at three main points where the current regulation needed to be amended to improve competitiveness and efficiency within the industry. These three areas were the cane production system, the statutory bargaining system and the compulsory acquisition of raw sugar for marketing and selling within the domestic market.

The state commissioned the CIE report and has undertaken extensive public consultation. More than 1,500 individual submissions were received, along with submissions from the main industry bodies such as the Queensland Canegrowers Association, Queensland Sugar Ltd, the various mills and the milling council. How much more consultation does the opposition expect? While the contribution from industry has been vitally important in looking to the way forward, it is unreasonable to expect that the government must agree to everything that is proposed or every point that is raised by stakeholders. The government has shown leadership with this bill and found the balance.

Canegrowers put out a circular giving its growers an update on the current discussions with the federal government. One of the problems government has to deal with is this balancing act between grower and miller organisations and other potential investors in the industry. The Canegrowers document states—

The Australian Sugar Milling Council has also been working overtime.

That is referring to the work Canegrowers has been doing lobbying Anderson's office. It continues in reference to the Australian Sugar Milling Council—

Their position is that they are not totally satisfied with the current proposed amendments, as they do not go far enough. The ASMC is adamant that there can be no compromise from the current amendments.

Canegrowers have other views relating to a return of good seasons and improved prices. Some are even advocating the introduction of a floor price, similar to the arrangement that applied to the wool industry a few years ago. We supplied the world market with most of its wool. We ended up donating the last bale of wool, which could not be sold, to a wool museum. That is a great example of a floor scheme that would be like a noose around the neck of government and canegrowers.

I believe that the government has shown great leadership with this bill and that it has found the balance. Our proposed legislative changes were discussed with the federal Minister for Agriculture, Warren Truss, who responded by saying that what was proposed was consistent with the objectives stated in the memorandum of understanding.

As late as Friday, the Prime Minister, John Howard, indicated his belief that the industry needed to be restructured. Mr Howard appeared on *Stateline* on Friday night and advocated reform of the industry through regulatory change. I urge opposition members to support this bill so that we can end the uncertainty within the sugar industry and provide a clear direction with regulatory reforms that will remove impediments to cultural change and innovation.

While growers may find the proposed changes a bitter pill to swallow, the sugar industry has demonstrated in the past that it is capable of embracing change. It must again bolster its resolve to reinvent itself and the way the industry operates. This bill is not an overnight cure, but it will go a long way to setting the industry on the path of long-term success.

We cannot control the weather, market prices or the Brazilian industry, but we do have control over the regulatory environment in which this great industry works. I know that Mackay growers would welcome a change in weather and an increase in price. Although that is unlikely, this bill does hold the promise of a more prosperous and sustainable future for the sugar industry.

I congratulate ministers Barton and Palaszczuk for having the courage to look at the regulations that are an impediment to this industry. I congratulate them and their staff for the hard work they have done to bring this bill to the House.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (9.14 p.m.), in reply: I would like to thank the many honourable members who have contributed to the debate on this bill. It is pleasing to note the great interest from many members outside sugar producing areas, which is a sure sign that the industry's future is a matter of truly statewide importance, not just a matter for the coastal sugar belt itself.

The central issue the industry faces is the need to improve productivity. Productivity improvements are needed to make the industry more competitive and efficient and to allow it to remain viable, even during times of very low world prices. This point was acknowledged by almost all members in the debate. However, some members opposite then went on to argue that the industry's problems were really due only to bad weather, pests and diseases and short-term low prices. Their argument, it appears, is that if the weather turns good and we control the pests and we get a short-term spike in the price everything will be okay and there is no need for change. However, this really ignores the reality of the situation. The Boston report for the Canegrowers organisation states—

It is therefore too simplistic to say that the industry's problems will be fixed by a return to good yields or a recovery in prices. A single year of high yields and high prices could deliver reasonable returns, but this is not the basis for a long term sustainable industry.

This view is accepted by Canegrowers, which states in its submission on the CIE report—

Canegrowers recognises that a fundamental shift has occurred in the international sugar industry. It further recognises that this change will necessitate considerable practical change within the Queensland industry if it is recognised that there is a significant gap between earnings and costs and that, given current price expectations, this gap will remain even when yields return to a more normal range.

Members opposite need to understand that the productivity gap is real. We cannot base the survival of this industry on hoping that the weather will improve. We cannot base the survival of this industry on hoping that diseases such as orange rust or smut will not occur. We particularly cannot base the survival of this industry on the hope that the price will suddenly pick up and all that is needed is government help to tide the industry over.

Productivity must improve. Certainly, there is scope for productivity improvements. The members for Hinchinbrook and Mirani both argued that the industry needs more research to find productivity gains. But the fact is that there are a range of possible improvements that are already

known. These gains already exist. This is not the government saying this; this is industry's own research. I would like to table a range of research papers that demonstrate that the industry could dramatically improve its performance.

The industry's ongoing research program must continue, but we need to ask why these already known, already researched ideas are not being implemented in practice. The member for Hinchinbrook stated that he could not see what this bill will do for industry. This bill frees up the industry to help itself. It is not a magic wand. It is not a cure-all. But it will create an environment in which the necessary changes can happen and where industry participants have an incentive to take up those changes.

The member for Tablelands argued that the government thinks growers are so foolish or lazy that they prefer to knock back the chance to make more money. I say to her that this could not be further from the truth. We understand that growers are hardworking people who want to make a good living. The reason growers, and the rest of the industry for that matter, have not taken up the productivity gains is the system under which they operate. This system has taken away the incentives for change. It has given the power of veto to some in the industry to block new ideas or practices. It has imposed a one-size-fits-all approach which has, as Hildebrand pointed out, muzzled the talent of so many growers. It is the adverse effects principle, as my colleague the Minister for State Development outlined in his most effective contribution.

What I say to all members is this: this bill is about empowering our growers. The member for Toowoomba South argued that this bill sells short the growers. Frankly, I believe that the National Party is selling the growers short. It does not want growers to have a choice. It would like to treat growers like sheep; sheep who must be herded, sheep who cannot be trusted to look after themselves. It has so little confidence in growers that it will not let them decide whether or not they want to be in a collective. It has so little confidence in growers that it thinks growers cannot survive without the government telling them what to do. This is a very patronising attitude.

As minister, I have always been amazed by the same attitude sections of the Canegrowers organisation also have towards their grower members. The time has now come for the opposition to start treating growers like the business people they are, not like sheep. Growers are currently hamstrung by the current system. They cannot reach their full potential. This bill is about providing opportunities. I regret to say that all I have heard from members opposite is about restricting opportunities. The argument has been run by several members of the National Party that the regulatory system should not be changed because it is the result of the 'wisdom of generations' in the words of the member for Toowoomba North—

Mr Shine: South!

Mr PALASZCZUK: The member for Toowoomba North. Or that it is 'tried and proven', according to the member for Hinchinbrook.

Clearly, the members opposite have not been following the wide debate on the sugar industry over the past 18 months. If they had, they would have seen that three major reports have all indicated that the industry must urgently change and that the system which was set up to help the industry is now hindering it. These reports are from different sources: from the federal government, from the state government and from the Canegrowers organisation. All three are saying exactly the same thing, and that is the system is not working. If the system does not change, the industry is in dire straits. This is not a case of 'if it ain't broke, do not fix it'. Unfortunately, it is broke and the Queensland government together with the federal government is going to fix it.

A clear example of why the system is broken is the situation at the Nambour mill. The honourable member for Nicklin has been a passionate and influential advocate for the growers in his electorate. He has banged on every single door in George Street on their behalf. He understands that regulatory change is necessary. The closure of the Nambour mill is a direct result of the existing regulatory system, as the member for Logan pointed out.

The combination of the cane production area system and the bargaining system allowed existing growers to prevent the mill from expanding and now it has so little throughput that it is not viable. Extra growers were needed—not big growers or small growers but more growers. Our government does not believe that big is beautiful. We recognise the contribution of all growers to the industry's viability. If only we had more growers at Nambour.

The member for Toowoomba South believes that growers are the most important part of the industry. I think the industry is growers as well as mills and harvesters and workers and communities. But, even if one accepts this point of view, how well is this legislation serving the

interests of growers in Nambour? Let me repeat: it is broke and we as a government, together with the federal government, are going to fix it.

My colleague the Minister for State Development, the member for Waterford, is passionate about the sugar industry. It is in his blood. He has on behalf of the state government conducted the negotiations with Minister Truss and the federal government. The package that is before this House is a compromise. It is a result of discussions between the federal and state governments, taking into account the views of growers, millers, harvesters and others. It is a finely balanced package that will deliver on reform. Every aspect has been carefully considered. So I say to the Leader of the Opposition: we are not throwing out the baby with the bathwater, as he claims; we are retaining the export single desk. We are retaining collective bargaining. We are expanding opportunities for alternative products. We are expanding the capacity of individuals to do things differently.

I must now take umbrage with certain members on the opposite side of the House, including the honourable member for Darling Downs, who is under the mistaken view that these changes are similar to what occurred within the dairy industry. Prior to 2000, dairy producers received a price fixed by regulation for their fresh or market milk entitlement or a quota. Producers received the market based price for the rest of their milk. In Queensland, for example, the regulated price for quota milk was 58.9c per litre whilst the non-regulated price was around 25c per litre—50 per cent of production.

When the Queensland government was forced to deregulate back in the year 2000, producers lost their regulated price. This caused a significant drop in industry income. Because producers had lost their regulated price, they received a payment from a national scheme to compensate them. This scheme cost around $1.9 billion and was funded by a levy on retail sales of milk. Under the act, the Queensland sugar industry does not receive a guaranteed price for any or all of its production. The act does not regulate prices received by millers or growers. These are set by the world market. Thus, regulatory change will not have the same effect on industry participants as it did in the case of the dairy industry. The nature of the regulatory structures between the industries is fundamentally different.

Now let me turn to commentary on each major element of the bill. In relation to the bargaining system, the member for Toowoomba South seems to be out of step with the growers. He argues against an opt-in system of bargaining, even though this was advocated by the Canegrowers organisation in its submission to the Queensland government. The member for Maroochydore is also out of step. She wants mandatory collective bargaining. She did not explain why she thought it needed to be mandatory. The Canegrowers organisation does not think so, nor do the millers.

I have been very critical of the contribution by National Party members because I do not believe they appreciate or understand the importance of the reforms we are debating, but it would not be fair for me to categorise all National Party members in that way. I believe there is a National Party member opposite who understands the importance of these reforms and that some of the criticisms levelled by his colleagues is uninformed. How do I know this? The member for Mirani comes into this parliament as a canegrower and a former president of the Australian Cane Farmers Association. The member for Mirani wrote to growers in his electorate in January. In his letter the member for Mirani said—

> Proposed changes to the collective bargaining system will not be of any major consequence to the profitability of farmers.

I agree with that comment entirely. Even in a proprietary milling area like Plane Creek, where CSR owns the mill, the member for Mirani has recognised that the collective bargaining strength of growers and their interdependence with the mill will result in sound commercial outcomes. The member for Mirani's comments really show a division in the Queensland Nationals; namely, between those who understand the bill and those who do not understand the bill. The member for Mirani also spent a lot of time in his contribution talking about harvesting.

Mr MALONE: Mr Acting Speaker, I rise to a point of order. The minister is quoting selectively. If he wants to do something with it, he should table the whole report.

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

Mr PALASZCZUK: If I can continue with the member for Mirani, he did not once touch on the position of harvesters under the regulated system, and he knows what I am talking about. The Queensland Cane Harvesters Association, through its president, Robert Lyons, has made it clear to this government that harvesters are not treated equitably under the current arrangements.

Harvesters are locked out by the act from dealing with mills and growers on an equal basis. We have changed that in our bill by allowing them to be parties to a collective contract. I would have thought that the member for Mirani would have spared a thought for the harvesters.

Mr Malone interjected.

Mr PALASZCZUK: I sat with patience for hours. I did not interrupt one single member when they were on their feet. I expect the same courtesy to be extended to me.

The member for Hinchinbrook does not like the idea of multicollectives. He thinks that they are messy. I cannot see how any member in this chamber can justify not allowing growers to have more than one collective if they so choose. Again this gets back to the patronising attitude the National Party has to growers. The Leader of the Opposition trotted out the now completely discredited line that these changes will result in wealth realignment. This has been shown to be the result of completely misleading analysis. I note that the Canegrowers organisation has stopped relying on that argument, but unfortunately the Leader of the Opposition is not paying attention.

In relation to cane production areas, I notice that the member for Hinchinbrook has been complaining about the value of CPA that is allegedly lost but then says he cannot put a value on it. He says it varies from year to year. The reality, as he knows, is that in most cases CPA has no value independent of the land to which it relates. He knows that any real value of CPA is about access to mill crushing capacity and that this will be replicated by contractual arrangements.

I note that the Canegrowers organisation has dropped retention of CPA as a major issue for growers. In relation to the single desk, there appears to be some misunderstanding about what the government proposes. It is not the case, as claimed by the member for Tablelands, that Queensland Sugar Ltd is taking the domestic market out of the equation. QSL can operate as it is. The only difference is that it has the potential of competition.

The member for Toowoomba South claimed that the exemptions process was too broad. I find this a remarkable suggestion, given that his colleague's private member's bill would actually operate, if passed, on a much broader basis than this bill.

The member for Mirani slammed mills for not going out and innovating. What he forgets is that the reason we are putting in this exemptions process is that the existing system has stifled innovation. He also complains that only three mills can participate in refining. That is not necessarily so. It is open for suppliers throughout the industry to deal with refiners.

Let me once again thank all honourable members for their contributions. If I can finish by echoing the words of the member for Whitsunday, who I know takes a very, very close interest in the affairs of the industry. The industry has a proud history but let us not, through our actions, confine the industry to history. Some members opposite would portray this bill and these reforms as being cooked up overnight. The fact is that these reforms have been discussed with the federal government and with industry for an extended period. We have discussed the problems and we have discussed the solutions for many months.

While speaking for the Commonwealth, federal agriculture minister, Warren Truss, summed it up when he spoke in federal parliament on 21 August last year, a month before the MOU was signed. Mr Truss said—

> The government is not interested in just another bandaid response which will mean that in a couple of years that industry is back asking for more assistance. We need a more radical, lasting solution if government is to be forthcoming.

Let us make these changes. Let us allow the industry to write new chapters in its history and continue to contribute to the future.

In conclusion, I point out that not a single Liberal took the time to speak on this bill. I will want to know where they stand in a few minutes.

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

AYES, 63—Attwood, Barry, Barton, Bligh, Boyle, Bredhauer, Briskey, Choi, E. Clark, L. Clark, Croft, Cummins, J. Cunningham, Edmond, English, Fenlon, M. Foley, Hayward, Jarratt, Keech, Lavarch, Lawlor, Lee, Livingstone, Lucas, Mackenroth, Male, McGrady, McNamara, Mickel, Miller, Molloy, Mulherin, Nelson-Carr, Nolan, Nuttall, Palaszczuk, Pearce, Phillips, Pitt, Poole, Reeves, Reilly, Reynolds, N. Roberts, Rodgers, Rose, Schwarten, C. Scott, D. Scott, Shine, Smith, Spence, Stone, Strong, Struthers, C. Sullivan, Welford, Wellington, Wells, Wilson. Tellers: T. Sullivan, Purcell

NOES, 18—Copeland, E. Cunningham, Flynn, C. Foley, Hobbs, Horan, Johnson, Lee Long, Lingard, Malone, Quinn, E. Roberts, Rowell, Seeney, Simpson, Springborg. Tellers: Hopper, Watson

Resolved in the **affirmative**.

Debate, on motion of Mr Palaszczuk, adjourned.

MAJOR SPORTS FACILITIES AMENDMENT BILL

All Stages; Abridgment of Time

Hon. A. M. BLIGH (South Brisbane—ALP) (Leader of the House) (9.40 p.m.), by leave, without notice: I move—

That so much of the standing and sessional orders be suspended to enable the Major Sports Facilities Amendment Bill to pass through all its remaining stages at this day's sitting.

Mr ACTING SPEAKER: The question is that that motion be agreed to; all those of that opinion say 'Aye', to the contrary 'No'. I think the 'Ayes' have it.

Mr WELLINGTON: No, divide!

Mr ACTING SPEAKER: I have already called the motion as passed, member for Nicklin.

ORDERS OF THE DAY

Hon. A. M. BLIGH (South Brisbane—ALP) (Leader of the House) (9.41 p.m.): I move—

That government business orders of the day Nos 4 to 14 be postponed until a later hour of the sitting.

Question put; and the House divided—

AYES, 62—Attwood, Barry, Barton, Bligh, Boyle, Bredhauer, Briskey, Choi, E. Clark, L. Clark, Croft, Cummins, J. Cunningham, Edmond, English, Fenlon, M. Foley, Hayward, Jarratt, Keech, Lavarch, Lawlor, Lee, Livingstone, Lucas, Mackenroth, Male, McGrady, McNamara, Mickel, Miller, Molloy, Mulherin, Nelson-Carr, Nolan, Nuttall, Palaszczuk, Pearce, Phillips, Pitt, Poole, Reeves, Reilly, Reynolds, Robertson, Rodgers, Rose, Schwarten, C. Scott, D. Scott, Shine, Smith, Spence, Stone, Strong, Struthers, C. Sullivan, Welford, Wells, Wilson. Tellers: T. Sullivan, Purcell

NOES, 20—Bell, Copeland, E. Cunningham, Flynn, C. Foley, Hobbs, Horan, Johnson, Lee Long, Lingard, Malone, Quinn, E. Roberts, Rowell, Seeney, Simpson, Springborg, Wellington. Tellers: Hopper, Watson

Resolved in the **affirmative**.

MAJOR SPORTS FACILITIES AMENDMENT BILL

Second Reading

Resumed from p. 2073.

Hon. K. R. LINGARD (Beaudesert—NPA) (9.47 p.m.): The opposition was only advised this morning of the need for this urgent legislation. Based on the initial advice that the objectives of the bill are to put beyond doubt that the Stadium Redevelopment Authority and the Major Sports Facilities Authority have the retrospective powers to enter and perform an agreement on commercial terms for the sale and purchase of land and improvements made upon Suncorp Stadium or any part of it, we support the intent of this particular legislation. The minister advised me this morning that there are differing legal views on whether or not the Major Sports Facilities Act 2001 empowers the Stadium Redevelopment Authority and the Major Sports Facilities Authority to transact with each other on a commercial basis in relation to any land and improvements forming part of the Suncorp Stadium. The minister advises me that the Crown Solicitor has concerns about this. The Parliamentary Counsel, however, does not seem to have concerns, but because there is a need to have this concern finalised by Friday morning that is why the opposition understands why the government wants to put this bill through all stages tonight. That is why we as an opposition did not vote against that. The opposition also notes the comments associated with this bill that—

In developing this Bill, consultation has been undertaken with representatives of the Stadium Redevelopment Authority, the Major Sports Facilities Authority, Queensland Treasury, Department of Innovation and Information Economy and Sport and Recreation, and the Department of State Development.

No objections have been made to the Bill as proposed.

Because the legislation is to be passed with such haste, the opposition has several questions. In the second reading speech the minister stated that any works acquired or to be acquired through the Coordinator-General under the State Development and Public Works Organisation Act 1971 under section 134 may also be disposed of to the major facilities authority under a commercial contract. Quite obviously the opposition wants to know why it is necessary to have this wording.

There are rumours about Lang Park or Suncorp Stadium. In the minister's reply I would like an explanation of what has happened with the northern plaza. On the western area, which is the intersection of Caxton and Hale streets where the northern plaza has passed through the old church grounds, there is a rumour that more land was needed than necessary. If it was that more

land was needed than necessary, is this the section that is to be referred to as 'or acquired' or is there another simple explanation? If it is that we are not relating that particular statement to the section on the corner of Caxton and Hale streets where we believe the northern plaza took extra land, maybe the minister—

Mr Mackenroth: Caxton and Hale streets. The church is up the other end—that is, Chippendall Street and Hale Street. Down the Milton Road end.

Mr LINGARD: Right, but the northern plaza certainly passes that corner of Caxton and Hale which I believe was the old section which was opposite the Police Boys Club going up to the hotels. We believe that there was extra land needed there. I ask the minister to give us a guarantee that this section of land does not relate to that statement of 'or acquired'.

We also note that, as we have said, we agreed with the initial objectives of the bill and the reason for it, but then in his second reading speech the minister said that the bill further provides that the Stadium Redevelopment Authority has, and always had, the power to enter into commercial contracts with the Major Sports Facilities Authority to dispose of any part of Suncorp Stadium with Governor in Council approval. Many rumours have spread about Suncorp Stadium. What I am asking the minister is this: in the initial capital costs in the redevelopment authority, were contracts given to the leasing of certain capital works at Lang Park? The rumour has been that the seats were not provided but were leased. As a result of our checking we do not believe that that is quite true. Is there any other capital work that has been leased as part of the capital works, or is it that this government can give a guarantee that within the $280 million—that is, within the $235 million plus $45 million—all the work at Lang Park has been covered as far as capital cost and the government is not handing over lease arrangements between the development authority and the sports facility?

We would expect that some of the canteen material and equipment may be leased through the managing authority, but we would like to know what the minister believes is in the capital works that is handed over between the redevelopment authority and also the facilities authority. Quite obviously this legislation now means that the Major Sports Facilities Authority will have control over at least five bodies: Suncorp, Brisbane Cricket Ground, ANZ, the Brisbane Entertainment Centre and the Sleeman Centre.

One of the problems with both the Gabba and Suncorp—and I do not disagree with this, but it is a concern that we have—is that if the Lions lease the Brisbane Cricket Ground they must pay a very high lease rate. We accept that. However, it places the Lions in a situation in which they must maintain a very high return. They must ensure that they have plenty of home games and plenty of success to maintain the money needed to pay their lease. Obviously it puts them in a difficult situation because the Lions cannot go anywhere else. We accept that. I believe that the Broncos will be in a similar situation. That is pure commercial practice.

Looking at the expansion of the sport—and we will say Aussie Rules—if they want to use Cazaly's at Cairns, there is quite obviously a difficulty in having a Lions game transferred from the Gabba to Cairns. Here we have a magnificent facility developing at Cairns where obviously Aussie Rules will try to move to.

It is a similar situation with the Broncos. The difficulty is that the Broncos are locked into Lang Park, with a very high lease arrangement which they have to maintain through success and high patronage at Lang Park. What are we going to do in relation to the expansion of complexes such as Cazaly's? What are we going to do with Cazaly's as far as cricket is concerned? How are we ever going to transfer a cricket game from the Gabba to Cazaly's in Cairns? How are we ever going to transfer Rugby League from Lang Park? The minister might say that it is up to the authorities who run it, but I am asking him who makes those decisions? Who will make those decisions in the future? The magnificent development of Cazaly's in Cairns is entitled to a game of Rugby League or a game of Aussie Rules.

I also wish to express concern that, as the Major Sports Facilities Authority assumes control of Suncorp Stadium, it now has the ability to conduct all events at Suncorp without any concern for any existing disputes between subcontractors and the previous contractor, Stadium Redevelopment Authority. So, if Stadium Redevelopment Authority now has a concern about a subcontractor, will this transfer of facilities on Friday mean that the facilities authority can continue to run games at Suncorp without any regard to a dispute between subcontractors and original contractors at Lang Park? Does this limit the ability of subcontractors to retain their money or to gain their money out of any dispute about variances which have occurred at Suncorp?

I ask the minister: now that he is the owner of Suncorp, as the Minister for Public Works seemed to indicate over the last couple of weeks, does that mean that from now on he will answer questions about the financial arrangements of Suncorp Stadium? Why is it that the Minister for Public Works has said in the past two weeks that the Minister for Sport is the owner and he is the builder? Will the minister be the owner after Friday and, if so, does that mean we can ask him questions about the financial arrangements of Suncorp, or is he going to turn around and say, 'No, this is not a government-run authority; this is managed by someone else'? What is going to be his attitude in estimates? Is he going to turn around and say, 'No, we will not answer any questions about Suncorp because that has nothing to do with the government'? So is the minister the owner, as the Minister for Public Works says? Is the Minister for Public Works the builder, as he says. If he is the owner, is he going to take any responsibilities for questions in the House?

I also refer to previous statements I have made about the fact that the Public Works Committee and the PAC have not been prepared to investigate the financial arrangements of Lang Park. This is clearly $235 million of public money. This is money which has to be repaid, and it has to be repaid by the public. In this case it is being repaid by a levy on poker machines on a certain section of hotels. The fact that they are high earning hotels does not mean that high wage earners are paying for it. This is Mr and Mrs Public whose money is being used. Quite obviously that $235 million has to be repaid. If the minister becomes the owner after Friday, I believe that we as an opposition are entitled to ask questions in Parliament House and in estimates.

Quite honestly, I believe the Public Works Committee and the PAC should now be entitled to look at Suncorp and that the minister should even be prepared to refer the matter to those committees. This is $235 million. The Public Works Committee looks at such massive projects as the Normanton bridge, the police station at Mount Isa—all finished, absolutely nothing we can do. But we are not allowed to look at Suncorp. I know that the minister is going to say, 'You are entitled to look at Suncorp.' However, he knows as well as I do that the Public Works Committee and the PAC have not looked at Suncorp. I am asking him why does he, as minister, not refer it to one of those committees. It is $235 million of public money.

The development of a high-class football stadium has always been the priority of the coalition. As we enter the delirium and the euphoria of the opening of Suncorp Stadium, I trust that the minister will respect the opinion of Mick Veivers, the former coalition Minister for Sport, who always wanted to redevelop—

Mr Mackenroth interjected.

Mr LINGARD: I thank the Treasurer for that. I say quite honestly that Mick Veivers always wanted to redevelop Lang Park. There is no doubt that when the proposal was brought to cabinet we were concerned about the cost of redeveloping Lang Park. Cabinet was presented with a proposal from a private company. It wanted to build a massive stadium at no cost to the public and lease it out. If it had been the case that we could have developed the stadium at no cost to the public, quite obviously we would have looked at it. But still, Mick Veivers supported the concept of redeveloping Lang Park. The idea of a superstadium developed by private concerns at no cost to the public was one that was attractive to many people.

I still believe that Suncorp Stadium will end up being too small. I say that because not many people realise that a competition such as the Bledisloe Cup is run by a private company. That private company asks, 'Who will host the Bledisloe Cup and what will you give us for it?' There is no way that Queensland can compete with Melbourne or Sydney if we have a stadium that has a seating capacity for only 50,000 people. We are competing against a stadium in Melbourne that can hold 100,000 people. But still, there is this concept that a stadium that will hold 50,000 people is going to be large enough. If it is that we compete for the Bledisloe Cup against both Melbourne and Sydney, we will miss out and the public of Queensland will not have an opportunity to watch matches such as the Bledisloe Cup. That is detrimental to us. We still do have not a super stadium. A stadium that holds 50,000 people is nothing. The original stadium held 35,000.

Mr Mackenroth: I've got to say I think it's a super stadium.

Mr LINGARD: I know the Treasurer does. But the Treasurer has to respect the views of former members on this side—as I have said, Mick Veivers and a couple of other people—who always thought about redeveloping Lang Park. I played at Lang Park in 1957. It was Wests' home ground. A lot of people believe that Lang Park/Suncorp Stadium is the home of Rugby

League. But that does not mean to say that the coalition was wrong at looking at a concept of a private company building a massive stadium that would hold many more than 50,000 people.

I admit that the euphoria and delirium at the football stadium on 1 June and 11 June will be magnificent. I support the minister completely. I have no doubt that he will give us a rubbish. It should be a magnificent rectangular stadium. But I still honestly believe that in the future we are going to find that Lang Park is not big enough. I only hope for the Treasurer's sake that at the first match at the stadium, as the winger runs down the try line to score a try for Queensland, he does not trip over a loose piece of turf. That would be terrible for the Treasurer. I support the legislation. Certainly the opposition is prepared to allow the legislation to be passed tonight.

Mr WELLINGTON (Nicklin—Ind) (10.02 p.m.): I rise to participate in the debate on the Major Sports Facilities Amendment Bill 2003. In speaking to this bill, I note that it was introduced to the House this morning—the first time that the members of the government, the opposition or the Independents were aware of the contents of the bill. But for months we have had the minister, other ministers, the media—the print media, the TV, the radio—telling us all about what is happening at the stadium. I look at the resources that have been allocated to promoting what is proposed. I compare that with what appears to be the lack of resources that have been allocated by the government to identify the problem that we are dealing with tonight. The minister is shaking his head, but the reality is that if there is no problem then why are we pushing this legislation through tonight? Why was this bill not allowed to lay on the table for 13 days, as all bills are usually required to do? There is a problem and that is why the bill is being pushed through this House.

In the past, I have spoken against bills being pushed through the House. That is one reason I am speaking against this bill tonight. But I understand the importance and the need for it. In the Treasurer's explanatory notes and second reading speech, he indicated his case for the bill. The minister's explanatory notes state—

The objectives of the Bill are to put beyond doubt that the Stadium Redevelopment Authority and the Major Sports Facilities Authority have and always have had the respective powers to enter and perform an agreement on commercial terms for the sale and purchase of land and improvements making up Suncorp Stadium, or any part of it.

The explanatory notes then go on to refer to the reasons for the bill. The explanatory notes state further—

There are differing legal views on whether or not the Major Sports Facilities Act 2001 (the Act) empowers the Stadium Redevelopment Authority and the Major Sports Facilities Authority to transact with each other on a commercial basis in relation to any land and improvements forming part of the Suncorp Stadium.

The Treasurer in his explanatory notes identifies that there are differing legal views. In the Queensland parliament, we do not have a house of review. We have one house and we have one committee, which has certain roles and capacities to review legislation to see if proposed bills contravene some very important principles. The committee in question is the Scrutiny of Legislation Committee, and some of those issues that the committee is empowered by the parliament to consider are how the proposed bill will affect the rights and liberties of individuals and the institutions of parliament.

I refer members to section 4 of the Legislative Standards Act 1992, which details quite clearly the range of issues that are covered under these two considerations. In light of the committee's inability to consider the implications of this bill, in accordance with the committee's terms of reference, I ask the minister: will he allow this bill—or perhaps future act—to be referred to the committee under section 84 of the Parliament of Queensland Act 2001? Section 84 of the Parliament of Queensland Act 2001 refers to the role of the statutory committees. Section 84(1) states—

The main role of a statutory committee is to deal with issues within its areas of responsibility.

Section 84(2) states—

The committee is to also deal with an issue referred to the committee by the Assembly or under another Act, whether or not the issue is within its areas of responsibility.

I understand that there could be legal and technical argument that this bill, once it has passed through all stages, will fall outside the terms of reference of the Scrutiny of Legislation Committee. Notwithstanding that, I ask the Treasurer if he will exercise the powers under section 84(2) of the Parliament of Queensland Act and refer the bill to the committee for consideration.

The reason I say that is that we have no other information, apart from the Treasurer's explanatory notes and second reading speech, on which to rely. We have not sighted any Crown

Law advice or any other legal advice. The Treasurer has indicated on the public record that there are differing legal views. A precedent has already been set in that amendments made to the Local Government Act were taken on appeal to the High Court. In that case, the Queensland legislation was found wanting on constitutional grounds.

Sometimes when we rush in and pass legislation, later that legislation may be found wanting. There is no avenue for a review of what the Treasurer is proposing in this bill. So I ask the Treasurer: will he exercise the powers contained in sections 84(1) and 84(2) of the Parliament of Queensland Act so that the committee, an independent body, has the capacity to consider the implications of the bill?

I am disappointed that the government has found many, many resources by which to promote and publicise the stadium. I support the proposal, although I have major reservations about the amount of taxpayers' money involved when I see shortfalls in other important areas in my electorate and other parts of Queensland. I will be interested to see what funding is provided in this year's budget, to be handed down at the next sittings, to respond to those very important needs. I acknowledge the Treasurer's sincerity when he speaks about its importance and the reasons why this bill must be passed, but I ask the minister if he would genuinely consider my request to refer the matter to the committee for consideration.

Mrs LIZ CUNNINGHAM (Gladstone—Ind) (10.09 p.m.): The development at Suncorp Stadium is something that has attracted a lot of comment in my electorate and, I believe, in other electorates in terms of the expenditure for the expansion and upgrading versus the need for fundamental services such as health, education and the like. That has been echoed in comments by the member for Nicklin.

Mr Reeves: There will be hundreds of people from Gladstone coming to that and they can see the benefits.

Mrs LIZ CUNNINGHAM: Hundreds of members of the community of Gladstone have commented on the need for improved health services in my electorate for people who are suffering from cancer but cannot get on the list, for people who are suffering from other ailments but cannot get help in a timely manner—hip replacements and so on. There are people such as Mrs Jeffers, who I spoke about this morning. Are we going to keep on with it? I do not think so, because the list stretches to hundreds of people who want upgraded health services and who want accommodation that they can afford. I suggest to the member for Mansfield that we do not want to go there.

This bill deals with the transfer of authority of major sports facilities. There are a couple of issues on which I seek clarification from the minister if it is at all possible. The explanatory notes to the bill deal with consistency with fundamental legislative principles. They state—

> This legislation has the potential to retrospectively empower the Stadium Redevelopment Authority and the Major Sports Facilities Authority to change the arrangements contemplated under the Act for the disposal of Suncorp Stadium. Although there is some possibility for retrospective application, the only rights affected would be the rights of the Stadium Redevelopment Authority and Major Sports Facilities Authority, the very bodies which would be relying on the provisions to enter and perform a voluntary commercial sale arrangement. Accordingly, any potential inconsistencies with Fundamental Legislative Principles have been considered to be justified in the relevant circumstances.

The bill allows for clarification of the existing powers of the Stadium Redevelopment Authority and Major Sports Facilities Authority in order to allow the Major Sports Facilities Authority to acquire and operate Suncorp Stadium.

We have heard a lot of objection and a lot of comment, both in the media and in this chamber, about the financial status of the government at this time. Members in my community have expressed concern about the status of the finances of this state. I seek clarification from the minister, if he will, as to the meaning of 'to acquire and operate Suncorp Stadium'. Does it mean that there will be a significant cash exchange for the transfer of these powers, or will it be a notional exchange relating to the exchange of documentation only?

The second query I have relates to what the explanatory notes call the reasons for the bill. The notes state—

> The Bill will put beyond doubt that the Stadium Redevelopment Authority and the Major Sports Facilities Authority have and always have had the respective powers to enter into, and perform, a commercial arrangement for the sale and purchase between these respective entities.

In the second reading speech the minister states—

> The bill provides the Major Sports Facilities Authority has and always had the power to enter into commercial contracts with the Stadium Redevelopment Authority in relation to the acquisition of Suncorp Stadium and without

Governor in Council approval. The bill further provides the Stadium Redevelopment Authority has and always had the power to enter into commercial contracts with the Major Sports Facilities Authority to dispose of any part of Suncorp Stadium without Governor in Council approval.

That implies that the minister is retrospectively validating transactions that have occurred in the past. I seek clarification on what past contracts this validates and the quantum of those contracts that are being validated by the passage of this bill. I believe that the community in Queensland deserves those answers and I look forward to the minister's response.

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Deputy Premier, Treasurer and Minister for Sport) (10.14 p.m.), in reply: I thank the opposition for its support for the legislation before the House tonight. I need to make a number of points in relation to questions that have been asked of me.

The member for Beaudesert raised a question in relation to external works. The issue in relation to that is that, in the stadium being developed, certain works were undertaken under a declaration by the Department of State Development, which were works designated outside of the approval of the Brisbane City Council, which are actually the plaza areas, which are external works. They are the works to which the act refers. This does not take anything more than what was acquired when this actual work started.

The works that have been undertaken under that particular approval, which was an approval of the Department of State Development, are separate from the works that are being done under the approval of the Brisbane City Council, which were then called in by the Minister for State Development and then approved. There were actually two separate approvals for the work, so this is bringing those works together. There has not been any further land taken from anybody, other than the land which was acquired in the very early stages, before the actual work started—the land which was resumed by the Department of State Development for these works to actually be undertaken.

In relation to the rumour that the seats are being leased, that is just not true. The contract for the rebuilding of Suncorp Stadium has been let by the Department of Public Works. It was for $280 million, which included all of the resumptions and the works which I have already outlined in this parliament as the external works. From that we have now taken the $12 million for the external works east of Petrie Terrace down to Roma Street. That brings us back to $268 million, which is the actual value of the contract to build the stadium.

Matters which are being leased—the member for Keppel asked me a question about this in the parliament, and I answered that—are things such as the catering equipment and the likes, which are part of the operator's agreement. They are things that are being leased and were never part of the actual contract for the building of the stadium itself or for the external works. I actually answered that fairly detailed question of the member for Keppel six or eight weeks ago. That was very clearly spelt out.

The member for Beaudesert raised the issue of subcontractors and any issues they may have. I think we need to understand that the Stadium Redevelopment Authority is the body which actually owns the stadium. It has a contract with the Department of Public Works to get the stadium built. The Department of Public Works has entered into a contract with the Lang Park joint venture, which is a combination of Watpac Multiplex, to actually build the stadium. That is the entity which has the contract with subcontractors. Any issues in relation to those subcontracts are issues directly with the joint venturer—that is, Watpac Multiplex—and not with the Department of Public Works or, above that, the Stadium Redevelopment Authority.

In relation to any contracts that are with the Stadium Redevelopment Authority, the transfer to the Major Sports Facilities Authority, which will happen on Friday, will transfer all of those rights and obligations over to the Major Sports Facilities Authority. So nothing is being lost in relation to that. If there were any contracts to which somebody had a dispute—we do not have any in relation to the building because those contracts are with the joint venturer—those disputes would be transferred over. There are no disputes anyway, but that is the effect of what would happen in relation to the law.

Mr Lingard: What sort of groups would have a contract with the redevelopment authority?

Mr MACKENROTH: The contracts that would have it are the operators, which are Ogdens. We have entered into a contract with Ogdens to operate the stadium. So their contract, which is with the Stadium Redevelopment Authority, will be transferred over to the Major Sports Facilities Authority. There is a contract with Suncorp for the naming rights of the stadium which will be transferred over to the Major Sports Facilities Authority. So they are actually contracts in relation to

the future operations of the stadium, not in relation to the building of the stadium. The contracts in relation to the building of the stadium are directly from the Department of Public Works to the joint venturer, which then has subcontracts, and any disputes in relation to those will be with the joint venturer and they would need to be overseen by the Department of Public Works.

In relation to the issue of a superstadium in Hamilton—and I appreciate the opposition's support so I will not be unkind when I answer this—I answered this question in the parliament a couple of years ago. I would ask the member to go back and have a look. It was not something they were going to get for free. In fact, I set it all out and I have a copy of the document which was provided to the government at the time. The cost to government was greater than the $280 million which we have spent on the redevelopment of Suncorp Stadium. I think we need to remember that.

The member for Nicklin raised the issue of this bill being brought into the parliament with undue haste. I wish I did not have to bring it here. I do not really like having to come into the parliament and ask it to approve something in one day to enable a contract to be carried out. If I knew about it earlier, it would have been fixed earlier. If I knew about it much earlier, it never would have happened. But last Thursday in finalising the contracts in relation to the transfer this issue was raised. It was raised with me at 6 o'clock last Thursday night, which was the first time that I became aware that it was to happen.

This will answer some of the member for Gladstone's concerns in relation to the way that the act was written. At the meeting held last Thursday night and the meetings held on Friday, it was intended that I would introduce this legislation today and debate it when we resumed in August, which would have been my preferred course of action. That is why the act is written in a way as if things had already happened. Last night at 8 o'clock I was informed there was another legal view that it had to happen this week, before the contracts on Friday were finalised. That is why the legislation is written in the terms that it is. That is how it happened and why the legislation is written in that way.

It was my preference for the legislation to come before the parliament. Well, my first preference would have been if everyone had got it right in the first place. That would have been my preference. Secondly, I wish we could get two lawyers to agree and then we would not have different lawyers saying that it is right and it is wrong. If we did not have that problem, I would not be here today. But we do have that problem and we have differing views. Given the problem that there are differing views, it then became my responsibility to ensure that it is fixed and that people are not put in the position where they may do unlawful acts.

Last Thursday night we decided that this was the course of action which should be taken. So on Friday and over the weekend the legislation was drafted. During that time I believed that I would be able to introduce it today and debate it when we came back in the August session, which would be the first available time after 13 days, which would have been my preferred course of action. However, I was advised last night that another legal opinion was that maybe we should not do that; we should do it straightaway. That is why I discussed it with the shadow minister for sport this morning and explained to him the predicament that I was in, and this is why he has agreed to the bill going through today.

I am sure it is not his preferred course of action either, but I appreciate his support for our doing this because it is important. The game could have been held on Sunday without this being passed. But it would not have been handed over to the authority which has to run it; it would have had to stay with the redevelopment authority, which is not a proper course of action because we need to make sure that the body which this parliament has established to run it is a body which by Sunday is allowed to run it.

In relation to the other issue raised by the member for Nicklin about whether I would refer it, I have not had that section of the act drawn to my attention before. I am unaware of it. I will give some consideration to it. I do not have any problem if the Scrutiny of Legislation Committee wants to have a look at it. There is nothing untoward in it. I will have a look at that. However, I thank the opposition for its support for this legislation tonight.

Motion agreed to.

Committee

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Deputy Premier, Treasurer and Minister for Sport) in charge of the bill.

Clauses 1 and 2, as read, agreed to.

Clause 3—

Mrs LIZ CUNNINGHAM (10.26 p.m.): The one question that the minister may have overlooked in his reply is whether in the acquisition by the Major Sports Facilities Authority from the Stadium Redevelopment Authority that will be a paper transfer, a notional transfer, or whether there will actually be a cash transfer involved.

Mr MACKENROTH: What is transferred is the assets and the debt. There is a debt. We are borrowing in total, when this project is finished, $280 million, which at this stage will be $268 million. So we are transferring that debt which has been incurred whilst we have built this to the Major Sports Facilities Authority. In terms of the make-up of that debt, $45 million will be met from the operations of the stadium and $235 million will be met from the revenue from the major facilities levy, which is a levy on the most profitable gaming machines and hotels, and that is gaming machines which have a metered win of over $100,000 a month.

So there is a levy there. That money comes to Treasury. Treasury will pass that money on. We will not pass it all on because one day it will be greater than its loan repayments. But we will pass on the money to meet the loan repayments for that $235 million loan to the Major Sports Facilities Authority by way of a grant and it will pay off that loan. The obligation is for the lease, which is part of the operations, but there is nothing else being handed on.

Mr LINGARD: I refer the minister to the comments made by the Minister for Public Works in which he says he is the owner and the minister is the builder. Is the minister the owner of Suncorp Stadium?

Mr MACKENROTH: As far as the Stadium Redevelopment Authority and the Major Sports Facilities Authority under my ministerial portfolio are concerned, they are the owner of the stadium and so in that sense I am the minister responsible for the ownership of the stadium. I do not think I would quite go around saying that I am the owner, but I am the minister responsible for the ownership.

Mr LINGARD: I ask the minister again: will he answer questions on this in Estimates as the owner?

Mr MACKENROTH: If the standing orders allow me to, yes, I will.

Clause 3, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

SUGAR INDUSTRY AND OTHER LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 1 April (see p. 1031).

Mr ACTING SPEAKER: Before calling the member for Hinchinbrook, I point out to members that we have had a very long debate on industry reform. This bill is about transferring ownership of the Bureau of Sugar Experiment Stations and the cane protection productive boards. I suggest that we remain within the very limited scope of these amendments. I rule that that is what I am expecting of all speakers: to stay within the limits of these amendments during this debate. I now call the member for Hinchinbrook.

Mr ROWELL (Hinchinbrook—NPA) (10.31 p.m.): There is a BSES presence in all sugar growing regions of Queensland. The organisation has to be responsive to the needs of growers, and a strong incentive has to exist to ensure that the expectation of those who provide the funding for the BSES to work on their behalf is met. This change could be seen to be a simplistic formula, and I have to say that it is not only growers that contribute to it but also mills. The BSES is, I am sure, mindful of this. However, as we are seeing at this time with deregulation—it may be total deregulation in the future, as has been proposed by the Queensland government—when times are tough there is concern that the industry is being thrown to the wolves. I would just like to look at the options that were available to the government in the green paper as far as dealing with the BSES was concerned.

Option 1 was to maintain the 'status quo' by retaining BSES as a statutory body. Option 2 was to transfer functions, assets and liabilities of BSES to an industry owned entity company

limited by shares. Option 3 was a transfer of functions, assets and liabilities of BSES to an industry owned entity company limited by a guarantee. This was the preferred option. This organisation has been there for 50 years, and of course we have had a lot of good things coming out of BSES.

Option 1 is not the preferred option because for as long as BSES remains as a statutory body it is accountable to the Queensland government, and government is potentially exposed to pressure from industry for a rescue package—I have not heard anything about BSES wanting a rescue package—in the event of financial problems. This is what is in the green paper.

It appears that the government wants to wipe its hands of any support, and turning the BSES out to fend for itself at this time is just another example of its attitude to primary industries. The price it will pay is $3.8 million for the next three years. There will be no guarantee of any support from this state government after that. I think that is accurate, Minister, but I can be corrected if I am wrong. The minister has referred to the $45 million of assets being transferred to the industry. The BSES assets, like the sugar terminals, have been accumulated by the industry, and although state governments have provided a small contribution the major part of the asset has been generated by the industry.

As a result of the severing of ties with the government, it is believed the industry will be able to have a greater ability to generate cash flow that will advantage the industry. It will be interesting to watch this evolve. It is to be hoped that the canegrowers will be the main beneficiaries of the new structure's interest. It is to be hoped that the new organisation will provide a service that is affordable to growers and not overly weighted towards scientific endeavours.

In the past the BSES has had a good reputation in providing a 'ready to inform' service that focused on the sugar industry's growing clients. The move to create a corporation structure, which in this case is 'free of the apron strings', and no doubt in the future the purse strings, of this government will be at least as beneficial to the growers as was the BSES as a statutory body. The same applies to the cane production and productivity boards that are, in general, providing, and have provided, a service that complements the BSES.

To date I have not seen any evidence that these organisations will be better off with this course that has been dictated through this legislation. The time of this move was ill-conceived as, over the period of the process that has been evolving, the sugar industry is going through one of the most difficult periods in its history. It has been made more difficult for the personnel on the ground to be totally focused on dealing with the plethora of difficulties facing particularly the growing industry. It would appear for those who are running the agenda that there is a minimal understanding of what is happening in the world that really makes the industry function.

At a field day hosted by the BSES, and Junior Chamber in Ingham in April, there were only 70 attendees. There were excellent displays of BSES presentations, and machinery was brought from all over north Queensland. In fact, many of those people that brought that machinery and exhibited it were extremely concerned because of the cost of bringing that machinery in with so few people attending that BSES field day. In past days, presentations by BSES and Junior Chamber separately used to attract hundreds of growers, and it is quite surprising that we saw so few people at that field day.

This was no reflection on the BSES, as the voluntary subscription levies are high, but it is an indication that there is not a great deal of confidence in the future of the industry. The adage 'if it ain't broke don't fix it' could be true of the current BSES and cane production boards. Of course, this initiative was triggered by the government when the compulsory levy was removed.

This new entity will commence on 1 July 2003. The cane production boards will be totally finished on 30 June 2004. I have concerns that BSES may have to depart from its core objective of generating cash flow rather than just simply dealing with the benefits that are so critical and so important as far as research and extension works are concerned.

I just want to very briefly go through some of the activities which are quite vital as far as these organisations are concerned. I have to say that both the BSES and the cane production board organisations, both entities in their own right, do an enormous amount for the industry as a whole.

One of the BSES's primary roles is breeding plant varieties, and over a period of time it has come up with some excellent varieties. What we have seen happening in recent times, because of a number of outbreaks of grubs, orange rust and so on, is that it really has not had a back-up variety or a range of varieties that have been suitable to deal with that situation. Some of the problems involved wet weather, some involved extremely dry weather and some involved massive grub attacks on the roots and soil of the plant, and of course many growers suffered substantially.

The things that contributed particularly to the low productivity in the last five or six years were the very erratic seasons and, to some degree, varieties that were not totally reliable as far as dealing with issues such as orange rust.

I want to take the House through the actual structure of the board. There will be two categories of membership—that is, grower members and mill owner members. Within each category of members there are two subcategories—that is, firstly, grower members, initial growers and subsequent growers, and, secondly, mill owner members, initial mill owners and subsequent mill owners. There will be a maximum of eight directors. There will be two grower directors appointed by grower members, two mill owner directors appointed by mill owner members, three independent directors appointed by grower directors and mill owner directors and the chief executive officer, who is to be the managing director. From the second annual general meeting of the company at least one grower director and at least one mill owner director will retire by rotation unless required to retire earlier. Generally, a grower director and a mill owner director will be required to retire every two years. A grower director and a mill owner director may only hold office for terms of four years. A grower director and a mill owner director may only serve for four conservative terms in office.

There are some good aspects about this, because it means that we are continually bringing new people in and there is not going to be a massive exodus from the board. One independent director will retire at each annual general meeting of the company and the independent directors are entitled to serve a term of three years and entitled to be appointed for up to five consecutive years. The managing director may hold the office indefinitely and a grower director must be a grower member or a director of a grower member. In relation to the independent directors and others beside the managing director, it goes on with the range of expertise that is so important to carry out those duties.

As I said, both the BSES and the cane production boards have worked closely together. There needs to be surveillance, and this is one of the critical issues whenever pests and diseases are identified—that is, that we are able to quickly ensure that something happens in terms of identification, quarantining and the range of measures that are required to be adopted at the time. The cane production boards carried out the clean seed plots which are so critical as regards chlorotic streak and RSD. When we get involved in the planning operations, we must be sure that we have clean seed, and the cane production boards do that. The BSES is very much involved in providing advice on levelling operations and other general advice.

When there is a problem with rodents, we try to use environmentally friendly programs, and very often that involves the use of natural predators such as owls. Owls have been quite effective in controlling rats. But there are times when there are major outbreaks of rats, as happened in 1998 when there was a very big standover crop and rats became a serious problem. An enormous amount of work was done by the cane production and pest boards to ensure that, firstly, they found a suitable rodenticide to deal with the problem and, secondly, that rodenticide was used in the most environmentally friendly way. Some of the rodenticides used in the past were not in the best interests of predators such as owls and there needed to be a change. When change occurs, we have to go through the process of dealing with the National Registration Authority to ensure that we are able to use a particular rodenticide.

There are a number of BSES branches which deal with pest issues, but, as I say, plant breeding is one of its main areas of interest. Resistance to diseases is something that is constantly sought by BSES. Varieties that will stay erect and not lodge are also important because they maximise the sugar content. Very often we find that varieties are not suited to certain soil types and they have to be changed. As I said, the suitability of soil types is one of the critical issues. In terms of the issue we are facing now in relation to the Great Barrier Reef and nutrients, it is a furphy to say that cane producers are not overly concerned about the amount of fertilisers they use. There is nothing truer than the fact that we are very concerned, because there is absolutely no point in applying the likes of NPKs and all the trace elements and so on if they are going to leach out and be washed out and we do not get the benefit. It is a bit of a misnomer put about by people in the scientific community and some in the not-too-scientific community who do not know much about the issue and make comments on what the sugar industry is doing.

Spraying programs are also critical. In terms of vines and weeds, spraying programs involving pesticides and herbicides need to be addressed. One of the big topics coming up at the present time is the harvesting and control of traffic with planting width so that when addressing issues such as wet weather harvesting we do not damage the cane that is there. There are some major benefits from practices such as mounting, where farmers can grow legumes and that type of thing

through the wetter part of the year and be successful in getting good crops. When we debated bill No. 2—and I do not want to refer to that—I raised the issue of billets going out the back of the harvester. Technology is at the point where we can deal with that more effectively than we have in the past. I really believe that they are good initiatives where the government could be providing support and assistance.

I recall that when I was involved with the fishing industry and the VMSs were introduced we supported the fishermen to the extent of $1,000 per VMS unit. There is room to do that type of thing with some of the work we are doing with GPS systems on harvesters. If we really want to crank the industry up and get it going, these are the types of initiatives that need to be implemented. As I say, we did that with the VMS systems. In this regard, the technology is very similar. There is not a great deal of difference. I hope that the move that is being made will not be detrimental. We believe that we need change and I hope that we are going to get some benefit out of it.

The BSES has had some excellent people working for it over a long period of time. The organisation attracts good people. It does not generally employ people who do not want to pull their weight as regards dealing with the growers, and at one stage it did quite a bit with mills. There needs to be an association between the two operations, because simply dealing with one operation and not fulfilling all that is necessary regarding the other is where the industry could come unstuck. In the past there has been a great deal of success in doing that.

I can only hope that the moves that are being made at the present time will be successful for this industry, because I have seen many primary industries around the state and around the world and I have not seen an organisation that deals with a single entity industry quite as well as the BSES does. It has done a particularly good job over a long period of time. It certainly has a good track record. I hope for a successful future for the BSES and the people it represents.

Mr PITT (Mulgrave—ALP) (10.49 p.m.): I rise to speak in support of the Sugar Industry and Other Legislation Amendment Bill 2003. I note that the previous speaker strayed from the business at hand and commented on the unscientific view that has unfairly sheeted home all blame for degradation of the Great Barrier Reef to the sugar industry. In common with the member for Hinchinbrook, I believe that urban development poses as great a threat, if not greater, to the Great Barrier Reef as any of the agricultural industries up and down the coast of Queensland.

The BSES is the principal research, development and extension organisation servicing both the agricultural and milling sectors of the sugar industry. In 2001, the government announced the formation of an industry-government steering committee to examine the options for the incorporation of the Bureau of Sugar Experiment Stations, BSES, as an industry owned entity. BSES has been working to advance the international competitiveness of our sugar industry. A move to incorporate BSES as an industry owned entity will position it strongly to achieve this goal.

It was considered that among the benefits of incorporation was that it would be more accountable to industry and encourage more innovation by immersing BSES operations in a more commercial environment. Industry has been supportive of this initiative, seeing it as a logical step forward in developing greater industry control. The incorporation of BSES would be in line with the Queensland government's initiatives to give industry greater responsibility for its own destiny.

In the first term of the Beattie government, legislation provided for the incorporation of three major industry entities so as to devolve industry decision making and accountability from government back to industry. Two former statutory bodies, the Queensland Sugar Corporation and Queensland Canegrowers Council, were replaced by industry owned companies. The state's bulk sugar terminals were also transferred to an industry owned company called Sugar Terminals Ltd. The transfer of BSES to industry ownership means industry will have direct control of its marketing and distribution as well as research and development functions. The assets and functions of BSES are to be transferred to the new BSES replacement entity, which is to be a company limited by guarantee. Industry will have full ownership and control of this entity and its assets and will be responsible for its performance and future direction. Government support to BSES in the form of the annual R&D grant of up to $3.8 million has been guaranteed for three years following transfer, after which assistance to the entity is to be reviewed.

The bill provides cane protection and productivity boards with the opportunity to either incorporate or dissolve by 30 June 2004. After this date any remaining CPPBs will be dissolved

and assets and liabilities transferred to the replacement BSES entity. Industry, BSES and CPPBs have been consulted on the bill and have provided full support.

In addition to transfer of BSES and dissolution of CPPBs, this bill introduces changes to the Plant Protection Act 1999 as a consequence of BSES transfer. There will continue to be legislative protection with provisions for pest and disease control through use of approved cane varieties and maintenance of quarantine areas being transferred from the Sugar Industry Act 1999 to the Plant Protection Act 1989. The proposed arrangements are similar to existing arrangements and provide industry with effective protection from threat of disease. I support the bill.

Mr MALONE (Mirani—NPA) (10.53 p.m.): It is with great pleasure that I rise to speak on the Sugar Industry and Other Legislation Amendment Bill 2003. It is a very important piece of legislation that is coming before the House at this late hour tonight. Indeed, it is one that will be critical to the survival of the industry in the future.

There is no doubt that BSES has played a tremendous role in the sugar industry over many years. Indeed, the driving force has been the staff and directors who have been in charge of BSES over a long period. They have always had a real understanding of the industry and have certainly pushed the role of BSES to the hilt. Other industry organisations around the world that participate in growing sugar recognise that the research facility we have here in Queensland is the envy of the world in terms of supplying creditable and scientific information to the milling side of the industry as well as to the growing side.

The transfer of functions of the Bureau of Sugar Experiment Stations to a private industry owned company limited by guarantee is contained within the bill before us tonight, as is the transfer of assets and liabilities of BSES to a new entity. The BSES is currently a statutory body constituted under the act. The objective is to conduct research, development and extension activities for the sustainable production of commercial crops and cane and its products. That spells out some real challenges. We would hope that the new entity would encompass all of those things.

When I was chairman of the Australian Canefarmers, one of the challenges for the BSES was to try to expand its role to other parts of not only Australia but also overseas. It had contracts with the New South Wales industry and later with the operation in Western Australia. It is interesting to note from my perspective—and it does go back some time—that the industry in New South Wales, the industry that has been quoted extensively in this House in recent times, was in severe trouble. The production was very low, they had two-year crops, very small farms but a fairly efficient harvesting operation. However, in terms of the industry standard for Australia, it was basically on its last legs. One has to recognise also that in New South Wales the cooperative bought out the CSR mills that were almost totally defunct. They were built up with initiative and foresight by those growers in New South Wales.

As I said, most of the growers in New South Wales are very small growers. A lot of them are part-time growers, and that is still the case today. Not a lot has changed. With the involvement of BSES in New South Wales they were able to put in place some varieties that were reasonably frost free. Of course, they have problems with extreme wet weather at times. They grow cane under very difficult conditions. One thing they do have in their favour that is not often mentioned is that they supply all of their sugar into the domestic market. They gain some substantial benefits from doing that. Unfortunately, that is not the case in Queensland, but that is an issue for another time.

I have a lot of pleasure, as I said, in taking part in this debate tonight.

Mr Rowell: They did all that work in the Ord.

Mr MALONE: They did a lot of work in the Ord, as the shadow minister said. His contribution tonight covered a lot of the issues that I would have liked to talk about.

One of the things that is highlighted in this issue is that the sugar industry has got off its butt; it has been forward thinking in the way in which it operates within our environmental community. One of the big issues in our community at present is the accusations that the sugar industry is the environmental vandal of the Queensland coast. The BSES has a role in debunking that supposition which is totally wrong. The unfortunate part about it is that the scientific community quite often does not recognise some of the good work that is being done not only by BSES but also by a lot of the other research organisations that deal with the sugar industry throughout our community.

This legislation will enable BSES to go into partnerships with those research organisations and, indeed, with other private companies to actually push forward in further research. That can only be beneficial to the owner-members of the BSES and ensure that when we do settle down and get some decent weather, as the minister indicated earlier, we will be able to move forward.

A lot of the research work into cane varieties has not really recognised that we need high production canes that can actually produce in adverse weather conditions, whether that is dry weather or wet weather. We really do need further research. Over a long period BSES officers have travelled into those parts of the world where wild canes grow and used that feedstock to put vigour into the varieties that they are trying to produce.

I hope that will continue. Currently, we are seeing some very innovative ways in which cane can be propagated through very small slivers of leaves, which enable us to grow varieties much quicker to get to the stage at which there is a critical mass so that we can define whether that variety is any better than any other variety. In terms of the research work that BSES has been undertaking into the plant breeding variety selection process, that certainly has been a limiting factor, because it takes between five and eight years to finally get a sample of cane to a stage at which it can be put through the milling process to find out how it is treated through that process, how it would grow on different soil types throughout Queensland and which geographic area and climatic conditions it would be more suited for.

So indeed there are some real challenges ahead for the BSES. It will need to take a leading role in ensuring that the industry moves forward. It is in partnership with the industry, and I think it is encouraging to see that we are finally getting to a stage at which those research stations will have a free rein, under the direction of the members of the BSES through their board, to enable them to do research, deliver results and address all the other environmental concerns, including abating greenhouse gas emissions, which is certainly a part of the industry.

It is interesting to note that the BSES sister organisation, the Sugar Research Institute in Mackay—the SRI—is currently doing a fair bit of work on greenhouse gas abatement within the sugar industry. Indeed, some substantial claims have been made about how the sugar industry can reduce the greenhouse gas effect in Australia by up to 20 per cent through cogeneration, a minimal amount of ethanol production and also by using some of the unproductive land and riparian areas within the industry. Unfortunately, those sorts of things are not told in mixed company. The good news that the industry has to offer is always burdened by some environmental debate about how the industry is polluting the reef, killing the mangroves and anything else that is occurring that can be blamed on the industry. That is very unfortunate. I think that both the government and the industry have to tell the good-news stories.

It is unfortunate that the industry is feeling the effects of six years of bad weather and a lot of other conditions that have affected its ability to produce cane. We all hear about productivity. In practical terms, there has to be profitability in productivity. Unfortunately, those words are not yet key words that a lot of people are using. The unfortunate part about profitability is that many farmers are on the scrap heap because they tried to chase productivity and, in doing so, went broke. They spent too much money trying to get productivity and went out the back door. With those few words, I support the legislation.

Ms LEE LONG (Tablelands—ONP) (11.03 p.m.): I rise to speak to the Sugar Industry and Other Legislation Amendment Bill 2003. This bill amends the Sugar Industry Act 1999 to transfer the functions of the Bureau of Sugar Experiment Stations—the BSES—to a private industry owned company limited by guarantee, to transfer the assets and liabilities of the BSES to the new entity, to remove the control of sugar variety issues from the Sugar Industry Act 1999 to the Plant Protection Act 1989, and to enable cane protection and productivity boards—CPPBs—to dissolve by 30 June 2004. This bill is aimed at divesting from government all responsibility for the Bureau of Sugar Experiment Stations and all of its functions, assets, liabilities and employees and transferring them to, preferably, a private industry owned company limited by guarantee by 30 June 2003.

The BSES members on the 12 remaining cane protection and productivity boards will continue as members until the dissolution of the individual CPPBs, which must all be dissolved by 30 June 2004. On the dissolution of the CPPBs, the control of the sugarcane varieties and the control of pest disease and management will come under the Plant Protection Act 1989 and the Department of Primary Industries. These transfers to sugar industry ownership follow others that have occurred since 2000, such as the ownership of bulk sugar terminals, the marketing of raw sugar and the Canegrowers organisation.

I do not believe that the industry in my electorate is greatly concerned about these transfers. Indeed, I am advised that farmers supplying Queensland's newest sugar mill at Arriga do not now and have not operated with a cane productivity and protection board. They have formed their own methods using cooperative input to provide practical solutions. I am sure that the Premier and the minister will agree that this is another example of the ability that tablelanders have to find efficient new ways of doing business.

Most of the feedback that I receive from cane farmers in my electorate is that they are supportive of these changes to the BSES and, for those areas that have cane production and productivity boards, to those groups as well. Indeed, the only concern that has been raised with me relates to the ownership of patents on cane varieties. I ask the minister if he could advise to whom ownership of these patents, now held by the BSES, will be held or transferred.

I would like to make this comment: here we see a government transferring ownership of important assets to the industry that is directly involved. That is essentially because the government believes that the industry is best placed to control these assets and operate them to the greatest commercial advantage. In other words, the Beattie government believes that the sugar industry knows enough to carry out these tasks and do so better than the government, which now performs them. If members opposite are so confident of the sugar industry's ability, why then do they not listen to it when it speaks out against deregulation proposals?

I find the sugar industry to be one of the most forward looking, responsible and responsive of our primary industries. It is an industry that has undertaken, on its own initiative, to change on-farm practices, reduce run-off, lighten fertiliser loads, boost efficiency, cut water consumption and so on. It does not suffer from myopia regarding the need to change the way in which it operates and the mechanisms through which it does business. It is well aware of the need for change, but it is equally aware of the need for appropriate change. The deregulation path being pursued by this government, with the encouragement—

Madam DEPUTY SPEAKER (Ms Jarratt): Order! Members were asked at the beginning of debate on the bill to direct their comments to the contents of the bill before the House and not to stray into areas that have already been debated.

Ms LEE LONG: I am nearly finished, anyway. The deregulation path being pursued by this government, with the encouragement of the federal National and Liberal parties, is not appropriate. The industry knows this. The industry has told the government this and the government simply will not listen. Could it be because this Beattie government is so arrogant that it will listen to the points of view of others only when they agree with its own mistaken ideas? No-one knows the sugar industry better than the farmers, and they are clear about what needs to change and what does not. This government would do well to pay better attention to rural Queenslanders.

Mr WELLINGTON (Nicklin—Ind) (11.08 p.m.): I rise to participate in the debate on the Sugar Industry and Other Legislation Amendment Bill 2003 at five minutes past 11. In speaking to this bill, I note that it is primarily about transferring the ownership of the Bureau of Sugar Experiment Stations and the cane protection and productivity boards to the industry. I understand that this bill has industry support for reform of the current arrangements for the ownership of the Bureau of Sugar Experiment Stations and the cane protection and productivity boards.

I believe that the transfer from statutory to industry ownership and industry accountability will encourage the industry to take a more active role in guiding the industry's future. I will be supporting the bill when it goes to the final vote, as the current system is clearly not working. I believe that there needs to be a change in the industry. I agree that if we have a good recipe, we do not change it. But we have an industry that simply, in my view, does not have a good recipe and that I believe is in need of drastic change. Again, I refer members to the situation in my electorate on the Sunshine Coast, which was canvassed extensively by the minister, other members and me in the debate on the previous bill. I commend the bill to the House.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (11.09 p.m.), in reply: I would like to thank all honourable members for their contributions. This bill is significant as once again it shows our government's commitment to the sugar industry. In our first term in government we made historic reforms to give industry direct ownership of its marketing and bulk sugar terminals through the respective establishment of Queensland Sugar Ltd and Sugar Terminals Ltd. This bill transfers ownership of the Bureau of Sugar Experiment Stations to the sugar industry. I would like to acknowledge the support of industry for this legislation.

Of course, it is important to highlight the benefits this move will have for the BSES itself. BSES Chief Executive Officer Eion Wallis said in a media statement on 2 April—

As an industry-owned body, BSES will be able to seek out new research funding sources, form new alliances, and build on its own resources through the commercialisation of new knowledge.

Earlier this month I had the opportunity to be part of a launch in Townsville of a new alliance between BSES and CSIRO. The partnership between BSES and CSIRO would unite some of the world's leading sugarcane plant breeding and biotechnology programs, valued at more than $7 million per annum. This alliance will strengthen the reputation of our sugarcane plant breeding programs as the world's best. Again, Mr Wallis said in reference to the current arrangements—

At present, BSES is accountable to the Queensland state government, and this has been a valuable and productive operating structure. However, when BSES becomes a company limited by guarantee, industry stakeholders will have a greater say in the role BSES plays.

This transfer of BSES from statutory administration to industry management will strengthen the competitive position of the Queensland sugar industry. The transfer of BSES and CPPBs from statute, as this bill provides, will give the sugar industry full ownership, responsibility and accountability for its day-to-day operations, management and use of the assets in the best interests of the industry.

As part of this bill, the Queensland government will transfer over $45 million worth of assets to industry. BSES is the sugar industry's dedicated research and development organisation, whilst the CPPBs provide advice and service to canegrowers on issues such as pest and disease control and productivity enhancement. To reassure the member for Hinchinbrook in terms of BSES, the bill implements the recommendation from a joint industry-government steering committee that the new structure of BSES be a company limited by guarantee.

BSES has offices in Brisbane as well as research stations in Bundaberg, Burdekin, Herbert, Mackay, Meringa, Tully and Woodford. BSES has extension centres in Broadwater, Childers, Condong, Harwood, Innisfail, Maryborough, Nambour, Proserpine, Sarina, Tolga and Townsville, which of course is a CSIRO Davies laboratory. Industry has been seeking ways to deliver services.

Six of the original 20 CPPBs have already incorporated, and a number are now seeking to dissolve. This bill provides the remaining CPPBs with the option of incorporation or dissolution by 30 June 2004. After this date, any remaining CPPB assets and liabilities would be transferred to the BSES. I repeat: these reforms were supported by industry and were in line with the government's commitment to give industry greater control over its own destiny.

In addition to incorporation of BSES and dissolution of CPPBs, the bill introduces changes to the Plant Protection Act 1989 as a consequence of BSES incorporation. These alternative arrangements for plant health management mirror existing arrangements and importantly provide industry with effective protection from threat of disease.

I will now respond to a couple of issues that have been raised by the honourable member for Hinchinbrook. He said that BSES will be funded by government for three more years and not after. Basically what he has said is partly right. After the three-year commitment the government will review funding for the BSES. One option probably could be contestable funding amongst sugar R&D providers, which does include BSES.

The honourable member for Tablelands asked who would own the patents currently with BSES. Quite simply, it will be BSES Ltd, which will be owned by the Queensland sugar industry. I thank all honourable members for their support for this legislation. I again commend the bill to the House.

Motion agreed to.

Debate, on motion of Mr Palaszczuk, adjourned.

COMMUNITY AMBULANCE COVER BILL

Second Reading

Resumed from 13 May (see p. 1704).

Mr MALONE (Mirani—NPA) (11.15 p.m.): Unfortunately, I was expecting to go through the clauses of the Sugar Industry and Other Legislation Amendment Bill. I am not sure what is going on there.

Mr Seeney: I don't think anybody else is.

Mr MALONE: I am sure that the government is not aware of what is going on. Does the minister know what is going on?

It is with much pleasure that I rise to speak on the Community Ambulance Cover Bill 2003. The opposition will strenuously oppose this piece of legislation. With 170 clauses, it is a very difficult piece of legislation to comprehend. This bill contains 170 clauses to bring in a tax that does not meet the requirements the government has set out in terms of its criteria.

This piece of legislation has come about basically because the government is broke. It has stuffed up the ambulance system in Queensland. It had a perfect opportunity to make the Queensland ambulance system one of the best in the world, but with bad administration it has sent it broke. The 1998 election promise of free ambulance services to seniors, pensioners and Seniors Card holders and their dependents has cost the community dearly. We are seeing the effects of that in this bill tonight. Despite a budget estimate of $20 million in 1998, we are now seeing a deficit of well over $100 million. I am not sure that even the minister is aware of the total cost of that system.

The Community Ambulance Cover Bill takes away people's choice to pay for an ambulance service or not to pay for one. The National Party in Queensland believes that each individual in our community should pay only once and that there should be a full inquiry into the cost of running the QAS before any levy is put on the community, such as this bill will put on Queenslanders.

The unfortunate part from my perspective, and from the perspective of the National Party, is that this government, without any consideration whatsoever of how the money being raised currently is being used by the Queensland Ambulance Service, will commit the Queensland community to paying well over $100 million—possibly up to $140 million—in terms of return on this cover.

We have not yet heard from the minister exactly how much money will be raised. Indeed, he does not seem to understand how many people will actually be paying the levy. Questions have been asked in this parliament and we have not heard one answer yet to determine the number of people who will pay it or how that will impact on the business community and on the community itself. That is one of the big issues we need to explore. This is an unfair tax. That is all it is: a tax on every one of us in the Queensland community, and it will have an impact right across the board.

I think it is fair to say—I am certain it has happened on the government side of this House as well—that this issue is one of the biggest that we have dealt with in our offices over probably the last five years. I am sure that is true for every electorate office throughout Queensland. When an issue is of such concern within the community, there has to be something wrong with it. I have to tell honourable members that there is something wrong with this legislation. Obviously this legislation will go through, with the numbers that the government has in the House, but I predict that within six or eight months the legislation will be back before us in order for some substantial changes to be made to it.

A fundamental issue raised by the government in terms of this levy is that it wanted a broad base on which to levy the people of Queensland, and that is not a bad criterion. That broad base should mean that each and every one of us will pay some cost or some amount of money towards running an efficient ambulance service in Queensland. I do not think anyone anywhere in our community would doubt that that is what we would like to see. We should all pay a fair share, and each and every one of us would be entitled to a free ambulance service. I have no problem with that at all. However, this bill does not meet that criterion.

I do not think it is necessary for me to delve into all of the intricacies of the bill in terms of how it delivers that outcome. I am sure that each and every one of us, regardless of what side of the House we are on, has had many calls to our office indicating that people believe they will pay the levy twice, three times or 10 times—even up to 29 times as indicated by one call. That is a huge impact on individuals in our community. The weird part about it is that it does not appear that the government has listened to any of those plaintive calls from people in our community that they will be adversely affected by this piece of legislation. If a layman read the legislation, he or she would be very confused by it. It contains a very complicated way of raising this money in our community.

As I said earlier, this legislation does not address the ballooning bureaucracy and out-of-control costs that are currently rampant within QAS. I do not think we need to go too far into it to see that lately the costs of the QAS have escalated tremendously. I am not saying that the level of service being delivered is any worse than it was before, but the cost of maintaining the service,

as evidenced by some questions in the House, is going up very substantially. A real problem with this legislation is that people who previously did not receive a free ambulance service will now receive one, and this will no doubt result in an increase in the overall use of the Ambulance Service. I think the only question will be to what extent.

The real problem then is how communication centres in our community or communication centres in our regions will deal with a plaintive call for assistance from a person who has a broken leg. We have already seen cases where people with broken legs are not regarded as code 1 cases. I can detail a number of those if that is necessary. I am just wondering who makes a choice. Indeed, when we have an ambulance dispatched to a lesser case and then we have a call that is life threatening, certainly there is a time delay. There is no doubt that in the community right now there are issues in terms of time delays and ballooning response times by QAS right throughout Queensland.

The unfortunate part about this legislation is that it really indicates a typical Labor administration problem, and that is evident not just in Queensland but right across the country. The first thing is out-of-control administration costs, and we see that regularly in this parliament. Administration numbers within the department are ballooning and costs are going through the roof. That then carries on to added costs within the department, which then affects service delivery. We see huge increases—I do not need to detail all of them—in terms of costs to government and costs to the individual, such as registration fees and fines. Every little corner is being investigated to see if there is some money to be found to allow this government to move forward.

The other cornerstone of a Labor administration is to get somebody else to pay. This piece of legislation is exactly that. The government has run into a problem with funding the QAS. So what does it do? The first thing it does is find somebody to pay. Obviously the people to pay are the residents of Queensland. That is pretty obvious. We would all agree with that. But, unfortunately, it was not that easy to have everybody pay. More importantly, how do we put in place a disincentive for them not to pay? That is the question. As Professor Sumner Miller would say, that is the question.

Mr Reynolds: What is the answer?

Mr MALONE: What is the answer? Add it to people's electricity bills so if they do not pay they get their electricity cut off! Simple! It took some late nights. This piece of legislation is the result of plenty of late nights, I would have thought, in terms of how the government could get all or most of Queensland to pay without getting too upset because they would then obviously not want to pay. This bill basically empowers the government to turn off people's power if they do not pay.

So we have the second leg of a trifecta of a typical Labor administration: get somebody else to pay. The third leg of the trifecta is that we have to have a tax that can be increased at will. That is, it can be used to pay for things in other areas, in other departments even, and probably even support a further ballooning bureaucracy. Maybe we need some more community engagement to ensure that this tax goes down quite smoothly. We get a few spin doctors in. So we have a trifecta of an out-of-control administration with costs rising. We get somebody else to pay if we can, and it appears we can, and then we have a tax that can be increased at will. Indeed, the Scrutiny of Legislation Committee schedule as revealed in the parliament today certainly questioned how that tax can be increased without proper referral to the parliament.

Mr Reynolds: The regulations come back to parliament.

Mr MALONE: The regulation comes back to parliament, that is true, and a disallowance.

A government member: Not amendment.

Mr MALONE: Not amendment, a disallowance, so that it is either all or nothing, and of course the government wins every time. It is not a bad trick. So we have a tax that is at the will of the government to increase, and obviously there is no doubt that that tax will increase substantially in a very short period of time. If any person in this House or outside of it has any doubt about that, they need only look at the increased costs of this government over the last few years to see a typical indication of how this government treats people out on the street.

I have been following the administration for some time in terms of how this government deals with a lot of issues, and I have to say I am very impressed by the way this government deals with the big social justice issues that we see in our community and how we all get up as backbenchers and cry when there is a social justice issue. That is commendable. We all feel for those people in our community who are worse off than we are, and there are a lot of them.

We, as politicians—Labor and National Party, Liberal, whatever—work within our parliamentary constraints, listen with great concern to the people who come into our office and complain that their power has been cut off or that they were not able to pay their power bill last month and the electricity was cut off. Members go to great lengths, as I do, to talk to the energy supplier to make sure that they are able to work through a system to have that power reconnected, and to ensure that the single mum, perhaps, and her three children are able to have a hot bath that night or even cook a meal.

Obviously I am coming to the issue of what happens when we have a situation where we have a person who is down on their luck perhaps and they have some concerns about how they will pay their power bill. They have 22 bucks added on to it each quarter, and under the legislation it enables the government to take the first $22, and if they do not pay it the provision is there by amendment of the Electricity Supply Act to enable the electricity supplier to disconnect the power.

We have heard plenty of counterarguments that energy suppliers reluctantly turn power off. I can assure members that that is not the case. They do cut power off, and they cut it off pretty regularly. I have dealt with those cases in my office so I can speak first-hand on that matter. It does not get turned back on very quickly either, and there has to be a lot of work done and negotiations to make it happen. Quite often there are some very difficult arguments.

All I am saying is that there are going to be those people in our community who, under normal circumstances, would elect for whatever reason—and we do not need to question that, that is their own right to make that choice—not to pay for ambulance cover. Now, under this bill, they are being forced to. They are being forced to pay for an ambulance cover that, under their circumstances, they may not require or may not want to pay for. They will certainly be disadvantaged, and we see plenty of letters in the paper written by obviously Labor supporters who say they are saving money by paying $88 instead of $96, or whatever it is. I suggest to them to watch this space. The bureaucracy within QAS will soon gobble up that $88, and whoever else is close by will certainly take a slice out of it whenever the need arises.

There is no criteria within this bill to ensure that all of the money—and I do not see it and may be the minister can explain when he gets up to speak, where in this bill are the safeguards—will actually be spent by QAS. Where are the safeguards in this bill that the money will be effectively spent? That is the real question obviously in terms of the way in which the ambulance operates within our community. There is a whole raft of questions in terms of how we put all this together.

Of course, we have not even talked about the issue of those small businesses in our communities that are currently struggling under the impost of higher government charges, drought, commodity downturns and all the other things that are affecting small business right throughout our community. Of course the typical issue is the businessman who obviously will pay for his community ambulance cover at home and then has an office in the city that he operates out of. He will pay that again there. He may even have a warehouse. He will pay it again there. He may even have a security light that is not attached to his office or to his warehouse. He will pay it again, and the list goes on. I really do not think that this is a fair way, an Australian way, of taxing a community.

The reality is that it is a tax. It is not a levy. It is a tax, and it is one of those core issues that the Labor government has stood on for a long time: that there will be no more taxes; there will be no new taxes. I will table a press release from the Premier that said exactly that not too long ago, and even one from the minister.

This is really Labor's social engineering at work. Labor believes that anyone who is running a business has to be a fair cop—has to be running a profit.

Mr Reynolds: Looking for reds under the bed soon.

Mr MALONE: Absolutely. Labor believes that anyone running a business is a fair cop, and the fact that they are at least going to charge most business people at least twice bears some comment.

Mr Reynolds: What about general rates? Aren't they charged?

Mr Livingstone: How much fire levy did you bring in?

Mr MALONE: The issue that has been raised about fire levy is interesting. The fire levy is actually attached to a premises, and that premises is actually covered by a fire levy that pays for the fire truck to turn up and put the fire out on that premises.

Mr Reynolds: What about general rates?

Mr Quinn: And paid only once.

Mr MALONE: And paid only once on that premises. As far as the ambulance is concerned—

Mr Seeney: Paid once for each service.

Mr Quinn: Once for each house.

Mr Reynolds: General rates are paid for business—by business and by domestic—

Mr MALONE: I have the call.

Mr DEPUTY SPEAKER (Mr Poole): Order! There will be one person speaking at a time. One person is on his feet. Continue.

Mr MALONE: Thank you for your concern, Mr Deputy Speaker. The fact of the matter is that with the ambulance service, as we are currently facing here, one individual will pay more than once, and sometimes a considerable number of times. That is far different to the way in which the fire service is levied.

Take, for example, the struggling hairdresser. Mostly we have ladies in the House tonight, and there are plenty more throughout Queensland. Maybe someone's daughter has decided that she will set up a hair salon.

Mr Reynolds: Or son.

Mr MALONE: Whatever. Obviously she has just set up the salon and is living at home and is paying the ambulance levy at home. She goes to work and is struggling to pay wages. She may actually be working on her own, but she is certainly struggling, as most businesses are, as I said earlier. She is going to pay at least twice. In any person's fair sense of a fair cop, I do not think that stacks up. If you are going to impose an ambulance levy on the public of Queensland, get it right. Do it once.

I want to go through a few issues, and I am probably working across the portfolio fairly quickly. What we are seeing throughout Queensland is a problem in terms of access to QAS. It is fine in most parts of Queensland, particularly urban Queensland. There are real problems meeting response times on the Gold Coast and Sunshine Coast where there has been an increased effort in terms of being able to meet the demand in those areas. But there are many places in Queensland—and not too far away from here—where it is almost impossible to get an ambulance. Less than an hour away from my home the only way that one can get an ambulance is to call in a helicopter. There is no way that they can get—

Mr Reynolds: What's wrong with that?

Mr MALONE: Obviously this is not the Ambulance Service. I am not talking about the helicopter service.

Mr Reynolds: They're our medical service as well. They're only subsidised by the government.

Mr MALONE: That is exactly what I am talking about. This bill is to introduce a tax supposedly for a QAS operation. There is no doubt from the comments across the chamber that that will subsidise other areas of government.

Mr Reynolds: I didn't say that.

Mr MALONE: My case rests. That is exactly what I am saying—that is, this tax will raise up to $140 million and it will be spread wide. It will be spread thinner than butter across a whole heap of departments. That is exactly what is going to happen. As I said, there are problems with response times in some areas. Less than an hour from my house there are people who have had to, on many occasions, wait more than an hour to get an ambulance to their house. They have made the decision in recent times to not even call an ambulance but to throw their kids in the car and take them to hospital. Those people live less than an hour away from a major centre. I am not sure how this tax is actually going to help decrease those response times. I hope it does, but I do not think it is all about money. I think it is about administration. I think it is about wasted money, quite frankly. I think it is about wasted opportunities. I think that this government has lost the plot. I think it has blown it big time. Quite frankly, if members drive past Kedron and look at the facilities available there they will see that they are not replicated anywhere, and certainly they should not be. The problem is that the effort is being concentrated in Brisbane with bureaucracy and it is not spreading out wider than the Brisbane area.

I have some real concerns about the way in which this is all coming together. I have some real concerns about the way in which this legislation is being implemented. I have some real

concerns about the way in which it has been brought in. There is no doubt that this is the second best option that the government was able to come up with. The first scenario was to introduce the tax on land rates and of course the local government authorities were able to get the Premier to back down on that issue. The electricity option was very convenient because, as I said, in a non-punitive way it will be able to ensure that people pay it. I am just wondering what will happen when perhaps 20 or 30 or 3,000 or 4,000 people decide that they are not going to pay it and the electricity authorities are threatening to disconnect. What is really going to happen? I think it is as serious as that. There are many businesspeople who are very upset with the way in which this legislation has been put together. There has been very little consultation—none at all in most cases—and that is fairly typical of what is happening in the administration of Queensland.

I want to talk about the costs involved in QAS as it currently stands. Members need to remember that the National Party believes that there should have been at least some inquiry into the cost of running the QAS or the Ambulance Service in Queensland before the Premier, without any thought at all, insisted that there should be a tax to cover the costs of running the QAS in Queensland. As opposition spokesperson for QAS I obviously get many calls from a lot of people in terms of problems they may have with the administration or even just in their jobs. Certainly, I am not one to go out and belt the bush about individual concerns, but I have raised on a number of occasions issues with the minister in terms of trying to help people out. I have to say that I am very concerned about the way in which the Ambulance Service is actually looking after its people. This is not the first time I have raised this issue; it is probably about the third or fourth. The problem we have is that the QAS through misadministration—I could go so far as to say maladministration—puts people in situations where they are either affected by stress or get to a stage where they go off on stress leave or where, in another circumstance, because of the old boys' club type issues that are operating within QAS people are forced into a situation where they are stood down because they are either bullied into that situation or indeed false claims are made against them and they are stood down for one reason or another.

I will give the House a typical example, and it is not unusual. In February 2000 a QAS officer was stood down on full pay. As at May 2003 that person is still on full pay, has not done a tap of work in all of that time for QAS and will probably continue to be in that situation for some time in the future. The base pay for that person is $26 an hour and he is entitled to the full rostered penalty rates that accrue with that job, which is double time at $52 an hour. I want to know how many people within QAS are also on that type of stand down. There are many. I wonder whether the minister will answer some of those issues in terms of the running of QAS and how much does he have control of what is actually happening over there at Kedron. I think I can answer that question fairly effectively, but I will not go into that.

On Monday, 26 August 2002 the Premier made a claim in the *Courier-Mail* that he would refuse a demand for a levy. The article states—

Premier Peter Beattie has ruled out imposing an ambulance levy to help pay for the Queensland Ambulance Service, which paramedics claim is drastically underfunded.

Mr Beattie was met outside a community cabinet meeting at Gympie yesterday by about 50 angry paramedics protesting for increased pay and better working conditions. They told him that he should pay for their demands by either scrapping the government's system of providing free ambulance cover to seniors or to introduce an ambulance levy to operate in a similar way to the fire levy.

But the Premier ruled out both options, saying that either would break election commitments.

I table that article for the information of the House.

Mr Reynolds: And you would be in favour of No. 1 and not No. 2.

Mr MALONE: It is my job not to agree with the minister on those sorts of things. The interesting part about this is that as recently as 26 May 2003 the Queensland president of Commerce Queensland came out and very strongly bagged the government over the issue of the ambulance levy. I will read some of that. Indeed, I will read its policy in actual fact. It states—

We are asking the Premier to uncouple the ambulance levy from business so that all Queenslanders are paying the proposed levy only once—on home electricity accounts.

Our alliance—

which is Commerce Queensland—

represents 60,000 Queensland businesses creating hundreds of thousands of jobs for Queenslanders—we want the Premier to amend this unfair tax on jobs.

Business operators are happy to pay the tax once, on their home electricity accounts, but not multiple numbers of times.

...

In 2002, Queensland businesses paid nearly $550 million in premiums to WorkCover Queensland to provide for all work-related accidents including costs for the ambulance service.

The Queensland Government is double-dipping if it proceeds with this ambulance levy as currently proposed—it is an unjust tax on jobs and small-to-medium business operators.

How much does it cost to run an ambulance service?

We would like to know how much revenue the Queensland Government will collect through the proposed ambulance levy.

And that is a question that the minister can answer. It continues—

There are at least 1.6 million electricity customers in Queensland and that equates to more than $140 million in revenue if each customer is paying $88.

But if thousands of business customers are paying more than once ... this is a real "honey-pot" for a government struggling to balance its budget.

This is an unfair tax and we want it modified. All Queenslanders should pay only once to fund the community ambulance cover.

I could not agree with them more. That is exactly what we believe.

In summing up, I think that we need to be very careful with this piece of legislation. As I said, it is very complex. I believe that the legislation will not last very long; there will be some real problems with it. It has been drafted quickly. Bringing in 170 clauses to enable a tax to be imposed on some of Queensland is not a fair way to go. We as the opposition have a justifiable cause in opposing the legislation.

There is no doubt that we totally support a free ambulance system in Queensland. I will state strongly that we will oppose this legislation simply because it is unfair; it does not do what the government has indicated it wanted to do with the tax. It is not widely based; it is unfair in terms of who it hits and who it exempts.

Mrs CHRISTINE SCOTT (Charters Towers—ALP) (11.52 p.m.): There is absolutely no doubt that the Queensland Ambulance Service delivers a world-class service to the people of Queensland. Independent national and state reports on government services recognise these standards and recognise the achievements of paramedics throughout Queensland. More than 98 per cent of all Queensland patients are either satisfied or very satisfied with their ambulance service and our out-of-hospital cardiac arrest survival rates are high.

The QAS is no longer a collection of independently run and locally supported organisations. It is big business and a multimillion-dollar service industry. Just look at the facts and the figures from last year: 566,500 cases; 259 locations throughout the state; 2,425 staff and 352 honorary officers; 614 stretcher ambulances; and 106 patient transporters which travelled more than 17 million kilometres last financial year.

Training and equipment requirements demand that the QAS operates as a coordinated and highly professional organisation. This government recognises these needs and the changes which need to be made to ensure that the QAS is prepared for the future. I have listened tonight to the comments made by the member for Mirani and I understand his concerns about the perceived unfairness of this new charge. However, I would say in reply to that that all taxes are unfair. There are no fair taxes. There are plenty of single people with no children whose taxes are going towards paying for the education of other people's children. There are plenty of very healthy people who have not been to a doctor for 20 years who do not write anything down when someone asks who their family doctor is because they do not know; they do not access any health services. They are paying for health services for other people. So there are no fair taxes.

I guess it is very hard to get our heads around the quantum leap that we are making from a subscription based service where people paid for a subscription that covered them and their family to a system where there is a levy or a charge and the object is the more they have, the more they pay. It is a broad-based collection system. I know that is a quantum leap for many of us. However, I do note that the member for Mirani did not have any better ideas as to how we should fund our Ambulance Service or how we should collect the levy.

This government is committed to the QAS and is committed to maintaining the current level of service. Since coming to office the Beattie Labor government has demonstrated that commitment on many fronts. On the financial front, this government has provided an additional $297.7 million over and above the levels achieved by the coalition. We have undertaken one of the most comprehensive reviews ever undertaken, and now with the community ambulance cover we are providing a guaranteed, adequate and secure funding base for the QAS. This is a government that looks at the big picture and makes the tough decisions.

I have left no-one in any doubt that I have had some concerns with this legislation. Indeed, I have been very outspoken about my reservations with some aspects of the legislation. But I have prefaced every remark and every written comment that I have made with the statement that I believe this is good legislation and I will be voting for it in the Queensland parliament. I have said that I believe it needs some finetuning. So I am very pleased indeed with the further exemptions which have been made available to people on the land, to commercial fisher people and to people who are conducting one business in one building but with multiple electricity connections. I accept that this is one of those cases where what we are attempting to achieve is the greatest good for the greatest number. I acknowledge that if further exemptions were made, the levy would have to rise to unacceptable levels, and most people in Queensland have one house and one account. The percentage who have more is very, very small indeed.

Mr Flynn interjected.

Mrs CHRISTINE SCOTT: The opposition seems intent on maintaining the status quo despite data which demonstrates that the voluntary subscription scheme is no longer sustainable.

Mr Flynn interjected.

Mr DEPUTY SPEAKER (Mr Poole): Order! The member for Lockyer!

Mrs CHRISTINE SCOTT: That is despite data which shows that current funding arrangements could not sustain a service that is experiencing growth of 11 per cent and 12 per cent in case loads, growth of 16.5 per cent in the number of urgent cases and even greater increases in other areas.

Mr Flynn interjected.

Mr DEPUTY SPEAKER: Order! I warned the member for Lockyer.

Mr Flynn: Why? What did I do?

Mr DEPUTY SPEAKER: Order! The member was interjecting. I have told him to cease interjecting.

Mr Flynn: No more than—

Mr DEPUTY SPEAKER: Order! The member is now showing contempt for the chair. I now warn him under standing order 123A.

Mrs CHRISTINE SCOTT: The Beattie Labor government has been prepared to make the difficult decisions and all members of the House, including members of the opposition, are seeing the benefits flow through to their electorates.

I would like to explain to a certain person in my own electorate, who shall remain nameless, some facts pertaining to the 10,000 people from whom we were unable to collect money recently. This person should know that the QAS does not ask people who are bleeding and dieing in front of them if they are subscribers before they take them to the hospital. In the past we have had to send these people an account whereupon 10,000 of them have said something like, 'Look, I have no job, no house, no car, no assets of any kind and I will not pay.' If my esteemed friend can find a way to extract the money from these people, then I would be pleased to hear it.

Thanks to our new community ambulance cover these situations will not occur because all Queenslanders will be covered in Queensland and within Australia—no questions asked. I thank my constituent for his support since my election and I look forward to many more of his humorous letters to the editor in the future.

Today, QAS paramedics at the front line are better trained, better equipped and better prepared to meet the demands of a modern-day ambulance service. Community ambulance cover is a good initiative. It spreads the cost of maintaining the QAS across the community and ensures a stronger and more sustainable future for ambulance services in this state. I commend the bill to the House.

Miss ELISA ROBERTS (Gympie—Ind) (11.59 p.m.): In rising to speak against the Beattie government's new ambulance levy, I have to state that in the two years that I have been in this place, this piece of legislation has to be the most unpopular and has been the focus of vehement opposition among the Queensland public. The proposed ambulance levy that is before this House is unfair and unjust. I find it incredible that this government, knowing that the Ambulance Service was in dire financial straits, would go ahead and make all pensioners and health care cardholders exempt from payment and in their place put the financial burden onto the rest of the community in a completely haphazard manner. This is nothing but extremely poor financial management.

There is no doubt that this government is determined to destroy small business and landowners, which historically have always been the enemy of totalitarian states, which is what this state, under the Beattie government, is turning into. To place the financial burden of propping up the Queensland Ambulance Service on the workers in this state is appalling. To add salt to the wound, the Minister for Emergency Services has the hide to insult business owners by calling them insular for not wanting to pay more than their fair share for the levy.

Not only do small business owners have to pay this levy on their home electricity accounts, but they also have to pay it on their places of business. People such as builders are going to suffer greatly because of their need to use builder's poles. I know of one builder who is building four houses at once. He will have to pay the levy on his home electricity account, his office building electricity account, and on the electricity account for each house that he is building. The Premier's reasoning is that people get sick at work. But these people have already paid for their use of an ambulance when they pay their home electricity account. Or is there going to be a specific area on the bill outlining that the person who pays this account is covered only at the place to which the electricity charged on this account is connected?

The piece de resistance of this new levy has to be the threat to turn off a person's power should they not pay the ambulance levy component of their bill. To take away a resource as vital as electricity, even if the electricity account has been paid, is inhumane. The despotic behaviour of the Premier and the complete lack of compassion of this government is beyond belief. I ask members to imagine the scenario of a single mother who is working to send her kids to school, to feed them and to clothe them. Her electricity account is due and she has just enough to pay it. But little junior needs to go to the dentist. This single mother cannot afford to pay her ambulance levy. So in the middle of a cold winter, this family's electricity is turned off—no hot water, no heating, no hot food, no clean clothes, no lighting. I wonder if anyone has had the sense to think about people who have cordless phones. If those people have their electricity cut off, then they will not be able to call for an ambulance should they require one. How many unnecessary deaths are going to result from this levy and who is going to take the responsibility for them?

In addition to paying for the levy on home electricity accounts and possibly numerous times on business electricity accounts, this government will still expect Queenslanders to continue to pay a levy on their registration. This tyrannical government will be remembered for restricting our democratic rights and pitting one section of society against the other. Workers already pay taxes and a Medicare levy to look after aged pensioners and those who do not work.

This government knows that the majority of its support comes from those who are in receipt of social services. The promise to exempt them all from contributing to the Queensland Ambulance Service is designed to ensure their continued voting support. The political motivation of this scheme is to make these people utterly dependent upon this government for their survival.

Levy or tax, it does not matter what this government wants to call it, it all boils down to Queenslanders paying more money to this government. In the future, the Premier might want to put a little more thought behind his election promises to one section of the community when the rest of the community has to pay for it.

This levy is the least thought out and most damaging piece of legislation that this government has forced on the Queensland public thus far. If I were the Premier, I would be looking very carefully at my advisers, because someone is trying to bring him down from inside. With harebrained schemes such as this one, they are bound to be successful.

Mr PEARCE (Fitzroy—ALP) (12.04 a.m.): It is a pleasure for me to rise to speak in support of the Community Ambulance Cover Bill 2003. From 1 July 2003, every Queensland resident will be covered for the cost of ambulance transportation anywhere in Australia. The move from a subscription based system to community based cover will guarantee that the Queensland Ambulance Service is able to be funded at a level that ensures that the high standard of service is maintained and that every Queensland resident is able to be transported from their home, their workplace, sporting event, or the site of a road accident safe in the knowledge that there will be no additional cost for the service provided.

A subscription based system has worked well for those Queensland families who have made the commitment to subscribe through an annual payment, through a direct bank debit or payroll deduction. But for those families who are struggling, for those who are not organised, or for those who do not have access to payroll deductions, the system means nothing. It is only when they are faced with that $755 bill that they understand the benefits of being an ambulance subscriber. I am proud to say that, per head of population, central Queensland is recognised as a major

contributor under the subscription based system. I believe that the high level of subscription is due to the payroll deduction method of payment adopted by the coal industry employers and the fact that rural Queenslanders living in rural towns appear to be more committed to supporting their local ambulance services.

The new community ambulance cover, as a means of providing a cover for the cost of the service, is fair in that every Queensland resident is covered anywhere in Queensland, as well as anywhere in any other state. I know that all Queenslanders appreciate that aspect of the new ambulance cover and the benefits that come with a funding structure that delivers continuity and stability to a revenue base required for the proper management and delivery of such an important community service. However, the issue of how the community pays for this type of cover has raised some genuine concerns for the business sector, rural producers and workers employed within the mining industry.

I wish to raise some of the positive aspects of the new cover that will begin as from 1 July. As I have said already, the new cover means that all Queensland residents will now be entitled to ambulance services at any time in any state of Australia. This means that no person, regardless of their economic circumstances, will ever have to be concerned about needing an ambulance and not being able to pay the $755 account for the service provided. That has to be one of the most significant benefits delivered to the people of Queensland. There is no longer a need for people to be afraid to call an ambulance when and if they need to.

Under the new cover arrangements, there are exemptions that recognise the exceptional circumstances of our senior citizens and our war veterans. Pensioner concession cardholders, Seniors Card holders and Department of Veterans Affairs gold card holders will be exempt. I know from personal contact that many of these people who are exempt from the levy would like to contribute. There is a provision for them to make a voluntary contribution of $5 per quarter to the QAS.

Under the original proposal put forward by the minister, consideration was given to the farming community. Under the provisions of the bill, farm sheds located on lands used only for primary production, such as farm machinery storage, wool and milking sheds, a shed used as a workshop for, say, welding or machinery repairs, are exempt. My understanding is that any shed on a farm that is used for or in relation to a farm activity is to remain exempt so long as the shed is detached from the principal place of residence or any other form of accommodation.

Metered pumps for irrigation, stock water, sewerage and domestic purposes will not attract the levy. Certain not-for-profit organisations such as those conducting an activity of a public benevolent nature will be exempt. This includes churches, crisis accommodation, hostels for the homeless, respite centres, Meals on Wheels and Emergency Service buildings. I am really pleased that State Emergency Service buildings and rural fire brigade sheds will also be exempt, because they provide a service to the community.

Since the days following the announcement of the ambulance cover, I have made representations to the minister over a number of issues. While I feel that I may have played a role in winning some of the extra exemptions that have been announced recently, I remain disappointed that I was not able to have won further exemption for those workers and land-holders who are not impressed with the requirements for them to pay multicontributions under the new cover arrangements.

It is pleasing that small business has had a win in that a single premises used for a single business or other non-residential activity will pay only one account. Caravan park residents will not pay for the levy on submetered sites. These are all positive aspects that attempt to get the balance right in the way that the levy will be collected from business and farming communities. But there are still real concerns about the number of times that many people in my electorate will be required to pay that levy.

I am very aware of and sympathetic to the concerns of many in the Fitzroy electorate who will be required to pay the $88 charge on more than one electricity account. They have told me in no uncertain terms that they believe that the multibilling aspect of this new way of collecting the levy is inequitable and unfair. As the elected representative of these people in this parliament, I have a duty to raise their concerns in this place. People who have spoken to me or who have been in contact with my office expect me to raise their concerns here. That is what I am doing tonight. In saying that, it is important that I put to the parliament a number of examples of where people feel they will not be treated fairly under the payment arrangement for the new community ambulance cover.

Mr Flynn: Are you for or against this bill?

Mr PEARCE: I don't need you to butt in, thanks. Many of those people within the mining industry have houses in the mining towns but also have properties in other places, for example Mackay, Rockhampton, Gladstone, Gracemere or the Capricorn Coast. Often these homes away from the mining towns provide the principal place of residence for the family, while a house is maintained in the mining community for the employee. Alternatively, the family may reside in the mining town and use their second home on weekends or during holidays. I know a lot of families who support their sons and daughters, assisting them through university by paying rent and additional costs such as power bills. Clearly, they will feel the impact of multibilling, as will other workers in similar circumstances. They have been a regular contributor under the payroll subscription scheme, yet under the new scheme they find that they are now paying a number of times. They have told me that they are certainly not very happy about this.

Aside from the mining industry, the farming sector is the other major employer within the Fitzroy electorate. I am aware of a large number of primary producers who have two or more properties with power connected. The trend in recent years has been for smaller holdings to be taken over by landowners wanting to expand. These additional properties do not have permanent occupants but power is connected for temporary or seasonal workers or family members who may stay there for short periods to work on the property. Individual properties may also have two or more houses or residences which are once again used only for the temporary or seasonal workers, so some families will be faced with multiple accounts for the one property. Two or three properties can mean six or more power bills at $88 a pop. With central Queensland farmers continuing to struggle with the impact of drought, multiple accounts for ambulance cover are an additional cost they do not need.

The business sector has also raised with me concerns about the impact of multibilling but, to be quite honest with everybody, I feel that there is an ability for business to recover their costs. I acknowledge that some of the final exemptions announced by the government will help address the concerns of business, but there is still a failure to recognise the impact that multibilling will have on many small communities in central Queensland.

In small and isolated communities it is common for one family to operate several separate businesses, so they will of course be forced to pay the cover many times over. For example, I am aware of one business operator who has four separate businesses in Duaringa and who calculated that he would have to pay the ambulance cover some nine times because of separate electricity accounts. This issue has been addressed to some degree with the recent exemptions provided to small business.

In my discussions with constituents I have had many older people raise with me their concerns about the fact that singles will pay more for their ambulance cover. Single persons may in fact get cover more cheaply if they share accommodation costs, but obviously those who choose to live alone will pay more. I do not believe that single people ought to be too concerned about that, because at least they have in place a system that delivers a service that is there for them no matter where they are in Australia at any time.

I have had questions raised with me about recreational organisations such as boating and ski clubs. The question I have been asked is why should a commercial fisher, who is in a position to recoup some of the levy at tax time and through an increased catch price, be exempt while a group which has a shed purely for community and recreational purposes will not be?

Many of my constituents are also upset that the health funds look like they will not provide a rebate for payment of the ambulance cover because they see the levy as a state government tax. This is indeed disappointing for those who are helping to ease the burden on the public health system by taking out private health insurance, and who will now be further out of pocket.

Another anomaly relates to those who have an interest in small mining claims in the gem fields. Once again, they will face the prospect of multibilling for their home and their mining claim, which may be used only once or twice a year.

Many of those I have spoken with over the last few weeks have been proud to say that they have been subscribers to the Queensland Ambulance Service all of their adult lives. For that very same reason, the prospect of multibilling is an additional cost that they are not happy with. They feel that they are being penalised for doing the right thing and will now be forced to pick up the tab more than once because of those who refused to take out ambulance subscriptions in the past. When I hear comments like, 'I have been a regular subscriber to the ambulance and last year I paid $98 and from 1 July I will pay $880 or more than $1,000,' I cannot help but consider

that to be unfair and inequitable. I can certainly understand why these people are angry. Unfortunately, the lack of formal objections—

Mr Horan interjected.

Mr PEARCE: I do not need any help from your mob. You are a bloody disgrace, the way you are running around the electorate.

Madam DEPUTY SPEAKER (Ms Male): Order! The member for Fitzroy is using unparliamentary language.

Mr PEARCE: I withdraw. Unfortunately, the lack of formal objections has discredited the representations that I have made to the Premier and the minister. I have argued strongly about the inequities of multibilling with the Premier and minister, and I thank them both for their sincerity and genuine interest and for their efforts to find a way to ease the burden of multibilling. I presented a good case to the implementation unit, which also considered the issues raised, but it was the lack of weight of public resistance that destroyed my case.

I have expressed my disappointment and frustration on behalf of the people of central Queensland about the multibilling aspect of this new way of funding our Ambulance Service. I accept that my arguments against the prospect of multibilling lacked credibility because of my inability to demonstrate the strength and level of resistance in a formal sense, that is, through letters from constituents. That was despite my request for people to put their concerns in writing so that I had the evidence to back up my claims.

I believe that I have dealt with this issue through a process which I value and respect. However, with only 600 registered objections from throughout the state lodged through the offices of the Premier and the minister I can understand why there is little reason for government to be concerned about the community acceptance of this new community ambulance cover. It is because of this high level of acceptance and because I believe in the positive aspects of the bill that I will be supporting this legislation. I encourage my constituents who have a grievance with the legislation and the way this levy will be collected to take up the option of lodging an objection as allowed under part 9 of the act, which sets out how a dissatisfied customer may lodge an objection to the levy imposed.

I believe that this legislation delivers positive benefits to the people of Queensland. There are certainly some difficulties with it, but I have no hesitation in supporting the legislation because I believe in and respect the process I have been through. I have no doubt that in the long term the people of Queensland will be the beneficiaries of good legislation.

Mr QUINN (Robina—Lib) (12.18 a.m.): I do not think there would be a member in the House who really does not want to see a world-class Ambulance Service in Queensland. After all, when one's life is on the line, one depends upon the professionalism of the Ambulance Service officers who aim to be there in the shortest time possible and with the highest degree of skill and care. I think it is in everyone's interest that we have a high quality Ambulance Service in Queensland.

That means that we will need one that is fully funded at an appropriate level. There is no doubt about that as well. We expect our ambulance officers to be appropriately rewarded for their professionalism, their training and the dedication that they provide to the service. After all, it is a lifesaving service that they provide.

I have no worries about making sure that the Ambulance Service is fully funded in Queensland in recognition of the service they provide to our community. Where I have a problem, and I suspect where a lot of other people have a problem, is the myth that the government is perpetuating at the moment that in order to have a fully funded, highly professional outfit we need an ambulance levy; that is the only way we can fund this. That is the notion. That is what the bill is about. That is the myth the government has spread over the past six to eight months.

How do we get to the position where we are now where we have a highly professional outfit that is well trained, that provides a service and all of a sudden we find we cannot fund it? We find we cannot fund it because the government is not willing to fund it from the normal sources of revenue. What it wants is an additional source of revenue allocated to the Ambulance Service. The government is saying that the only way to have a fully funded Ambulance Service is to have an ambulance tax. The moment we accept that, it opens a whole range of other scenarios to be put in front of us by the government. If we want a hospital system, we will need a hospital tax. If we want a fully dedicated Police Service, we will need a police tax. That is what this government is all about.

That is the notion that we are looking at here tonight; that, in order to have a high quality professional Ambulance Service that provides the service that people in Queensland want, we have to have an ambulance tax. What arrant nonsense is being put by the minister and the government of the day. The only reason we are here debating this ambulance tax is that the government is broke. It cannot afford to provide the money for the Ambulance Service in Queensland to the extent that we need it. That is why we are here. We have a minister who cannot convince his ministerial colleagues to provide the funds for a fully funded Ambulance Service out of the normal sources of revenue. That is what is going on here and that is why we are talking about the need for an ambulance tax.

Government members interjected.

Mr QUINN: Laugh as they may, they cannot walk away from it because the legislation tells its own story. That is why we are talking about an ambulance tax. The Premier was not talking about one eight months ago. In August last year he ruled out completely an ambulance levy. It was not until the financial reality hit home that the government was strapped for cash that it then had to revert to an ambulance levy. He was completely satisfied with its election promise that it could fully fund pensioners having access to the Ambulance Service for nothing. That would not be a problem for the government. It could fully fund it. It was confident. It was not until the budget numbers were put in front of him one day that he went pale and then resorted to the only option available to him: a new tax. Why do we need a new tax? We need a whole range of additional funds to provide services that we cannot properly fund out of the normal sources of revenue—hence, the ambulance tax.

Let us not be fooled here. This is all about a government desperate for money. It cannot fund normal services out of normal sources of revenue and therefore has to dream up ways of imposing additional taxes on the people of Queensland in order to fund an essential service that up until this point in time has been fully funded either by subscriptions or through additional government contributions. That is the way it has been funded in the past. The only reason we are here now is that the minister is part of a government that is strapped for cash.

Mr Reynolds interjected.

Mr QUINN: That is the reality of it, and the minister knows it. That is why he is sitting here now. The fact that the government cannot put in place this tax without a raft of anomalies shows how impractical it is.

We had the member for Fitzroy listing a litany of problems with the levy. The conscience of the Labor Party I usually call the member for Fitzroy because he understands what the average Queenslander is thinking about.

Mr Pearce interjected.

Mr QUINN: He has the courage to stand up here and highlight the shortcomings in his own government's approach to this issue. He has the courage to do it.

Mr Pearce interjected.

Mr QUINN: I paid you a compliment. I suggest you take it. At least you have the courage where the others have not. They know the problems.

Madam DEPUTY SPEAKER (Ms Male): Order! The member will address his comments through the chair.

Mr QUINN: They are receiving feedback from their own constituents and they have not got the courage to stand up here and highlight them to their own minister.

The problem with this tax is that it is a unique tax. It is not a poll tax, it is not a per head or population tax that is put on a household. It is not a business tax. Some of them do not pay. It is not a property tax; it is nothing. The mayor has refused to pick it up and run with it as a tax to be collected by the local governments. This tax is none of those things that are normally considered fair and equitable. It is something that sits in the middle of everything. We oppose it because it is unfair.

There was another contribution from a member who said that all taxes are unfair. True, all taxes are discriminatory, but some are worse than others and that is what this one is. It is far worse than the other range of taxes and charges that people in Queensland pay or indeed at the Commonwealth level are levied on the Australian people. So that is why we oppose this levy. It is not because we do not want to see a fully funded, highly professional Ambulance Service. We do. We understand the need for that, but we object to the way that the ambulance tax is being

placed on the people of Queensland and, more importantly, the notion that we have to have an ambulance tax to have a fully funded professional service. That is absolute nonsense.

Mr Reynolds interjected.

Mr QUINN: If there is to be a tax, it has to be applied once.

Mr Reynolds: So you are supporting this?

Mr QUINN: You will get your chance later on.

Mr DEPUTY SPEAKER: Order! The minister will cease interjecting and the member for Robina will address his comments through the chair.

Mr QUINN: As I said before, we oppose this tax because it is not a fair tax. We do not think it is in the spirit of taxation. It is not a selective tax but is one that is applied multiple times. As other members have said, some people will pay it up to a dozen times for a whole range of reasons. There seems to be no way in which to erase anomalies from the system. If that is the case, it ought not go ahead. On the issue of whether or not there needs to be a tax—as I said before, it is not necessary.

Ms MOLLOY (Noosa—ALP) (12.28 a.m.): I would like to make a few comments regarding the history of the CAC scheme. In January 2002 the Department of Emergency Services, DES, engaged KPMG to assess the cost of drivers in the Queensland Ambulance Service and the Queensland Fire and Rescue Service, QFRS, and to advise on options to achieve greater efficiencies in the department.

The review was completed in March 2002 and in the 2002-03 budget process. Unlike the opposition, which was prepared to manage the service as a hit and miss affair, the Beattie government based its decisions on facts and independent analysis. The QAS has experienced ongoing funding problems for some time and in 2001-02 QAS had a funding gap of $14 million, most of which was attributable to the subscription scheme. The 2001-02 funding gap was met fully from the consolidated fund. In a submission to cabinet in December 2002, the funding shortfall was projected to increase to $16.5 million in 2002-03 and to approximately $23 million by 2004-05.

As part of a funding review of the QAS on 27 May 2002, the CBRC endorsed an implementation plan to assess the possibility of transferring the QAS subscribers to private health insurance funds via a tender process. Only Stage 1 of the tender process was completed due to limited market interest in the proposal. This government recognised the risk of proceeding to the next stage of the process with the limited number of respondents to the tender process and the problems being experienced by the health insurance industry at the time. The Commonwealth government also responded negatively to the Queensland proposal to transfer the subscription scheme to private health funds and stated that this proposal would not attract the Commonwealth 30 per cent rebate.

Following the Beattie government's announcement in December 2002 of the levy to be collected through local government, there was considerable adverse reaction from the local government sector. Consequently the government announced that it would examine a number of other options.

In February 2003 the government announced that the CAC levy of $88 would be collected via electricity accounts from 1 July 2003 and would be indexed in subsequent years. A range of exemptions were also announced at that time. Exemptions include individually metered irrigation, farming and domestic water and sewerage pumps, farming sheds, certain charitable organisations, places of public worship, the Commonwealth government, the state and local governments for certain core government services and public infrastructure including water and sewerage. The expected return of about $105 million will be used specifically for the provision of ambulance services, including administration of the CAC scheme. This is a great outcome for the QAS. For the first time in its 109-year history the QAS will be provided with an adequate and predictable funding base.

On a final note, a small number of constituents have approached me regarding this matter since the ambulance levy was proposed. I have forwarded those concerns to the minister. I also note that at no time have I been approached by any key community groups, including the Noosa Electorates Chamber of Commerce and Traders Groups.

Mrs Carryn Sullivan: Lucky you.

Ms MOLLOY: Yes. I just take it as a given that they are quite happy with the legislation in place. I commend the bill to the House.

Mr FLYNN (Lockyer—ONP) (12.31 a.m.): I want to refer briefly to the comments of the member for Robina, who referred to the issue of a poll tax. I think a poll tax is an excellent idea. Provided we identify that a person is eligible and capable of paying, they should pay without relying on somebody else to pay for them.

I am surprised that there is much more to say about this levy that has not already been said in the public arena. However, proper discussion of this bill is part of the process, and I would like to make it clear that in my opinion nobody—and I repeat, nobody—I have spoken to does not support the proposed levy. One Nation supports the government's levy.

Proper funding of the QAS is a social responsibility to be shared on as broad a basis as possible, and the member for Robina referred to it as an additional tax. I do not think it is an additional tax at all. I think it is the spreading of a social responsibility on a broader basis. As the minister stated in his second reading speech, we do not want to return to fundraising in the form of selling raffle tickets or relying upon around 40 per cent of Queenslanders who did their best to try to prop up the service by contributing out of their purse towards the voluntary ambulance subscription scheme. We now have a service that comprises very highly qualified, professional paramedics, midwives and others. They are almost doctors, and we cannot expect them to be funded by anything less than a broadband social responsibility to enable them to do their jobs.

I congratulate this state government on its recognising the need to grab the tiger by the tail and introduce what could be seen by some as yet another tax. I and One Nation do not regard it as another tax. If that is what some people see it as, One Nation disagrees with them and supports this important project. In my opinion, pages one, two and three of the minister's speech are beyond question. However, on page three, in paragraph six, we run into some difficulties in that the government begins to founder when attempting to justify various exemptions it has been forced to adopt since the demise of its first idea to collect the levy through council rates.

I will further agree with government in its view that some sections of business appear to miss the point, placing greater responsibility on home owners. However, I disagree with the minister and his department in their opinion that they are insular. Rather, I believe they have not addressed the only alternatives offered in this parliament—and I stress alternatives offered in this parliament—by the only party prepared to do so, One Nation. They cannot be blamed for this, given the determination of the major media, particularly the *Courier Mail*, to ignore all offerings by our party, worth while or not. I see the writing on the wall for this insidious type of censorship, shall we ever achieve the appointment of a media ombudsman as presented by the Premier in the last sitting of this parliament.

I have addressed the inequities of the application of the levy through electricity accounts until I am blue in the face. I have asked questions on and without notice. I have given brief addresses in adjournment debates, and I have made personal statements. I have tried, through the Premier, to establish a national ambulance scheme, but the Premier and I knew that the federal coalition would not have the intestinal fortitude to be seen to be collecting what they thought others would see as an additional tax. What wimps; what cowards. Frankly, they are playing politics with lives, just as they are with the withdrawal of funding for the upgrade of the Plainlands intersection of the Warrego Highway.

I only approach from this angle to demonstrate that the state parliament and the federal parliament seem unwilling to cooperate in some way, regardless of the cause. Most of the minister's speech seems to concentrate on justifying very messy and doubtful exemptions which merely serve to highlight the inequity of collecting the levies via electricity bills. It is not rocket science to understand that the greater the number of citizens identified as those who should pay, the more equitable the distribution and the greater the potential to lower the cost of the levy.

The one and only reason the Premier fails to address our new initiative, in my opinion, is that we are One Nation—no more, no less. If it came from the Liberal Party or the Nationals, they might take it on, but they will not because it is One Nation. One of the Premier's suggested exemptions provides that businesses billed more than once on one premises would be required to pay only once. In other words, if a premises that has a number of outlets within the same premise gets a number of bills, they will pay only once. I accept that. But what about businesses with several outlets? Why should they pay more than once?

I have suggested several times in this place that Medicare is the only system which can identify eligible and capable people who should pay the levy.

Ms Jarratt: I want to know who is going to collect it.

Mr FLYNN: Wouldn't we all! Put simply, I recommend that any person over the age of 16 years who has been identified as the holder of a Medicare card capable of paying the levy should pay. My children, as persons over the age of 16 holding Medicare cards, should not hang on to my shirt tails; they should pay their own levy. They have a responsibility to do that as wage earners.

I do not know how we achieve this. I suggest that the federal government, through the Premier, supply the names and addresses of cardholders residing in Queensland. I am not asking now for the federal government to collect the tax. It will not do that because it sees that as being a fairly unpopular move because its members are too ignorant to recognise the fact that most people support the levy, as we support the levy. I simply want the information supplied to this state government so that we can bill the citizens of Queensland who are eligible and capable of paying the levy, and they would pay it only once. This databank is the only one that can be considered to be up-to-date and reliable. Why? Because most people update their Medicare details to collect their rebates. If you do not update your details, when you go to the doctor you are in a bit of strife.

Many have suggested vehicle registration, and I consider this equally unfair because not everyone owns a vehicle, and many people own several. Some have suggested the electoral roll. That is just fantasy land. I dismiss that out of hand because the electoral roll is out of date the day it is printed. Goodness knows we have enough trouble getting people to vote because they do not change their name and address, but they do for Medicare because they want to collect their rebate. The day the electoral roll is printed it is out of date. The list of alternatives goes on but have not been promoted in this House because we all see how useless they are. I notice nobody else has suggested those alternatives and indeed anything else that we have come up with. I do not know why there have not been alternatives.

The Premier has thrown the issue of privacy into the arena. It is a valid issue, but I do not believe that it is a genuine one because I think he believes the feds might just agree to our purchase of Medicare details. Privacy! What a joke! Every man, woman, animal and organisation in Australia probably knows what Mr Deputy Speaker has as his underclothing for goodness sake. You cannot hide anything from anybody today. Lists of your choices in society of what you buy, how much you spend and where you spend it are available to every Tom, Dick and Harry. So, Premier, do not quote to me privacy when we already know who is on the electoral roll here. We are merely asking the federal government to be specific. Get real!

I have to say that lists of all manner of personal details, as I said, are freely sold to the highest bidder. We can already identify Queensland residents through various means. We simply need to be target specific, and I identify those eligible and capable of paying the levy. Medicare can achieve this. I am not asking the federal government to collect the tax. This is the point that has been taken on by this side of the House and that side of the House. Every time I ask a question on notice, without notice or give a speech, everybody says that the feds will not collect the tax. I do not want the blooming feds to collect the tax. I want it to supply the information that we need as Queensland to bill them directly.

Mr DEPUTY SPEAKER (Mr McNamara): Order! I might remind the honourable member that words such as that just used are generally considered unparliamentary.

Mr FLYNN: Blooming? Yes, Mr Deputy Speaker, I do apologise and withdraw that awful word. Terrible! I shall remember that when the members on the government side speak the same language.

Mr Terry Sullivan: Disgraceful!

Mr FLYNN: Oh, terrible! I call upon Mr Howard, the Prime Minister of Australia, to take the lead in this issue if he can drag himself away from the world stage just long enough to tell us who these people are on our Medicare list and we will directly bill them. Privacy is bunkum. I say to the Premier and the Prime Minister: grow up. It is not an issue. They merely need to cooperate, and this is not happening. One citizen, one bill, pay once.

Mrs MILLER (Bundamba—ALP) (12.43 a.m.): What a hard act to follow, especially at this early hour of the morning. I rise in support of the Community Ambulance Cover Bill. If business was exempted from paying the community ambulance cover on their electricity accounts it would mean residents would then have to pay around $100 rather than $88 per year. The federal, state and local governments levy taxes on businesses and individuals to fund the provision of services to the community. For example, federal company tax and state payroll tax provide funds for public

health and public education. Businesses also pay local rates bills which contribute to the provision of services in their local government areas. The ambulance levy will also contribute to the provision of services to the community. All of the dollars raised will be used to provide a world-class Ambulance Service. The vast bulk of the revenue from the community ambulance cover charge will be raised from individuals. In fact, it is estimated that around 90 per cent of the revenue raised will be paid by households. The changes announced recently to the community ambulance cover are expected to reduce the amount collected by the state government by around $4 million to $5 million. Businesses will be the main beneficiary of these modifications through the change to introduce one bill per building per business.

Community ambulance cover is a relatively modest impost. As a business expense it should be tax deductable. At $88 per annum, the community ambulance cover is in stark contrast to tax increases imposed by the federal government. I think it is about time we in this House got real about what in fact the community ambulance cover costs. It is equivalent to a chocolate frog per day. That is what it is equivalent to—that is, a chocolate frog per day or it is equivalent per week to two packets of Fruit Tingles. That is what it is equivalent to. I want the morons over there on the other side to get real about this and how mean is business—

Mr DEPUTY SPEAKER (Mr McNamara): Order! I just reminded one honourable member about unparliamentary language and I would ask the honourable member for Bundamba to respect the same rules.

Mrs MILLER: I respect that, Mr Deputy Speaker. Can I just say how mean business is, especially big business, to begrudge the Ambulance Service the equivalent of a chocolate frog per day. Let us just say that whilst big business is wolfing down its corporate lunches and wolfing down its corporate dinners costing thousands of dollars every week—tens of thousands of dollars per year—I want everyone in Queensland to remember that they deny the Queensland Ambulance Service the equivalent of a chocolate frog per day. How miserable and mean can you be? The community ambulance cover will ensure that the Queensland Ambulance Service has a rock solid funding base for the first time in its 109-year history. We want a world-class Ambulance Service. I have to say that the Redbank ambulance officers are absolutely brilliant. In Ipswich our coalminers have had a levy for decades that supported the Ipswich Ambulance Service. Our coalminers were proud members of their union and they were also proud supporters of the Queensland Ambulance Service.

Mrs Carryn Sullivan: Are they happy with the levy?

Mrs MILLER: Yes, the miners are happy with the levy because they paid the levy decades ago. Vera Eustace and my mother Edith Pringle and all their friends fundraised for the Redbank Ambulance Service over decades. Do members know what they say to me? They say to me that the days of the chook raffles, the days of rattling the tin cans have got to be over. They were sick of begging and they were sick of going around the community to raise money for the Ambulance Service. It is about time businesses stopped whingeing and stopped being so mean spirited. It is just an absolute disgrace.

I have had about a dozen phone calls in my electorate and a couple of letters, because my constituents are supportive of the levy. They think that it is a good idea. Our local businesses also support the Redbank Ambulance Service and support the Queensland Ambulance Service in general. Some have also donated equipment over many years. Only recently at a meeting held in our community to talk about the new Redbank Ambulance Station, Australian Meat Holdings, Redbank Plaza and Queensland Rail joined with our community members to support the construction of a new station. They are good, supportive corporate citizens. They are not the types of businesses that swan around on Eagle Street and also parade around the place because they are ashamed to contribute a chocolate frog a day. Shame on these big businesses and shame on the opposition! I am proud to be a Labor member in this House and to support this bill.

Mr WELLINGTON (Nicklin—Ind) (12.48 a.m.): I rise to participate in debate on the Community Ambulance Cover Bill 2003. In speaking to this bill, I note that the bill was introduced into parliament on 13 May—not too long ago. Notwithstanding that we have been talking about this new tax, new levy, new charge—call it what you like; I prefer to call it a tax because that is what I believe it is, but I acknowledge that other members have different views—since before Christmas. One only needs to look at the timing. Isn't the timing amazing? I ask members to reflect on when it was first touted that perhaps it should be collected through rates notices. The timing was just before Christmas. It was introduced on 13 May. What was happening around 13

May? The federal budget! Timing is amazing. Now it is 10 minutes to 1 in the morning and we are debating a very important bill while most Queenslanders are asleep.

A number of government members have had a lot to say about how considerate the government has been in the concessions. I think it is a total disgrace that there was even a consideration that the domestic water and sewerage pump accounts were going to be levied and that the government even considered asking people to pay not just once or twice, but three, four—many, many times over.

A number of government members have stated how they are so proud of the tax, the charge, the levy. If they are so proud and so confident that Queenslanders are with them on this bill, they should take the matter up with their Premier and ask him to hold the state election just after many Queenslanders receive their electricity account. Let us genuinely test the water. Let us let Queenslanders decide and let this be a litmus test about the level of community support in Queensland for this new tax. This is a new tax, and I believe the place for this new tax should be in the budget. It should not be in a bill.

Mr Reynolds: It will be in the budget.

Mr WELLINGTON: When such matters are in the budget it provides an opportunity during the Estimates process for not just the minister but also senior departmental staff and others to be required to answer questions about items. I believe that is where this should be.

When this issue was first raised there was concern about the levy being recovered through rates notices. I was lobbied by many of my constituents including many farmers because many farms consist of a number of separate title deeds. They were saying, 'Peter, because we are a genuine farming family why should we have to pay an ambulance levy a number of times over simply because we have a number of separate title deeds registered in our name or our family's name? We are being penalised.' I supported them because that was clear discrimination. The alternative was that it be recovered through the electricity account. The belief was that at least that way the government would know that all people would be taxed and not just land-holders. There was a perception that it would be fairer.

What did we end up with? We ended up with a system under which there was a very clear intent by this government to penalise, to discriminate—call it what you like; one previous speaker called it mean spirited—against some Queenslanders in terms of who had a greater capacity to pay. The government wanted to discriminate against small business operators and people who are out there trying to keep this state on the move.

I note that a number of previous speakers have mentioned that there seems to be no money with the government. One issue that I have not touched on that has amazed me is the difference in responses I have received from departmental staff from a range of departments during the last term of government and this term—and I digress for a second. What I am hearing now is that there jolly well is no money. I say in all sincerity, take the politics out—

A government member interjected.

Mr WELLINGTON: I listened to you in silence. I ask you to listen to me in silence.

Mr Lawlor: I have not said a word, if you don't mind.

Mr WELLINGTON: If you take the politics out, the perception I get from people employed across all the departments is that there is no money. So I take up the comments that were made by the shadow minister and other speakers from the opposition side. It is not just politics, because I certainly am getting that clear message as well. This is simply another tax.

I take members to clause 19 of the bill, which provides that for the financial year starting 1 July 2003 the annual levy is $88. Then it goes on to clause 19(2), which provides that for a later financial year the annual levy is the amount prescribed under a regulation. Again I refer members to my contribution made during a previous debate last night when again we were talking about the important matters being covered in a regulation and not the primary bill. I believe the matters which we are proposing to include in the regulation are significant and that they should be included in the primary bill.

As we have already heard, the current standing orders do not allow members to move amendments to motions for disallowance of regulations. They can move a motion to disallow or they can oppose that motion. There is no opportunity to move amendments. I think that is a major failing with the standing orders. I urge the minister to seriously consider taking that matter up with the Premier and with the Leader of Government Business. Quite frankly, time and time again in this House, be it at 5 to 1 in the morning or in the afternoon, we are seeing—and this is

the second time during this sitting—that important matters have been covered by way of regulation which many on this side of the House believe should be covered in the primary bill. I note that the minister has explained in both the explanatory notes and the second reading speech why he finds practical difficulties with that. However, the bottom line is that I do not believe that is sufficient justification for not having these important matters covered in the primary legislation.

I take members to the Scrutiny of Legislation Committee's report tabled yesterday morning and, in particular, page 2, paragraph 8. I will quote it for the benefit of members if they have not seen it yet, bearing in mind this was tabled only yesterday morning and we are now debating it at almost 1 o'clock in the morning. Clause 8 reads—

The committee has long taken the view that the prescription of a tax is a matter which should be achieved through primary rather than delegated legislation.

There the committee referred to various examples covered in previous Alert Digests. The committee went on to say—

It has endorsed the view of the Senate's Standing Committee for the Scrutiny of Bills that if the rate of a tax is permitted to be set by regulation then the bill should provide either a maximum rate of tax or a method of calculating such a maximum rate.

The reason I am quoting from the *Alert Digest* is that I am trying to stress that this legislation is being pushed through this House and many members may not have had a chance to consider the submission that the Scrutiny of Legislation Committee has made for the benefit of members. The committee then referred to the Senate Standing Committee for the Scrutiny of Bills and the work of the committee during the 38th parliament, May 1996 to August 1998, at pages 64 to 67. The committee went further to refer to clause 12, and I will quote again from the *Alert Digest* for the benefit of members who may not have had an opportunity to read the report. It states—

The committee considers that Parliament should not surrender its powers to control taxation without the most careful argument and consideration. The committee would therefore favour the levy rate for subsequent annual years being prescribed by means of an amendment to the primary legislation rather than by regulation each year. The committee notes that even though a regulation fixing a tax rate may be disallowed by Parliament, Parliament does not have the capacity to amend the rate stated in the regulation but must either totally or completely disallow it or let it stand.

I am not trying to be pedantic; I am trying to stress that these are valid issues. It is not just politics. The Scrutiny of Legislation Committee basically reaches an agreement when a report is tabled.

Mr Lawlor: But that's on the record. Why do you have to repeat it?

Mr WELLINGTON: Because many people may not have had the privilege of reading it or do not understand the significance of what this is about. I also take members to the next paragraph, paragraph 13, which states—

The committee refers to Parliament the question of whether it is appropriate that levy rates for subsequent financial years should be set by regulation rather than via an annual amendment to the bill.

Clause 14 states further—

The committee considers that, even if a tax rate is to be prescribed by regulation, the primary legislation should prescribe either a maximum rate of charge or a method of calculating such a maximum rate.

Finally, the report states—

The committee seeks the views of the Minister as to whether these safeguards could be incorporated in the bill.

This report was tabled in the House this morning. Often if there is a time lapse between when a committee tables a report and when the minister has a chance to consider it, the minister then has a chance to respond to the committee and all members are aware of the minister's view.

Mr Reynolds: And I will be responding.

Mr WELLINGTON: I realise that. But the problem that we have is that we do not know what the minister's response will be until after we have spoken. The minister will respond after we have made our contribution to the debate. If there was not the urgency, the ideal situation would be that the minister would respond to this report, we could read the minister's response and then we could make a fuller contribution to the debate when we considered the legislation in the House. Unfortunately, we cannot do that because we do not know the minister's response.

Again, that is simply because we are rushing this legislation through the House. I touched on the issue of timing. We have been talking about this proposed new tax since before Christmas last year. This legislation was introduced on 13 May.

Mr Reynolds: And we'd been talking about it for about a year and a half before.

Mr WELLINGTON: Yes, for some time. My concern is that the government is not allowing sufficient time to actually fully consider the finer details contained in the bill.

Ms Nelson-Carr: How else do we collect the levy? Have you got a solution?

Mr WELLINGTON: My solution is to be honest with Queenslanders.

Ms Nelson-Carr: We are being honest. How else will we collect that levy?

Mr WELLINGTON: I do not propose to enter into debate with members. I simply say that I believe—

Government members interjected.

Mr WELLINGTON: Clause 113 of the bill provides that if a person fails to pay the levy amount indicated in their electricity account, the disconnection process of the Electricity Act 1994 will apply. I ask the minister to clarify in his reply how this disconnection process will apply. What are the steps that will be gone through? It is not a good drafting technique to have a machinery provision of one bill contained in another piece of legislation. I would have preferred to be able to read in the bill that we are debating tonight the very clear steps that someone would be going through if they were going to disconnect someone's electricity.

Mr Reynolds: You can go and find that out from Ergon and Energex.

Mr WELLINGTON: No, the bottom line is that we should not have to do that. This is the government's bill. I am simply saying, in my contribution to this bill, that I believe it is most appropriate that Queenslanders and members of this parliament should know from the minister in his bill the steps that the departmental staff, or whoever they are, will go through.

Honourable members interjected.

Madam DEPUTY SPEAKER (Ms Jarratt): Order! The House will come to order. If members wish to interject, they will do so from their own seats. Will you please address your comments through the chair and continue.

Mr WELLINGTON: I know that I have just over three minutes left. I have received many submissions from my constituents about this legislation, but I am not going to table them tonight. I prefer to table them in the light of day tomorrow and I will present those letters to the minister.

I also say that I have had various meetings with ambulance officers who are objecting to the government's proposed roster reform model for the Sunshine Coast. They are saying to me very clearly that if this model is to proceed, there will be a clear reduction in services from what is happening at the moment.

I certainly am not able to support the bill. I will be looking forward to the minister's reply and being involved in the debate during the committee process.

Mr RODGERS (Burdekin—ALP) (1.06 a.m.): It is with great pleasure that I contribute to this debate on the Community Ambulance Cover Bill 2003. It is important that we have this debate, because there is some disquiet in the community about the methodology that is proposed to implement and secure the funding required to guarantee the future of the best ambulance service in the country and to guarantee that all Queenslanders are covered by that service, no matter where they are in Australia.

I understand the concerns in the community about attaching the ambulance levy to the electricity account and the apparent anomalies that may arise. I have spoken to many people in my electorate and I have read a lot of correspondence about these concerns. I have forwarded all of this information to the Community Ambulance Cover Implementation Unit in the hope that I can secure as many exemptions as possible within the community.

Yes, I sympathise with the critics who feel that it is unfair to be required to pay the levy more than once, especially as many of them have been long-time supporters of the present ambulance subscription scheme. On the surface, it does seem unfair. I know people who have holiday homes, rental properties, fishing huts and sheds who will not be exempt from paying the extra levies. I have not been able to deliver exemptions for all of these people. However, after many weeks of reflection through this process, I would like to share my thoughts with my colleagues and the community.

I ask the people of Queensland to support the ambulance levy. Our Ambulance Service is under pressure and faces the real prospect of being seriously underresourced due to the lack of funds under the present system. The present system of subscriptions is not working as effectively as it should. It is not providing sufficient funds to maintain the high standards that the community

expects from our Ambulance Service. Furthermore, we need to build on these high standards, especially in regional Queensland where the tyranny of distance is one of our greatest enemies. To do this, we need guaranteed funding.

If members think the new system is not fair, then neither is the present system. Subscribers and those non-subscribers who have met their obligations when they have used the services have had to foot the bill for years. In fact, if we are to direct our anger at anyone it should not be at the state government but at those non-subscribers who have reneged on paying their ambulance bills. Thanks to these freeloaders, our Ambulance Service has come under threat. Thanks to them, the Queensland government has had to take a tough decision on how we can guarantee the necessary funding on a permanent basis.

It has fallen to the Labor government to look at how it can fix the problem. If the Nationals were in government they would be faced with the same problem and they would have to make a tough decision, too—unless of course they just let the Ambulance Service fall into decay, as they did with the health and education systems during their failed period in office.

Honourable members interjected.

Madam DEPUTY SPEAKER (Ms Jarratt): Order! I am having great difficulty hearing the speaker. Members will cease calling across the chamber. I appreciate the earliness of the hour, but I am fast losing patience. Could members please refrain from senseless interjections.

Mr RODGERS: There are limitations on how the state government can implement a tax or a levy, so we have to develop a formula to do this as simply and as fairly as possible for the community. Ideally, John Howard should have attached the levy to Medicare, as we requested, so that the burden of the levy would have been shared more equitably among Queenslanders. However, John Howard has allowed his contempt for the Labor governments to overshadow any federal commitment to the people of Queensland. The three-quarters of a billion dollars used by the federal government to destroy lives in Iraq could have been spent on saving lives in Queensland.

I would like to say thanks for nothing to the opposition for doing nothing—absolutely nothing—to stand up for Queenslanders on this issue. At no time did the opposition approach John Howard or his cronies, calling on them to support Labor in its efforts to implement the levy via Medicare. Any criticism of the system by the opposition rings hollow because it has had the opportunity to put pressure on its political allies to do this for the sake of all Queenslanders.

The coalition has done nothing to advance the cause of the Queensland Ambulance Service, other than whinge. It does not matter whether the coalition parties are in government or in opposition; their willingness to work for the betterment of all Queenslanders is the same—absolutely none. If they fail in opposition, how can we trust them in government? I digress. It is no good lamenting the ongoing failures of the opposition. It is irrelevant and ineffective. The government must accept reality.

I ask the genuine critics of the new proposal to look at our ambulance scheme in this way. It is a method that we have chosen to guarantee permanent funding. Sure, some people may have to pay more than once. We all pay rates on our properties, no matter how many we own, but we do not complain about that. That is because we accept that as part of land ownership. Similarly, the ambulance levy must be accepted. This is an obligation to ensure all Queenslanders are covered.

Under the new system I have peace of mind that, no matter what, my wife and three children will always have access to the Ambulance Service. A mate of mine in the Burdekin often used to whinge that he had to pay a family subscription even though his family consisted of himself and his son. He had to pay the same as a family of five or six or the same as any family that was a lot wealthier than his. Naturally, he welcomes the new system. So do most Queenslanders.

I emphasise again that the Beattie government's commitment in recognition of the perceived anomalies is to ensure that we Queenslanders, no matter where we are in Australia, will be covered. We will be covered in Perth. We will be covered in Tasmania. We will be covered anywhere in Australia. This is peace of mind that no private health system can match. I do not wish tragedy or injury upon any family, but the reality is that Queensland families may need the Ambulance Service at some stage.

I also say to the critics: this is not a bandaid solution like the Ansett tax or the sugar levy; it is a permanent solution. After all, we are talking about the Queensland Ambulance Service, one of the best paramedic services in the world, not just Australia. We want to build on our high

standards, not allow them to decay, as the Nationals and Liberals would if, God forbid, they were ever in government again.

I ask members of the opposition and members of the community to speak to their local ambulance officers about our proposal for community ambulance cover. They are not second-class citizens; they are professionals, and they have one of the toughest and most necessary jobs in the state. They deserve the full support of all Queenslanders. I ask them to discuss the new scheme with their local ambulance committee. These volunteers have worked hard and tirelessly to ensure their respective communities have access to the highest quality ambulance service.

I can assure Queenslanders that the days of relying on lucky envelopes and chocolate wheels are over. Do honourable members remember those days when we all dug deep and forked out two bob to qualified ambulance officers selling raffle tickets in the street? The Beattie government has hit on a solution that I believe will be accepted, perhaps in time. Ultimately it will be accepted because when the dreaded day comes when we need an ambulance, it will be there for us and we will not have to worry about the $700 bill that will come if we are not subscribers, as is the case under the current system.

I urge all Queenslanders, especially those critics of the new scheme to look at it in different terms. I repeat that I am sorry that I have not helped to achieve more exemptions for more people in my electorate, but to those affected I say: thankyou for your understanding and generosity. The extra you pay is helping to cover your family and all Queenslanders. The extra you pay is helping to guarantee the long-term future of our ambulance and its ongoing pursuit of professional excellence. To support this levy is an act of generosity—the sort of generosity that I believe is in the hearts of all Queenslanders. I support the bill.

Mr SEENEY (Callide—NPA) (Deputy Leader of the Opposition (1.17 a.m.): I rise to make a contribution to the Community Ambulance Cover Bill, which seeks to introduce a new tax—the Beattie government's ambulance tax. It is worth noting for the record that it is quarter past 1 in the morning. At quarter past 1 in the morning we are in this parliament debating yet another piece of legislation to introduce yet another new tax for a government that is clearly broke.

The concept of a new ambulance tax has been debated in this House many times since the idea was first floated in the last quarter of last year. It has been debated many times, but each time it is debated it becomes more and more obvious just how unfair and inequitable it is. Each time we debate it in this House it becomes more obvious to those people who listen to and read the debate just how unfair and inequitable it is. Tonight is no exception.

Tonight we have seen government backbencher after government backbencher stand up and acknowledge just how unfair and unjust this tax system is. We have seen government backbenchers try to have two bob each way—try to address the justifiable and understandable concerns that have been put to them by their constituents and try to maintain the government line. We have seen a parade of them tonight. The member for Fitzroy was the first. Then there was the member for Charters Towers.

Mr Johnson: Trying to save themselves.

Mr SEENEY: They are trying to save themselves. They have one leg on either side of the barbed wire fence, as the member for Toowoomba South said. We saw member after member talk about the representations they have had from their constituents on the unfairness and inequity of this legislation. But then, without exception, they go back to the government line.

The greatest disappointment that every constituent who has made representation to those members should feel tonight is encapsulated in the statement that so many of them made when they said, 'We sent all of their letters off to the minister.' That was the best those members could do for their constituents who are aggrieved by the imposition of this unfair and unjust tax—send the letter off to the minister and somehow console themselves that they have done the job for those constituents.

If those members were prepared to do the job for their constituents tonight, they would be voting with us against this unjust and unfair tax, the tax which they in their own speeches have recognised as being unjust and unfair. They would be over here with the opposition rejecting this unfair and unjust tax on behalf of the people of Queensland who have rejected it, are rejecting it and will continue to reject it in increasing numbers.

This tax was rejected by the local governments right across Queensland when it was first introduced. It was rejected because it was unfair and inequitable, and it was rejected by the

people whom the government wanted to collect it. Remember before Christmas when the government tried to give local government the role of collecting this tax and the mayors of all those communities said, 'Like hell, not us. We're not going to do your dirty work for you. We're not going to collect this unfair and unjust tax. You collect it yourself.' The government was not game enough to take the fight on. The government caved in to the mayors because it knew from the start that it was in the wrong.

What happened then? I well remember the night on television when the Treasurer was asked what the other alternatives were, and he mentioned looking at getting the electricity authorities to put it on the electricity accounts. The interviewer said, 'Do you think they will do the same as the local governments and refuse to collect it?' He said, 'We own them; they can't.' That is the only way the government was able to get this unfair and unjust tax collected; it owns the electricity authorities and it is able to impose the requirement upon those authorities to collect it.

Over a period of time in this House we have seen the minister responsible for Ergon and Energex demonstrate his complete lack of knowledge of this process. How many times has the minister for energy been asked a question about how this tax was going to be collected? How many times has he been asked a question about what would happen when people refused, as they should, to pay this unfair and unjust tax more than once? How many times have we seen the minister for energy stand up and be unable to answer that question? We have seen him get riding instructions from the Treasurer on a number of occasions. We have seen the answers being passed up. The minister for energy did not have a clue how this unfair and unjust tax was going to be collected. The whole idea of having it collected by the electricity authorities was imposed upon him by the Treasurer. I doubt even the Minister for Emergency Services had any idea, because despite the rhetoric—

Mr Malone interjected.

Mr SEENEY: I take the interjection from the member for Mirani. He has never had much idea about anything, and that is fair comment. That is one of the most observant comments that has been made by the member for Mirani.

This whole debate about the ambulance tax, despite the rhetoric that we have heard, is not about providing a better service to the people of Queensland. It is not about providing the world-class Ambulance Service that we had before and that we will continue to have. It is not about that, and that is why the Minister for Emergency Services has not played a role in the debate about this unfair and unjust tax. Just as the minister for energy could not answer the questions, the Minister for Emergency Services could not answer the questions either.

Ms Molloy: Shout a bit louder; I cannot hear you.

Mr ACTING SPEAKER: Order! The member for Noosa will interject from her usual seat. In fact, she will stop interjecting.

Mr SEENEY: The member for Noosa can put her best political attributes into this debate. It would make sure we had a quorum here anyway, would it not?

The minister has had no role. The only person who has had a role in this whole debacle of the introduction of this unfair and inequitable tax has been the Treasurer. That is a clear indication of what we all know. This is about raising extra money for a government that is broke. It is just one in a whole series of initiatives that is designed to raise extra money for a whole range of services that the government cannot fund from its normal income streams. We have a government that is broke, and it is desperate to raise money by any means that it can. We have seen that in the parliament over the last few days. The government's ambulance tax is just one small part of an attempt to avoid ending up in a financial black hole. It should be seen for what it is. It has become apparent that that is what it is on the occasions it has been debated in this House.

It has been clearly rejected by the Queensland community, especially those people who are being asked to pay this unfair and inequitable tax more than once. Some people are being asked to pay it a number of times. Some people in my electorate are being asked to pay it eight, nine and 10 times.

Mr Johnson interjected.

Mr SEENEY: Twelve times, the member for Gregory says, and that is a common occurrence.

Mr Lawlor interjected.

Mr Johnson interjected.

Mr SEENEY: There can be no justification for asking somebody to pay this tax that number of times.

Mr ACTING SPEAKER: Order! I think the member for Southport and the member for Gregory should go and have a cup of coffee. It is late at night—

Mr Johnson: No, I will not have a cup of coffee.

Mr ACTING SPEAKER: I will shout you one.

Mr Johnson interjected.

Mr ACTING SPEAKER: Order! The member for Gregory will cease interjecting. I call the member for Callide.

Mr SEENEY: Thank you, Mr Acting Speaker. The member for Southport likes to sit there and interject, but he never gets on the speakers' list and tells us what he thinks. We never see him on the speakers' list, but he sits there making a nuisance of himself, especially late at night. He gets big and bold and game late at night. He is an insignificant backbencher who comes in here and gets big and bold and game and interjects—

Mr ACTING SPEAKER: Order! The member will address his comments through the chair.

Mr SEENEY: As I was saying, this tax has been rejected by the many Queenslanders who are being asked to pay it multiple times, and so it should be. One of the sadder things about this debate is to see insignificant Labor backbenchers stand up here and denigrate and ridicule those people who have indicated their angst and their frustration at the unfairness and the inequity of this tax. I do not think the sort of personal denigration that we heard from members such as the member for Ipswich does anything for those members' credibility or for the furtherance of sensible debate on anything in this House. If people are aggrieved and frustrated by the imposition of a tax such as this, they have every right to make their frustrations and their angst known to the government through their local members, and they should be able to do that without being ridiculed and called names in the way that they were here in the parliament earlier tonight.

It is interesting to look at how the legislation addresses an issue that has been raised many times in the House, that is, what will happen when people refuse to pay. Significant groups in the community have made it very clear that they are going to refuse to pay—and more power to them. So they should, in my opinion. When a government tries to impose a tax that is unfair and inequitable, people have the right, I believe, to refuse to pay it in protest. A significant number of groups in the community have made it clear that they are going to do just that. One of the first things I looked for in the legislation was an answer to the question that I asked the minister for energy a number of times about what is going to happen in the situation where people refuse to pay.

We see this absurd situation that is written into this legislation where somebody goes to pay their power bill in a responsible way, and the first amount of money that they pay is taken for the ambulance levy. They cannot even pay their power bill without the government taking the ambulance levy off the top. I question whether that will stand a legal test. I wonder whether the minister has had legal advice on the mechanism that he has put in the legislation. I wonder whether that will stand a legal test. I hope that that is challenged, because if it is not illegal then it should be.

When electricity consumers walk in to pay their power bills, the electricity authority has no right to say that the money is not for people's power bills, that it is for something else. How is that justified? I do not think that will stand the test of a legal challenge, and nor should it, because if it is legally right, it is morally wrong. It is morally wrong to take somebody's money and to use it for a purpose other than what it was paid for. That is what this legislation does. It seeks to take the money that an electricity consumer pays to pay their electricity bill and applies it to another purpose. If that is not illegal it should be, and if it is not legally wrong then it is morally wrong.

There is certainly a community backlash to this unfair and inequitable tax. That community backlash is certainly fuelled by the history that lies behind the imposition of this unfair and inequitable tax.

Ms Nelson-Carr: What community backlash?

Mr SEENEY: 'What community backlash?', the member asks. I would challenge the member who cannot interject from her own seat to stand up in the parliament and honestly tell the parliament how many letters she has had, how many phone calls she has had, how many representations she has had. I hazard a guess that the honourable member, whoever she is,

wherever she comes from, and I do not know where she comes from, would have had as many representations as everybody else in this House has had, because the angst and the frustration that has been caused by this unfair and inequitable tax is not limited to any particular place in Queensland. It is felt by Queenslanders all over the state. If my honourable friend has not heard from her constituents, then she has not been reading her mail, and she has not been answering her phone, and she should be, because that is what she gets paid for.

Mr Johnson interjected.

Mr SEENEY: I am not going there. For the record, I do not take the interjection from the member for Gregory.

Before I run out of time I want to make some comments about the history leading up to the imposition of this tax, and it is something that the members on the government side failed to mention. They failed to mention the fact that we are debating this because the Beattie government made an election promise that they could not and did not fund. It was one of those great ideas that everybody would like to do—to give the pensioners free ambulance. It is a great idea; everyone agrees with that. We would all like to give the pensioners in our community a break in a whole series of ways. What the Beattie government did was to promise to give the pensioners a break in terms of ambulance transportation, but they made no attempt to budget properly to fund it. How far out were they? Their election promise was budgeted at $20 million. It eventually cost $120 million, rounding up the figures. They were out by $100 million. That is an example of the financial responsibility and the financial skills that are inherent in this government that is rapidly going broke, because they have not got any better with their financial management skills since.

How on earth could any responsible financial manager be $100 million out? To go from $20 million to $120 million! It would be one thing if they were 50 per cent out—if they budgeted for $20 million and it eventually cost them $30 million—but this government budgeted for this initiative to cost $20 million. It ended up costing $120 million, and that is why we are here tonight. That is why the people of Queensland are having this tax imposed upon them, and that is why so many Queenslanders are having this tax imposed upon them time and time and time again in an unfair and inequitable way.

It is no wonder that so many reputable groups within our community are urging their members to reject this tax out of hand, to refuse to pay it, and so they should. I have said to so many of my constituents who have written to me that I believe that they should challenge the legality of the imposition of this tax a number of times. I hope that there is a group in the community that does challenge the legality of this tax. It is unfair, it is inequitable and this parliament should reject it tonight.

Time expired.

Mr ENGLISH (Redlands—ALP) (1.37 a.m.): Is any tax system 100 per cent fair? Is any charge or levy system 100 per cent fair? The member for Callide has asked us to reject this levy. The member for Callide has asked us to support a fair tax. If we support the member for Callide's position, and that is that we will only support taxes and levies that are 100 per cent fair, no government in Australia, no government in this state, will ever, ever introduce a tax or a levy because it can never be 100 per cent fair. Unfortunately, I need to drag the member for Callide into the real world and say that his desire is unreachable.

Are council rates 100 per cent fair? What happens when ratepayers pay for sewerage and water that they do not have access to? Is income tax 100 per cent fair? We have recently seen the federal government amend the tax laws to allow for bracket creep because the tax laws were not fair. So even the federal government acknowledges that no tax system can be 100 per cent fair.

This levy is as fair as the state government can make it. Yes, there will be some people paying twice; there will be some people paying multiple times. I do not back away from that. It is unfortunate, it is not ideal, but within the powers given to the state government it is as fair as we can make it.

In terms of making people pay the charge on only one occasion, it would be great to be able to incorporate it into the Medicare levy so that everyone pays the charge once. That would be preferable. John Howard will not allow that so we have to do what we can within the powers given to the state government. Are there problems with this bill? Yes, there are. People have raised concerns with me and other members on both sides of this House. What did the government do?

Did it stick its head in the sand and reject that? No. The government responded by looking at those concerns and made responsive changes to those concerns.

This is a government that outlines a policy and then responds as best it can to the concerns of its constituents. To me that is a good government. To me that is a responsive government. It is important to remember that we are only talking about 24c per day. Most businesses can absorb 24c per day or $88 per year. I know that my local ambulance officers at Redland Bay, the honorary officers on the southern bay islands and of course my new first responders coming online will appreciate the security this funding base will give them. I commend the bill to the House.

Debate, on motion of Mr English, adjourned.

ADJOURNMENT

Hon. A. M. BLIGH (South Brisbane—ALP) (Leader of the House) (1.41 a.m.): I move—

That the House do now adjourn.

Teralba Hostel

Mr WELLINGTON (Nicklin—Ind) (1.42 a.m.): I rise to speak on a very special hostel on the Sunshine Coast hinterland which caters specifically for intellectually disabled men and which has run without any government funding since it was established in 1978. I speak about this particular centre in light of what appears to be a crisis in the area of disability funding and in relation to some serious problems the association faces when its residents need hospital care. In brief, this hostel was established by Hugh and Phyl Dixon in 1978. They bought the land at Mapleton and developed and funded the original hostel. Four years later Phil's sister Dorothy Casandey and her husband joined them. Today Teralba is a registered incorporated charity and in addition to the facilities which have been expanded at Mapleton it rents premises in nearby towns.

Care and supervision is provided on a 24-hour, seven day a week basis. Teralba staff supervise the personal hygiene of residents, assisting them with their showering, shaving and personal laundry. Medical care is provided also with staff available to escort them to outside medical and dental appointments supplemented by regular visits by our local doctors. All of this is done through the pensions of residents and any other donations made to Teralba. At an estimated cost of $38 per person per day, anyone working in the disability or care industry would realise that this is well below the current estimated cost of providing care for the mentally disabled.

However, while Teralba provides exemplary care in clean conditions without government funding, many of the residents it cares for have been directed to it by government agencies with nowhere else to send these people. Once these people become aged or physically disabled this hostel is unable to cater for their needs. It is a hostel and not a nursing home. At this point it seems that there are no suitable facilities which can care for them.

As well as the many obvious challenges that go with caring for people with special needs, the association is unable to have sick or injured residents committed to hospitals when they become ill. Mrs Casandey said that this caused a desperate situation in a hostel setting. If they took on a client who had not been specifically diagnosed it was impossible to have them admitted to hospital if they injured themselves, which is common if patients have fits, for example, or if they become suicidal or filled with rage or with murderous intentions. Teralba is currently full to capacity with 37 residents. While Phyl and Dorothy perform miracles to provide the care for their charges, these ladies are in their early 70s.

I appeal to the government to ensure that our disabled and mentally handicapped people are treated with care and respect, as are the residents of Teralba. I also appeal to the government to provide assistance to facilities which are providing this specialised care for our mentally ill. I appeal to the government to ensure that the red tape surrounding care and treatment of mentally disabled people is cut so that these people can receive the treatment they need. Without hostels like Teralba in our communities and without the care providers who put so much effort into caring for people with special needs, disability services would be in an even worse crisis than they currently are.

Time expired.

Logan City Schools, Young Mothers

Mrs DESLEY SCOTT (Woodridge—ALP) (1.45 a.m.): On Thursday, 22 May during Education Week the Hon. Anna Bligh, the Education Minister, attended Woodridge High to launch a new book, *Step by Step, Side by Side* written by Kay Boulden, a collaborative project by Education Queensland and the Association of Women Educators. The book is designed to encourage high schools to become open and welcoming places for young pregnant and parenting women to encourage them to continue with their education. It is no surprise that my electorate of Woodridge was chosen, because both Woodridge and Mabel Park High in my electorate and Marsden and Loganlea High in my neighbour's, Tom Barton's, electorate all have wonderful programs. Kingston College also has some young mothers at its community access school which enables part-time studies either day or night with very dedicated teaching staff. It is a similar story at Centre Education where a number of young mothers have chosen to return to continue their education.

Woodridge High and Mabel Park High have exceptional programs which are flexible, supportive and accepting where young mothers feel cared for and are surrounded by people who really go the second mile to help them in any way possible. Members may have seen the photo in the *Courier-Mail* last week of Thalia Riddle and her young baby, James. She is a delightful young woman from Woodridge High. Principal Helen Jamieson related to us the feeling of reticence expressed by the young men in the class regarding breastfeeding. James is now a very integral part of the year 12s. The wonderful additional benefit of this program is the acceptance by the students and the change in attitude by a whole school community.

Attending the launch were representatives from other schools and a number of young women who had benefited from attending our local schools. There was a real buzz of excitement from our contingent from Mabel Park High, which had won the regional showcase award for excellence the night before. Principal Roslyn Parkes and POWER program coordinator Jackie Grozinger were accompanied by Kym, one of their shining graduates who is now at university. Kym spoke in a very moving way of her experience of being a young mum and then, following the birth of her third child, enrolling at Mabel Park to complete year 12. She is a truly remarkable young woman who was inspired to set her sights on a university degree just six months before completion of year 12, causing her to change to board subjects. Our schools are setting out to change public attitudes and to spread the word to other schools in Queensland that every young person deserves the opportunity to reach their full potential. They deserve our care, our respect and our support.

Sunshine Coast Schoolies Festival

Miss SIMPSON (Maroochydore—NPA) (1.48 a.m.): I want to raise an issue in this parliament to do with a very important festival on the Sunshine Coast which has been well received by young people for a number of years. It is the Sunshine Coast schoolies festival, which has been very professionally and competently run under the auspices of the non-profit group Community Solutions. This group has operated by working with key stakeholders such as police, liquor licensing, voluntary organisations and a range of people to run an outstanding festival on the Sunshine Coast.

The reason members have not seen stories of problems in terms of attacks and public drunkenness when people are more vulnerable on our streets in the same way that they have seen stories about the Gold Coast is the very well coordinated, excellent festival that is put together. There has not been an accident. We used to have significant problems a number of years ago. The community responded and this organisation took an umbrella role in organising it with a range of volunteers and government stakeholders.

My concern is that this festival is about to fall over because that not-for-profit organisation can no longer take the burden of responsibility—the financial and risk responsibility—of running that festival. An appeal has gone to the state government for assistance, particularly in light of the response to the Gold Coast situation. We recognise that there has been a significant problem on the Gold Coast but, as I have mentioned, the reason why the Sunshine Coast has not had those front-page stories of young people being locked up and others acting in a predatory manner towards them without some form of response from the community has been because of a very deliberate and well coordinated strategy. My concern is that, without this festival and that coordination, we are going to see more horror stories that have been occurring in other areas coming back to the Sunshine Coast.

I appeal to the Beattie government not to reject the appeals for assistance. We do not need $1 million to coordinate and fix this problem on the Sunshine Coast. However, we do need some government assistance. We do need the commitment for coordination. We do need to know that non-profit community organisations are not expected to carry this impossible load. There must be a state response to this and the councils must be part of that. I understand that at least a couple of the councils are willing to do that. I appeal to the state government to work with us in the regions and give us some assistance. It has responded to the Gold Coast situation. It is time to respond now to the Sunshine Coast and also to put a statewide strategy in place so that the other areas that are facing this issue can deal with it in an appropriate way.

Showcase Awards for Excellence

Mr MULHERIN (Mackay—ALP) (1.51 a.m.): Last week my colleague the member for Whitsunday and I attended the Mackay Hinterland and North District Area Awards of Education Queensland's 2003 Showcase Awards for Excellence. The schools that participated were Moranbah East State School, Pioneer State High School, Mirani State High, Bowen State School, Sarina State High School, Narpi State School, Queens Beach State School and Coningsby State School, which was my grandfather's old school. Coinciding with State Education Week this year, the 2003 showcase awards recognise and reward state schools for education practices which significantly improve students' learning outcomes. It is great to see examples of excellence in state education being recognised during State Education Week.

I commend all schools in my region for their involvement in the showcase awards, demonstrating a commitment to innovation and excellence in education. The wider school community also deserves praise for supporting schools to create ideal learning environments. I say well done to the teachers and staff, parents and students for an outstanding effort. Schools were recognised for a diverse range of education programs. For example, Mirani State High School was nominated for excellence for curriculum innovation in junior secondary, whereas Queens Beach State School's project entitled 'Bowen Community ... Alive in Song' used music as a learning tool. I am pleased to say that the area winners were Pioneer State High School and Bowen State School. I extend those schools my warmest congratulations.

Pioneer State High School won its showcase award in recognition of its pioneering robotics program. Based on the genuine interests of students, the program challenges students to improve their knowledge and skill in the developing area of robotics. The school has developed links with the University of Queensland's Information Technology Department and the School of Micro Engineering at Griffith University, with students and teachers visiting both departments. I am delighted that this school has been recognised and rewarded for its endeavours. My parliamentary colleague the member for Whitsunday will elaborate in her speech on the Bowen State School award.

This week both schools were presented with their awards and a $2,000 development grant each. In July, 12 state finalists will be selected from the 50 area winners and awarded a $10,000 grant. Six state awards, each including a $20,000 grant, will be presented at a gala event at the Brisbane Convention Centre on 10 September. Congratulations again go to all eight schools which participated in the 2003 Showcase Awards for Excellence. The awards are a great way to celebrate the fantastic efforts being made throughout our state to prepare our kids for a lifetime of learning and achieving.

Eromanga Race Club

Mr JOHNSON (Gregory—NPA) (1.54 a.m.): Last Saturday I attended the Eromanga races in the far west of my electorate. Eromanga boasts that it is the furthermost town in Australia from the sea. The thing that plucked at the heartstrings on Saturday was just how ill conceived and ill thought through the shutdown policy of the state government is with the closure of dozens of country race clubs. Either the government did not do the calculations or it cannot calculate. But it knows how to be mean and cold and show no remorse in relation to this issue.

The President of the Eromanga Race Club, Mrs Betty Marchant, should have been proud of the day when some 120-odd people attended. The real gut wrencher was the number of young children who were playing at the play group organised by those special people from Frontier Services in Charleville. The mothers were able to have a more social day out while the menfolk made sure everything went to plan for the races. Little kids were running around with painted

faces having a great time with their little friends innocent of the hardships that their parents are encountering.

The sad fact of the matter is that Eromanga is the hub of the Eromanga gas and oil basin where millions of dollars are generated for this nation, not to mention the millions of dollars produced by rural producers from wool, sheep and beef and not forgetting the opal industry, which has been ruined by governments because the native title issue cannot be resolved and leases cannot be processed. It has all become too hard. The bureaucrats are winning. Like hell they are!

Isn't it a fitting tribute to the Royal Flying Doctor Service on its 75th anniversary of operation to see one of the real outback support centres for the flying doctor in this state deprived of their race meeting! I pleaded with the government to show some commonsense and compassion in reinstituting these meetings. I suggest that the Premier and his cabinet get the team from Frontier Services to paint their faces, as they did the little children on Saturday, so they cannot be seen to be ashamed and embarrassed by this mean, cold, callous act in depriving hardworking people of some enjoyment in their lives as well as saving an industry and the flow-on businesses in country Queensland from total annihilation.

The horse that won the Eromanga Cup on Saturday was a horse called Commotion. Isn't this a fitting tribute to what this Labor government is doing? It has started a commotion right throughout the country racing circuit of this state. Eromanga has held race meetings continuously since the 1880s with the exception of the war when there was a break in racing activity. Now we have war declared on our country racing by this Labor administration. The sum of $11,500 in TAB grants would keep this club racing, with a total of $18,000 for prize money. Look at the money that it has derived from all these products, yet it cannot see fit to keep this great little centre and others like it operational so as to provide for those people the social fabric they deserve.

Showcase Awards for Excellence

Ms JARRATT (Whitsunday—ALP) (1.57 a.m.): As my colleague and electoral neighbour, the member for Mackay, mentioned earlier, I recently had the opportunity and privilege to attend the Showcase Awards for Excellence 2003 at the Mackay Entertainment Centre. These awards are a highlight of Education Week. They provide a forum for state schools to showcase the innovative practices that underpin their contribution to developing a quality, leading edge education system for students in this state. Of the eight schools vying for the showcase awards in our districts this year, four were from the electorate of Whitsunday.

Narpi State School is a small, one-teacher school set in rural surrounds. This year the teaching principal, Rebecca Pollard decided to take her students on a wonderful journey of self-discovery by exploring the forgotten history of early settlement in the district. A unit of work titled 'Forgotten but not Lost' sought to immerse the students in a growing awareness of the role that they can play in shaping their community through exploration of the past. 'Forgotten but not Lost' is a great example of an integrated curriculum program that incorporates rich tasks and real life learning outcomes that are both powerful and empowering.

Coningsby State School is no stranger to the showcase awards, having been area winners in 2002. They went on to represent us in the state awards. This year their showcase entry focused on the school's commitment to learning through the arts. Each year an art exhibition is held at the school. The exhibition not only provides a forum for the students to showcase their talent, but is also an inclusive community event. Principal, Barbara Ridell, and her highly motivated staff are to be congratulated on their innovation in the presentation of the curriculum and on their commitment to the provision of a quality education that seeks to prepare the students for life in the real world.

This year Queens Beach State School from Bowen presented two showcase entries, each of which demonstrated the school's philosophy that learning can and should be fun and relevant. Each of the projects showcased were genuine examples of rich tasks that grew out of student centred activity and involved the use of ICTs for real life purposes.

I congratulate Principal, Bernie Hock, and his talented staff on their innovative approach to teaching and learning. While all of the showcase entries were wonderful, the ultimate award winner was Bowen State School, who shared with us their innovative literacy enhancement and pedagogy project. As a former learning support teacher, I was delighted at both the proven success of this project and the success of the school in winning the award. Congratulations must go to Principal, Ray Armit; Deputy Principal, Peter Fox; the teachers at Bowen State School

including the learning support teacher; and the community volunteers who have worked so hard to ensure that the students at their school have the best possible start in life by focusing on the establishment of sound early literacy skills.

Forestry Leases

Mr HOPPER (Darling Downs—NPA) (2.00 a.m.): This morning at 2 a.m. I rise to speak about the state of our state forests in Queensland and the condition that they are in currently. Recently, a farmer at the foot of the Bunya Mountains asked me to come with him when he checked his cattle. As we travelled around, we noticed the state that the forestry lease was in. There were firebreaks that were totally overgrown with burnable grasses, there were also sections of breaks that had trees across them. If a fire were to get in there, there would be no way of controlling it whatsoever.

I know that this particular farmer is extremely concerned for the wellbeing of his and his neighbours' properties. While we were looking for his cattle, we saw dingo tracks and many diggings from feral pigs. The pigs are in numerous numbers because of the wallows in the tracks that we saw. All the bunya nuts that hit the ground are immediately eaten, thus preventing regrowth of these trees. I saw very few young bunya trees growing.

But the worst thing that I saw was the number of trail bike tracks. Trail bike riders are coming through the national park and the forestry leases and leaving massive tracks up and down the mountains. I would say that they are doing more damage than the feral pigs. The point that I am trying to make is that the farmers who lease these forestries are conservationists themselves who really care about the environment that they lease. The last thing that they want to see is a large thunderstorm with two to three inches of rain wash out where these trail bikes have gone.

As well as mismanagement by our government of our forestries, the government is going to take away the stock leases from our farmers. There are approximately 200 farming families in Queensland who will be affected. I know that the plan is to lock up our forestry leases and turn them into national parks. There is a plantation in this forestry that was planted about 70 years ago. I know that there are plans to harvest that plantation. I ask members to imagine the damage that would be caused through getting the timber out. There would be far more damage done than what cattle would ever do if the leases are left in place.

If the government does not allow the farmers to lease these forestry grazing leases to run their cattle, the leases will become extremely overgrown and they will burn. We all saw what happened in Canberra. This is what will happen. It will happen. These forestries will burn, our national parks and forestries will become a breeding ground for feral animals, noxious weeds and a playground for our trail bike riders.

Eagleby.org.au

Ms KEECH (Albert—ALP) (2.02 a.m.) Honourable members now have a new Internet site to add to their favourites list with Eagleby.org.au going live last week at its official launch at the Eagleby Community Centre by the Hon. Paul Lucas, Minister for Innovation and Information Economy. This web site was developed by the residents of Eagleby, for the residents of Eagleby, and was designed with a number of clear goals in mind: firstly, to generate more employment, education and training opportunities for local job seekers and students in years 11 and 12 at Beenleigh State High School and, secondly, to provide them with the IT skills that they need to manage and expand the web site and to help them to pursue their professional and personal goals through a variety of pathways, including TAFE and training networks.

Congratulations must go to the 15 residents who successfully completed their certificate II as part of the community Internet project. So many people worked day and night to make this project a reality for the people of Eagleby. I would like to thank each and every one of them for their hard work, including Michael Krafft, the enthusiastic coordinator of the vocational education, training and employment plan, and dedicated steering committee members, Bill Kingston and Denis Byrne.

My thanks also go to the scores of Eagleby residents who were involved in bringing this project to life. I also give a big thankyou to Kevin McMillan, who is the chair of Eagleby Residents Action Group, which is ably supported by departmental officers, Paul Prince, Cheryl Rickards and Michelle Brown, who continue to provide top-level support to all of Eagleby's renewal projects.

The Beattie government's $10 million urban and community renewal in Eagleby is transforming the lives of ordinary residents in a whole range of ways—from access to education and training, to jobs, youth services, infrastructure, and so much more. I thank the Minister for Housing, the Hon. Robert Schwarten, for his passionate support of the renewal program in Eagleby. I am proud of the transformation that is taking place in Eagleby. I am even prouder to represent Eagleby in the Queensland parliament. It is a thriving place alive with activity and a strong community spirit. I know that the residents agree with me when I say that the Beattie government's commitment to community renewal is making a real difference to the lives of Eagleby residents.

Egg Industry

Ms LEE LONG (Tablelands—ONP) (2.05 a.m.): Tonight I want to talk about deregulation and levies and the damage that they are causing to yet another rural industry. In this case, it is the egg industry. According to the federal Minister for Agriculture, the Nationals' Warren Truss, the trouble that the industry is going through is all the fault of the Beattie government.

I had been provided with a copy of a letter from Mr Truss early last year about the deregulation of the egg industry, in which he indicated—

I should remind you that decisions regarding deregulation of the Queensland industry were made by the state government and not controlled by the Commonwealth.

The impact has been significant in terms of the future of many industry participants and on the quality of eggs sold to the Queensland consumers. I am informed that, as has happened so often, the breakdown of ordered marketing has led to producers having no effective market influence at all, as all the real power gravitates to the major retail chains. Our dairy farmers have seen it happen. Instead of saving their industry, deregulation has led to fewer farmers, lower farm gate prices, yet more expensive milk for consumers. In the egg industry, in more recent times a levy has been put on laying chickens to fund industry reform and, in particular, research, development and marketing.

What concerns me is that all of this is old hat. Rural industry after rural industry has gone down this same worn-out old path of deregulation, of industry development levies, of trying to cope with greedy major retailers. There is not one industry of which I am aware that is better off as a result. This process costs us farmers, it closes down family farms, it guts rural communities. It costs shoppers more, yet we see it happening time after time.

I am told that the egg industry now has a system in place that denies small growers a decent say in their industry's future. The Australian Egg Industry Association has adopted a delegate system where, if people have more than 285,000 laying hens, they can appoint a delegate to represent them at general meetings in relation to specific subjects. Small growers can band together to reach that limit. But clearly, they will still have no more input than a single large grower. Details of that situation are outlined in a letter dated 17 April this year from the federal parliamentary secretary to the Minister for Agriculture, Senator Judith Troeth. In that letter, the point is made again—

Decisions regarding deregulation are made by the state government and not the Commonwealth.

I have spoken before about how Queensland rural industries have suffered under deregulation, free trade and a level playing field philosophy that has been adopted and endorsed by the converging politics of both state and federal governments. As I have also said before, rural industries of Queensland deserve better.

Passeggi Family

Mr CUMMINS (Kawana—ALP) (2.08 a.m.): I rise to plead for some compassion to be shown by the federal government to a Sunshine Coast family. Horacio, Stella Maris and their children have lived with us in the Sunshine Coast for close to eight years. They originally came from Uraguay in South America. When they came, they had a visa to establish a business, which they did. The visa had difficult conditions attached and now they have exhausted almost all of their appeal processes.

Their children attended the Stella Maris School in Maroochydore and now attend Siena College in my electorate of Kawana. I know that there are hundreds of letters of support, signatures on petitions and the like from teachers, parents, grandparents—from people from all

walks of life—supporting this family. Our community is making a heartfelt plea to the federal member for Fisher, Peter Slipper, to make a personal plea directly to the federal Minister for Immigration, Philip Ruddock, to grant the Passeggis a special pardon. Mr Ruddock has the ability and has done this, I believe, in special circumstances. If no compassion is forthcoming, I know that they may be transported to the Baxter Detention Centre or similar.

The family arrived on 4 January 1997 on a visitors visa. After two months of travelling they started inquiring about the possibility of becoming residents. The family, driven by the possibility of staying, came to the Sunshine Coast, where they tasted a bit of heaven. In September 1997 they were granted a business visa, valid until August 2001, with the possibility of applying for permanent residency once all of the requirements were fulfilled.

In September 1997 they bought a car rental franchise on the Sunshine Coast and invested close to $250,000. Unfortunately, a lot of the spoken promises were not honoured and they had to close the doors in June 1998 with a considerable loss. At that time they were selling all of their assets back in Uruguay.

The business visa was going to run out in August 2001, and they were advised to wait until July 2001 since the laws were going to change. Once the application was launched, a business visa was granted. On 20 September 2001 the application was rejected. Not satisfied with the decision, they applied for a review. In November 2002 the application was relodged.

They have been active in our community by joining various social groups and a local church, by participating in school plays and by volunteering in festivals, at the Sydney Olympics and for the boy scouts. They have performed well above average academically and are proud to embrace the Australian heritage.

Under section 351 of the Migration Act 1958, the minister may substitute a more favourable decision if the minister thinks it is in the public interest to do so. The minister may substitute for a decision of the tribunal under section 349 another decision, being a decision that is more favourable to the applicant, whether or not the tribunal had the power to make that decision. I plead with the minister to do so.

Motion agreed to.

The House adjourned at 2.11 a.m. (Wednesday)