WEDNESDAY, 13 NOVEMBER 1996

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

COUNCIL OF AUSTRALIAN GOVERNMENTS

Meeting in Legislative Council Chamber

Mr SPEAKER: Order! I wish to advise all honourable members that the Council of Australian Governments, COAG, will be meeting in the Legislative Council Chamber on Friday this week, 15 November. The Prime Minister and several Federal Ministers as well as Premiers and Chief Ministers will be attending. I ask for the cooperation of all members, in particular those Ministers and members whose offices will be used by the visiting delegations. It would be appreciated if these rooms could be made available as soon as possible after the House rises on Thursday to enable the visiting delegations occupancy. I am sure that with the cooperation of all members and staff the meeting will be a resounding success.

QUEENSLAND INFORMATION COMMISSIONER

Report

Mr SPEAKER: I have to report that I have received the annual report of the Queensland Information Commissioner for 1995-96.

MEMBERS' DAILY TRAVELLING ALLOWANCE CLAIMS

Report

Mr SPEAKER: I lay upon the table of the House the Annual Report of Daily Travelling Allowance Claims by Members of the Legislative Assembly for 1995-96.

PETITION

The Clerk announced the receipt of the following petition—

Public Housing

From **Mr Campbell** (251 signatories) requesting the House to oppose any cuts to public housing funding and that members support (a) the United Nations charter on housing that calls on all Governments to provide safe, secure and affordable housing to those in need and (b) reject the proposed Commonwealth and State Housing Agreement housing reforms at the Council of Australian Governments meeting scheduled for November 1996.

Petition received.

PAPER

The following paper was laid on the table—

Minister for Education (Mr Quinn)—

Board of Senior Secondary School Studies—Annual Report for 1995-96.

MINISTERIAL STATEMENT

Report on Visit to Shanghai

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (9.33 a.m.), by leave: To save time, I table a report on my recent ministerial visit to Shanghai to open the Queensland Government trade and investment office in Shanghai and related discussions. In doing so, I place on record the appreciation of my department and the Queensland Government to the People's Government of Shanghai for the cooperation and courtesy that was extended to us during our visit.

MINISTERIAL STATEMENT

Comments by Member for Kedron; Trading Hours

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (9.34 a.m.), by leave: I refer to certain comments made by the member for Kedron and others that there had been a written commitment given during the Mundingburra by-election that the Government would wind back trading hours. On 17 January 1996, on behalf of the Opposition, I wrote to Ms Gai Burton, national spokesperson, National Federation of Independent Businesses. In that letter, I said—

> "On behalf of the coalition, I am pleased to give you the following assurances:
>
> (1) that a coalition Government would as a matter of urgency institute a properly constituted inquiry into the impact of extended trading hours on small business"—

delivered in full—

"(2) that there will be no further extension to trading hours"—

a Government decision delivered in full—

"and

(3) that the responsibility for determining trading hours will be returned to the Industrial Relations Commission"—

delivered in full. In fact, the recommendations in respect of the Knox inquiry and the ministerial statement to the Parliament by the Minister yesterday go considerably further in respect of our commitment to small business than any commitments that were given during the Mundingburra by-election campaign. Once again, we have seen Labor lies. The member for Kedron has been caught out telling deliberate untruths.

Mr BRADDY: I rise to a point of order. The Premier's remarks are offensive and inaccurate. I said that Ms Burton said that she had a written commitment. I made the statement that she said it. Therefore, what the Premier is saying about my statement is untrue, and I ask that it be withdrawn.

Mr SPEAKER: The honourable member has found——

Mr BORBIDGE: In light of the honourable member's comments, I accept his apology.

Mr BRADDY: Mr Speaker, that matter was not withdrawn; that was just a smart alec remark. I asked that it be withdrawn and I got a smart alec remark. I said that I did not make the statement.

Mr SPEAKER: Order! The member has made his point of order. The honourable member for Kedron has asked the Premier to withdraw the remark that he found offensive.

Mr BORBIDGE: If the honourable member feels that he was misled by others, I accept his assurance. I withdraw and I accept his apology, which he now might like to make public seeing he saw fit to smear me and smear the Government across the 6 o'clock news last night.

Mr BRADDY: Under the Standing Orders of this place, I will be prepared to argue as long as necessary that if the Premier continues his smart alec remarks—he has not withdrawn what was an inaccurate and offensive remark.

Mr SPEAKER: Order! The Premier has withdrawn?

Mr Borbidge: Yes.

Mr SPEAKER: He has withdrawn. I call the Deputy Premier.

MINISTERIAL STATEMENT

Suncorp/Metway/QIDC Merger

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (9.36 a.m.), by leave: A number of serious allegations or inferences about the propriety of the merger between Suncorp, QIDC and Metway Bank were raised in this House last night by the member for Logan, who I do not think is in the Chamber—as usual.

Mr Borbidge: He must have heard there was going to be a division on.

Mrs SHELDON: Either a division or I guess he has got lectures!

The allegations and inferences are without basis, are reckless and are designed to score political points at the expense of the interests of the Queensland taxpayer. The record needs to be set straight because this transaction is too important to the State to have these baseless allegations and mischievous distortions unanswered. The merger of Suncorp, Metway and the QIDC is a tremendous outcome for all parties concerned. Contrary to the inferences in the statements by the member for Logan, the whole arrangement and all of the documentation have been subject to a rigorous legal and accounting due diligence and to an independent valuation. It has been subject to independent assessment by two sets of independent experts whose reports have been released for all to see. Most importantly, it has been assessed by the market, and that assessment has been overwhelmingly positive.

I will now address some of the specific issues raised by the member for Logan. First of all, he has suggested that the valuations reveal that the Government has somehow lost $300m. The assertion, of course, is not correct. The Barings independent valuation of Suncorp and QIDC within the merged group was $1.73 billion. This should be compared with the value of these businesses if we kept them in their current form. Such a valuation was undertaken by the independent experts Arthur Andersen. That valuation came in at $1.1 billion. So on the basis of these independent assessments, as opposed to the politically motivated assertions by the absent member for Logan, the taxpayers of Queensland will be over $600m better off than if Suncorp and QIDC had been kept as wholly Government-owned entities. Further, the independent assessment shows that we are better off by $300m than the next best alternative, which, according to Arthur

Andersen, was a trade sale of Suncorp and QIDC to interstate or overseas interests. Clearly, the member for Logan either does not understand these valuations or is being deliberately mischievous.

A further incorrect assertion by the member for Logan is that the dividend subordination will cost the Queensland public over $100m. Let me set out the facts on this issue. The Government has not guaranteed dividends to Metway shareholders. Metway shareholders bear normal commercial risks, and if there are insufficient earnings then dividends will not be paid or will not be paid at the levels projected by the Merger Planning Group. The Government will not be paying any money to supplement dividend payments. Categorically, the Government is not in any way contributing funds to top up dividend payments to Metway shareholders. The fact is that less than a third of the Government's interest will have a lower priority for dividend. Even with this subordination, the Government is forecast to get more as a result of the merger than it would have from keeping Suncorp and QIDC in their current form.

Over the next three years, dividends as a result of the merger are expected to exceed those that would typically have come from Suncorp and QIDC by a total of $120m. This superior dividend return takes into account the effect of the dividend priority which, based on the forecasts of the merger planning group, is estimated to reduce dividends to the Government by around $25m over three years. Indeed, the market is saying that earnings may be stronger than forecast—in these circumstances, the Government may not forego any dividends at all.

This bears no resemblance to the $100m bandied about by the member for Logan. But let me repeat that, on current forecasts, the Government will still be better off to the tune of $120m over those three years. So, overall, the Government is $600m better off overall in value terms, and gets a higher dividend return in the interim.

On the issue of reclassification of some Suncorp and QIDC debt as capital to meet RBA capital adequacy standards, this is indeed an appropriate and necessary prudential measure. The member for Logan may recall that his Government did just that with QIDC debt for the same purposes. On the issue of job losses and branch closures, the member for Logan knows full well that any job losses in the branches largely will be accommodated through natural attrition. The important issue that has escaped the member for Logan and others opposite is that job and career prospects in the longer term will be enhanced by the merger. Further, the merger will deliver enhanced services in rural and regional Queensland at a time when the major banks are withdrawing their services.

In relation to dealings with the Bank of Queensland, these are the facts: at the time that the proposal was put forward in May this year, the Government gave the Bank of Queensland board confidential documents. These documents constituted a proposal and included a draft Heads of Agreement—which paralleled the Metway Heads of Agreement—and an indicative valuation by Arthur Andersen. The proposal was submitted on a commercial-in-confidence basis. The documents were commercially sensitive, especially as St George Bank was seeking to takeover Metway, and access to these documents would have been commercially advantageous to such a competitor. After submitting these documents for consideration by the Bank of Queensland board, that board asserted that it was under an obligation to release this information to the market, notwithstanding that it was confidential, clearly open to negotiation and commercially sensitive.

Allen Allen and Hemsley—then Feez Ruthning—acting for the Government, asked the Bank of Queensland not to release the information because it was confidential and the Government's legal advice was that the Bank of Queensland was not under an obligation to release it. The Bank of Queensland agreed it would not release the information until it obtained legal advice and undertook to advise the Government by 9 a.m. the following morning.

Allen Allen and Hemsley indicated to the Bank of Queensland that if their advice was that they were under an obligation to release, consideration would be given to moving for an injunction. The next morning, the Bank of Queensland advised that they had legal advice which concurred with that of Allen Allen and Hemsley. Accordingly, the Bank of Queensland decided not to release the information. This meant an injunction did not have to be considered.

The agreements were standard commercial agreements, consistent with proposals for schemes of arrangement under the Corporations Law. The Heads of Agreement with Metway has been lodged with the Supreme Court and is available for all to see. It contains no extraordinary or unusual provisions or onerous obligations on the part

of the Government. Contrary to the suggestion by the member for Logan, there was certainly no provision in any of the documents to put political or financial pressure on the Government to press ahead and overbid St George.

This is a complete fantasy and whoever gave this impression to the member for Logan has either deliberately misled him or is suffering from paranoia. In any case, most of the so-called revelations by the member for Logan are old news and the documentation has been fully disclosed to all relevant authorities. Quite clearly, the statements made by the former Premier have no basis in fact. Indeed, they have no credibility, coming from a discredited former Premier whose legacy is a workers' compensation scheme that is hundreds of millions of dollars in the red. He is seeking to sabotage this merger, replicating the efforts of the Labor Opposition in Victoria to sabotage the TABcorp float in that State. Fortunately, no one is taking any notice of the Labor Opposition in Queensland.

The question which has to be asked is: when was the member for Logan told about these fictitious secret deals? The member for Logan says he received information that led him to believe there was a secret deal. He chose to make this spurious claim last night—on the eve of a crucial meeting of Metway shareholders. By proceeding in this way, the member for Logan sought to cause maximum damage.

Mr W. K. GOSS: I rise to a point of order. It is untrue and offensive to suggest that I have timed my statement last night to sabotage the merger on this basis. As I said on ABC Radio this morning, any Metway shareholder who reads my speech will vigorously support the merger because of the benefit they get from public financial support.

Mr SPEAKER: Order! What is the member's point of order?

Mr W. K. GOSS: My point of order, and I am providing the basis as to which the statement made is untrue and offensive and why I am seeking its withdrawal, is to respond to the Treasurer's comment by saying that I received the information between the time of the last sitting of Parliament and yesterday. Yesterday was the first parliamentary opportunity.

Mr SPEAKER: Order! The honourable member has found the remark offensive. I ask the Treasurer to withdraw.

Mrs SHELDON: I was telling the exact truth. If the member for Logan finds any comments that he is trying to be negative about the interests of Queensland offensive, I will withdraw.

As I said, by proceeding in this way the member for Logan sought to cause maximum damage. He has timed his claims so that the Government and other parties to the merger have no time to make our rebuttals known prior to the meeting. The fact is that, by walking three blocks or so, the member for Logan, a former lawyer, can see the so-called secret document, which is lodged for public consideration in the Supreme Court. That is how flimsy his claims are. But by leaving his grubby assault until the last possible moment and by whispering his intentions to the southern media and then dropping a bucket at the eleventh hour, the member for Logan has tried to cause maximum damage.

Mr W. K. GOSS: I rise to a point of order. Since the last withdrawal by the Treasurer, she has repeated the substance of the same allegation twice. I seek its withdrawal again.

Mr SPEAKER: Order! The honourable member has asked the Treasurer to withdraw that remark.

Mrs SHELDON: I am not quite sure what he wants withdrawn.

Mr SPEAKER: Order! It is the same remark that the Treasurer made earlier.

Mrs SHELDON: I am not quite sure what that remark was.

Mr SPEAKER: Order! The member has asked for a withdrawal.

Mrs SHELDON: Mr Speaker, if you are asking for a withdrawal, I am happy to give it, for whatever it may be.

An Opposition member: Was it withdrawn?

Mr SPEAKER: Order! Yes, it has been withdrawn.

Mrs SHELDON: Seeing the member for Logan is debating this issue, I would like to ask him what information he can produce that came into his possession late yesterday that justified his attempted ambush on Queensland taxpayers and Metway shareholders? Like Brumby, he has put his political ambitions above the interests of the taxpayers in this State.

There is no doubt this merger has gained tremendous support and momentum. The member for Logan has done his best to rain on the parade. He has no grounds for his actions. He has no documentation. His

transparent ambition and vanity have got the better of him.

MINISTERIAL STATEMENT

Children's Court Annual Report

Hon. D. E. BEANLAND (Indooroopilly—Attorney-General and Minister for Justice) (9.48 a.m.), by leave: I wish to inform the House that the annual report of the President of the Children's Court, Judge Maguire, will be late due to the judge's recent illness. Section 22 of the Children's Court Act requires that the annual report be given to the Attorney-General no later than three months after the end of the financial year.

Judge Maguire recently wrote to me informing me of a particular medical condition. The judge was hospitalised for two weeks and has been convalescing for two months. He returned to his duties on 4 November and the long term prognosis is very encouraging. The judge had also taken leave, but had it not been for the medical problems, he had intended to produce the report on time. The judge hopes to have finished his report by January 1997.

MINISTERIAL STATEMENT

Increase in Police Numbers

Hon. T. R. COOPER (Crows Nest—Minister for Police and Corrective Services and Minister for Racing) (9.49 a.m.), by leave: Delivering additional police to fight crime is a key policy objective for the coalition. As Police Minister, it is my job to get the numbers and push them through the system so that they are on the ground in the community where they are needed most—fighting crime.

I am pleased to report that the coalition's promise to deliver more police is being met, on time and on target. Later this month, 117 police officers will be sworn in. The good news for Queenslanders is that these officers are expected to take up duty across the State by the end of December according to a distribution determined by police themselves. Police Headquarters allocate the additional manpower among the regions, then Regional Assistant Commissioners distribute them within those regions. Police may adjust these distributions according to local priorities or changing needs and circumstances within their region.

The additional manpower will significantly enhance uniformed police strength and the fight against crime right across Queensland. Police have advised that currently these extra 117 police will translate to 10 additional police in Cairns, six in Mount Isa, five for Townsville, four extra police for Rockhampton, five more police for Redcliffe, 10 on the Sunshine Coast, five in Toowoomba, 17 on the Gold Coast, six will be stationed at Logan, five in Gladstone, another five in Ipswich, 20 extra for the Metropolitan North region, and 19 more police for the Metropolitan South region.

I am sure that people right across the State will applaud the provision of these extra police. But it is only the beginning. Earlier this year, Cabinet approved a major $76m, three-year staffing plan to boost police numbers across the State by 800. This is Stage 1 of a 10-year strategic police staffing plan endorsed by Cabinet. This will achieve an increase of 2,780 police over that period. The police who will be sworn on 29 November are the first of an accelerated recruitment program that will see an additional 139 police on the streets in 1996-97, a further 252 strengthening the ranks in 1997-98, topping with 409 more police coming on stream in 1998-99.

Fifty-two new recruits began training at the Oxley Police Academy last week. These recruits will be joined by a further 100 new recruits due to begin training at Oxley on 20 January, another 60 intake in March 1997, and another 100 to 120 in May 1997. These are on top of the 40 who started their training at the new Townsville Police Academy in mid-October and another 40 again who will undertake training at Townsville from May 1997.

Simultaneous to this aggressive training and recruitment program, an accelerated civilianisation plan will free 400 police to operational duties over the next three years. This program will significantly boost policing strength, particularly in regional areas. Twenty positions within communications rooms in regions have already been civilianised, with a further 41 positions to be civilianised by 30 June 1997. This contrasts sharply to the abject failure of the previous Labor administration which, despite three Budgets and the allocation of $1.5 billion from July 1993, barely scraped a paltry increase of 29 police officers. Labor actually managed—or mismanaged—to engineer a fall in police strength of 79 police officers between June 1993 and July 1995. The numbers were falling with the population increasing by around about 5,000 a month. That is why it is a bit hard to get the numbers up, but we are doing it.

Opposition members interjected.

Mr COOPER: Members opposite want to try to govern Queensland again. They do

not have a hope. They should hang their heads in shame, because these numbers are going to catch up with them.

The coalition is delivering its commitment to increase police numbers, but that is only part of the job. Increased numbers must go hand in hand with better management of resources and the adoption of a strategic direction within the service. My principal aim as Police Minister is to develop and guide a vision for the Queensland Police Service to take it into the twenty-first century and ensure the delivery of a modern, professional and sophisticated service to the citizens of this State. This is something that Labor failed to do under a succession of rudderless—or just plain hopeless—and incompetent Ministers.

The Bingham report has provided us with a landmark opportunity to reinvigorate and refocus the management and direction of the Police Service. Its recommendations provide the blueprint for achieving our goal of having the best Police Service in the country. Issues vital to the effective and efficient running of a modern Police Service, such as management, morale, crime prevention and community policing, police powers and the staffing model, are all addressed by this blueprint. I will not allow that vision to stagnate. The people of Queensland want and deserve better management and a better service, and I am single-mindedly determined to deliver it. They want this vision to translate to improved services on the ground in places like Logan, Mount Isa and Rockhampton, and it will.

Police also need to have the tools to do the job as well as the manpower to get on top of crime. Last week, the Polaris super-computer was launched after several years of development by a dedicated project management team. As I stated last week, the Polaris initiative is a giant leap forward for crime management in this State. The State Government recognises that computer technology and the efficient use of it has become a crucial tool in the fight against crime. That is why the State Government has poured $5m into information technology and communications systems in this year's State Budget. Members opposite started it. Good luck to them! We poured $5m into it this year because we recognise the benefit of it.

Police have already identified some major criminals through Statewide connection to the NEPI system and will continue to track down criminals through the pooling and ready accessibility of intelligence gathered by police right across the State and right across the country. A total of 117 additional police have been delivered by the State Government. It is only the beginning. There are plenty more to come.

MINISTERIAL STATEMENT

Student Performance Standards

Hon. R. J. QUINN (Merrimac—Minister for Education) (9.55 a.m.), by leave: I rise to inform the House of the results of the Government's review of student performance standards. For those unfamiliar with the concept, I point out that SPS was introduced into Queensland schools in 1995, initially in maths and English, as a means of providing parents with wide-ranging data on school student performance. However, the indecent haste of its introduction, the unwieldy nature of the system, and the enormous workload it has placed on teachers called its value into question even as it was leaving the runway.

While there is consensus and general support for improved accountability and reporting practices based on syllabuses derived from national statements and profiles, teachers generally have struggled to come to grips with the excessive demands of the SPS system. Virtually every State in Australia has encountered similar problems implementing SPS or their equivalent. Teachers, principals and parents are committed to the provision and sharing of information about levels of student performance. However, teachers were telling this Government that they were spending more time assessing students and less time teaching them. That, in my view, is unacceptable, and this Government will not ignore what teachers are telling it.

After an extensive period of review and consultation, I can now inform the House that student performance standards, as introduced by the previous Government, are finished. The Queensland Curriculum Council has been working on refining SPS with a view to developing a workable alternative. The QCC has presented me with its alternative, the Queensland levels of student performance. Once again, there is some level of concern among teachers and, as a result, the QCC has recommended that there be no general implementation of Queensland levels of student performance in 1997. I repeat: no general implementation. Instead, volunteer schools will be sought to participate in a developmental trial in 1997 to explore a range of implementation strategies with particular focus on teacher workload and the past experiences of primary schools in the areas of assessment and reporting. These trials will apply only to mathematics and English.

I am aware of the danger of throwing out the baby with the bathwater. There has been widespread support for improved accountability and reporting practices, and this Government remains committed to achieving that outcome. The Queensland Council of Parents and Citizens Associations and parents generally are calling for a consistent method of reporting student performance. Unfortunately, SPS was not the answer. The 1997 developmental trial will tell us whether Queensland levels of student performance can provide the solution.

Towards the end of next year, further decisions on the implementation of any new system will be made, drawing on the outcomes of the developmental trial in volunteer schools and taking into account input from relevant stakeholders, particularly parents and teachers. If the Queensland levels of student performance prove to be a workable and mutually acceptable alternative, they will be implemented in 1998 and beyond. If not, it is back to the drawing board.

MINISTERIAL STATEMENT

Workers' Compensation

Hon. S. SANTORO (Clayfield—Minister for Training and Industrial Relations) (9.58 a.m.), by leave: On Friday, 1 November, the honourable member for Gladstone advised the House of her position on proposed reforms to the workers' compensation system. The honourable member has written to me and issued a media release stating that she will not support any threshold for access to common law or changes to Labor's 20 per cent irrevocable election. The honourable member also has advised that she will not support the abolition of journey and recess claims but will support a tightening of the provisions relating to journey claims for in-the-home injuries and dangerous and drink-driving.

I wish to inform the House of the Government's position and of the likely ramifications for the fund. Parliamentary Counsel is currently amending the draft legislation to delete those provisions which would, without doubt, have been the subject of lengthy debate in this place, but which would ultimately have been defeated on the floor this Chamber.

Further, in light of the honourable member's clear intention to retain existing provisions, the Government will not now proceed with the recommended increases in statutory benefits that were intended to offset the curtailment of common law provisions. Accordingly, provisions in the draft legislation designed to implement the recommended 30 per cent increase in statutory lump sum benefits, and to break the nexus between statutory weekly and lump sum benefits and the maximum benefit payable, are being removed.

It is the Government's intention to introduce a Bill at the earliest possible opportunity to implement the remaining recommendations, but I must say that the likely impact of these remaining recommendations will not, in all probability, be sufficient to arrest the haemorrhaging of the fund resulting from common law claims for mild injuries. The actuaries have projected the likely effect of the non-implementation of those recommendations on the $400m deficit. The savings identified by Mr Kennedy at $113m per year are, according to the actuaries, now likely to amount to only $59m, of which the Government is contributing $35m. The actuaries have advised that, if they assume the common law claims experience stabilises at the 1 January 1996 levels, that is, 3,610 claims per year at an average settlement of $90,800, then they project that full funding would be achieved after June 2006. But they have projected that, if the common law claims experience deteriorates by as little as a further 10 per cent before stabilising, then full funding will never be achieved. When honourable members recall that claim numbers increased by 37 per cent in the 12 months to 30 June 1996 and the average settlement size rose 16 per cent over the same period, the likelihood of common law claims experience stabilising at 1 January 1996 levels, or indeed stabilising at any level—as opposed to continuing to rise—must appear remote.

Jim Kennedy noted in his report that there were opposite views on the likelihood of Labor's 1995 reforms having a significant impact on the number of common law claims being made. He stated—

> "Put simply, one group believes the 1 January changes will not impact on the incidence of common law claims, while the other argues they will result in a significant reduction of such claims.
>
> It is my"—

that is, Mr Kennedy's—

> "firm opinion and the stated opinion of the Fund's actuary, that the risk to the Fund—and to the future of common law access—is too great to wait for another

two or three years, for any doubts to be resolved."

Given the position adopted by the honourable member for Gladstone, that is exactly what Queenslanders will have to do: sit back and wait. But only time will tell if Mr Kennedy was right when he said—

> "If urgent action is not taken now the Fund will quickly reach a situation where Queensland will lose its ability to provide a low cost workers' compensation scheme. Employers will be required to significantly increase their financial contributions and access to common law for seriously injured workers may be either seriously eroded or lost altogether, as has happened in many other Australian states."

I would suggest that the current experience in New South Wales should serve as an indication of what may lay around the corner for Queensland's employees and employers. I refer to an article in Monday's *Sydney Morning Herald* headed "Employers face 11% increase in WorkCover fees". The article details the experience in New South Wales where their WorkCover scheme went from having $2 billion in reserves in the early 1990s to less than $60m by June last year. It goes on to say that, in response to that funding problem, premiums were increased from 1.8 per cent to 2.5 per cent and then to 2.8 per cent in June this year. Now the New South Wales actuaries have said that a further increase to 3.11 per cent is expected in June next year—and all this in a State where they have had a 25 per cent common law threshold since 1989 and, before the rate rises came into effect in the early 1990s, the lowest premiums in the country.

In closing, it is with the greatest possible sincerity, for the sake of all seriously injured Queensland workers in the future, that I say to this House and to the people of this great State that I really do hope that both Jim Kennedy and I got it wrong and the "optimists" got it right. But again, Mr Speaker, only time will tell.

MINISTERIAL STATEMENT

Meat Processing

Hon. T. J. PERRETT (Barambah—Minister for Primary Industries, Fisheries and Forestry) (10.04 a.m.), by leave: I wish to draw the House's attention to a Cabinet decision regarding the State Government's future involvement in the commercial aspects of meat processing. Honourable members will be aware of previous decisions taken by this Government regarding the publicly owned Queensland Abattoir Corporation, namely, to allow the QAC to further develop the business plan which the previous Government had shelved, and secondly, to establish a steering committee to examine the need for future involvement of the Government in the commercial aspects of meat processing.

That steering committee comprised representatives from the Departments of Primary Industries, Tourism, Small Business and Industry, Economic Development and Trade, the Office of Rural Communities and two independent representatives with a meat processing background and beef production background respectively. The steering committee was charged with assessing: how the domestic and export contract slaughter requirements of the various livestock industries can best be met; how Government might manage the process of divesting itself of ownership of public abattoirs if that is considered appropriate; how orderly rationalisation of the existing surplus and inefficient processing capacity where that exists can occur; and how an internationally competitive processing industry can be developed and sustained into the future.

The steering committee received and considered a wide range of views from the key stakeholders in Queensland's livestock and meat industries, including the representative bodies in the producer, processor, wholesale and retail sectors of the industry as well as key clients and users of public and private contract slaughter facilities and other industry participants. While it was generally acknowledged that Government had a role to play in facilitating the development of the meat and livestock industry, there were differing views on the matter of Government ownership of meat processing facilities. However, the point was frequently made that that does not necessarily require continued Government ownership of contract slaughter facilities.

The steering committee also received a number of proposals from both private interests and the QAC with regard to the ongoing provision of the contract slaughter service currently provided by the QAC and the future of the QAC generally. The steering committee has reported back to Cabinet and a number of decisions have subsequently been made. In short, the Government has decided that, while it has a role in facilitating the continued provision of an efficient and fully commercial contract slaughter service, there is no compelling reason for continued ownership

of meat processing facilities in order to provide that service. As a result, Cabinet has charged the steering committee with the responsibility of further progressing discussions that have already been held with a number of groups regarding their proposals and inviting further expressions of interest from other groups within or with an interest in the industry.

The Queensland meat processing industry is at a crossroads, with a significant excess in slaughter capacity and an urgent need for international competitiveness. Our Government will be seeking to identify the proposal and exit strategy that will facilitate the development of a more efficient and viable processing sector in the longer term, and in turn benefit the entire meat and livestock industry. This decision presents a real opportunity for the Queensland meat and livestock industry to be part of meeting this objective.

MINISTERIAL STATEMENT

Road Toll

Hon. V. G. JOHNSON (Gregory—Minister for Transport and Main Roads) (10.07 a.m.), by leave: Many members of this House have known the challenges and satisfactions of a ministerial portfolio. All portfolios have the potential to improve the quality of life of Queenslanders, and most can be the focus of heated political debate. However, within my responsibilities as Minister for Transport and Main Roads, I have been confronted with a subject that surely goes well beyond any partisan point scoring or pork-barrelling. Once again, road safety has come into sharp focus.

At this point I will not give honourable members a road toll figure—some cold body count. Statistics fail to tell the whole story. Until late October, we had enjoyed the best results, the safest motoring, that we have seen in this State since 1961. We cannot measure the suffering that has been prevented. We cannot know how many families are enjoying their lives as a result of better driving behaviour. I congratulate every Queensland motorist who has changed his or her driving behaviour and saved lives.

But now for the bad news: Queensland's road toll has taken a sudden, awful surge in recent weeks. Dozens of Queenslanders have been killed in the last three weeks. Dozens more have been horribly injured. If 10 people drowned in a flood it would be in the headlines for a week. A recent edition of the *Sunday Mail* dedicated three pages to the deaths of eight skin divers during the past year. Yet we wipe out the equivalent of a small country town every year. We shrug our shoulders and simply accept that as part of life in the 1990s. Hundreds of people dead is bad enough, but the dead feel no more pain. Hundreds more are maimed and crippled. Their families, carers and medical staff must invest years of energy and effort into rehabilitation. Let us not try to numb ourselves to this suffering by simply placing a dollar value on the cost to the health system. That is a separate issue and I will deal with it at a later date.

Last week, I launched the road safety campaign that will take us through the Christmas period and into 1997. It is called Road Sense. But all the TV advertising and promotional campaigns under the sun will not save lives unless Queenslanders take up their responsibilities. Government can assist through education, enforcement and engineering better roads, but drivers must realise that they take lives in their hands when they hold the steering wheel. Speed, fatigue and alcohol remain the three biggest causes of road fatalities. Each and every driver can individually control those three problems.

In the tourist destinations, rubbernecks are not watching the road. In the outback, they are driving long distances in the heat and falling asleep at the wheel. Christmas parties will begin. Those parties will turn into wakes if we do not do everything in our power to get this message out. It is not acceptable, it is not inevitable, that we slaughter hundreds of Queenslanders every year. So far this year we have virtually wiped out almost the entire population of Ilfracombe Shire. I urge every member to promote the Road Sense campaign in their electorates at every opportunity. Lives are at stake again this summer.

MINISTERIAL STATEMENT

Priority Spot Purchase Program

Hon. R. T. CONNOR (Nerang—Minister for Public Works and Housing) (10.11 a.m.), by leave: It gives me great pleasure to inform the House that many more Queenslanders will move into public housing faster as a result of a new funding initiative.

A new $34m Priority Spot Purchase Program will target areas with high wait times and buy 300 new or near-new homes. The program, which will span the remainder of this financial year, will target areas such as Thursday Island, Cairns, suburbs of Brisbane and the Gold Coast.

Mr Mackenroth: Where is the money coming from?

Mr CONNOR: The member should just wait. It follows hot on the heels of the Government's highly successful $50m Priority Spot Purchase Program, which added almost 400 homes to the State's public rental stocks.

The new program is a departmental management initiative aimed at making full use of available funds for housing in Queensland. The Queensland Cabinet wants capital works funding all spent this financial year and this new spot purchase program will help ensure that this does occur.

The priority program has been made possible because the budget set aside for community housing is expected to be fully committed but not fully spent in the current financial year. A record $110.5m has been set aside for community housing—well above the $37m last year. Some of the housing will not be completed before the end of the financial year, thus not drawing on the full funding in the 1996-97 financial year. Quite simply, because the community groups will have so much extra money to spend, they will not have it spent in time.

The Community Housing Program, under the guiding hand of the Community Housing Grants Board, is proceeding and grants approvals will start to flow in the new year to projects throughout the State. The Community Housing Program has advertised for grant applications, which have to be prioritised and then considered by the grants board.

This Government is unswerving in its commitment to the Community Housing Program and is determined to provide as many as 992 additional homes under that program. Rather than leave $34m unspent for the year, the new Priority Spot Purchase Program is another example of the Government's commitment to spending all of our record $4 billion capital works funding and injecting the money into Queensland's economy.

The previous Priority Spot Purchase Program and case management made a significant contribution to reducing the State's waiting lists. The number of people on the waiting lists fell from 29,580 to 26,890—or 9.1 per cent—between 30 March and 30 September this year. The wait lists have fallen further to 26,430, or another 500, as at October. The Statewide reduction includes a drop in the number of people waiting four years or more—down from 728 applicants in April to 363 in late October.

SITTING HOURS AND ORDER OF BUSINESS ON 13 NOVEMBER 1996

Mr FITZGERALD (Lockyer—Leader of Government Business) (10.14 a.m.), by leave, without notice: I move—

> "That notwithstanding anything contained in Standing and Sessional Orders for this day's sitting, the House will continue to meet past 7.30 p.m.
>
> Private members' motions will be debated between 6 and 7 p.m. The House will then break for dinner and resume its sitting at 8.30 p.m. Government business will take precedence for the remainder of the day's sitting except for a 30-minute Adjournment debate."

Motion agreed to.

MEMBERS' ETHICS AND PARLIAMENTARY PRIVILEGES COMMITTEE

Submissions

Ms WARWICK (Barron River) (10.14 a.m.): I lay upon the table of the House submissions received by the Members' Ethics and Parliamentary Privileges Committee on its inquiry into a code of conduct for members of the Legislative Assembly. In connection with this inquiry, I wish to inform the House that the committee will be conducting a public hearing on the issue on Friday, 22 November 1996.

SCRUTINY OF LEGISLATION COMMITTEE

Supplementary Report

Mr ELLIOTT (Cunningham) (10.15 a.m.): I seek leave to lay upon the table of the House a supplement to the Scrutiny of Legislation Committee's Alert Digest No. 11 dealing with the Carruthers Inquiry Enabling Bill 1996 and move that it be printed.

Ordered to be printed.

NOTICE OF MOTION

Environment Budget

Mr WELFORD (Everton) (10.15 a.m.): I give notice that I shall move—

> "That this Parliament condemns the Minister for Environment for his abject failure to manage and protect the Environment budget resulting in numerous new taxes, more uncertainty for

business and plummeting protection for Queensland's natural environment."

PRIVATE MEMBERS' STATEMENTS

Environment Budget

Mr BEATTIE (Brisbane Central—Leader of the Opposition) (10.16 a.m.): The whole sorry episode of bungled tyre and oil taxes, exempted park passes, altered kangaroo shooting licences and tour operators' fees would be quite comical if it were not for the fact that there are major losers—Queensland business, which cannot plan ahead with any certainty, and the environment.

We have an Environment budget in deficit, an Environment budget in an absolute shambles, and that is starting to show up at the coalface. I will give members an illustration of what I am talking about. In relation to the Diamantina Lakes National Park, with 500,000 hectares situated in the remote south-west Queensland Channel Country, one would expect that it would have a considerable budget. No way! Not under this Minister or this Government! What has the Diamantina Lakes National Park scored by way of an operational budget for this financial year? How much did the Government give it? Wait for it—$500 is what the Government gave it. That is right, $500!

Anyone who has lived in the far west knows how often a diesel generator needs to be run to keep fridges and freezers going and the lights on at night. Then there is a four-wheel drive, which is vital to enable the ranger to travel around the park. How long do members think $500 is going to last to operate that national park? I doubt whether it will keep the generator running for 12 months let alone the vehicle.

To make matters even worse, this ranger is also responsible for the new Astrebla National Park, which supports the largest remaining colony in Queensland of the endangered bilby. A one-way trip from the homestead on Diamantina Lakes National Park to No. 2 bore on Astrebla is 160 kilometres. How many visits are the bilbies going to receive this year from the ranger? None! The park has received an allocation of $500. What chance do the bilbies have under this Government? This funding allocation was made before this inept Minister did his latest backflips.

Time expired.

A New Focus—Working Better Together

Ms WARWICK (Barron River) (10.18 a.m.): The State Training and Industrial Relations Minister's new TAFE initiative, A New Focus—Working Better Together, is transforming the way in which TAFE Queensland operates. It is streamlining business processes, boosting staff morale and contributing to a range of initiatives already under way.

The new focus initiative is helping the Far North Queensland Institute of TAFE to concentrate on ways in which to work better. The institute has undertaken a number of steps which link to the overall thrust of the initiative. That includes the establishment of advisory councils at the institute and college levels, which means stronger community and industry advice from regional and local communities. That advice can only enhance the strategic direction of the institute and the overall economic development of the far-north Queensland region.

Another key element of the initiative is the emphasis on lifting the skill levels of TAFE staff in moving towards the year 2000. The Far North Queensland Institute of TAFE has accepted this challenge by the allocation of $700,000 to staff training and development to upgrade skills and to provide return-to-industry release for teachers. Its automotive teachers have won funds from ANTA to upgrade skills in order to accommodate return to industry arrangements. Participating local automotive enterprises have formally agreed to return to industry arrangements, which form a significant part of the institute's strategic human resource management practice.

Those initiatives are contributing to the excellence of both the institute's staff and services ensuring quality training for all who access it. Community, business and industry involvement with TAFE—a key objective of the new focus initiative—has been a catalyst for a number of other achievements and projects at the institute.

An industry-based horticultural advisory group has been established to ensure the local industry training needs are identified and TAFE response occurs. Greenkeeping courses are being developed for 1997.

I applaud the Minister's new initiative as it is enabling the Far North Queensland Institute of TAFE to move forward with great gusto.

Canowindra Country Estate

Hon. J. P. ELDER (Capalaba—Deputy Leader of the Opposition) (10.20 a.m.): On two separate occasions in the House, the member for Albert has claimed that he will support the wishes of his constituents, that is, the residents of Canowindra. When it counted, when he had the opportunity to vote for the interests of his constituents, of course he deserted them. Last Friday night I attended a meeting with more than 200 of his constituents and they were angry. They know that he let them down once and, in fact, one could say that he was on his own out there. It brought to mind the song *Are You Lonesome Tonight*. My word he was lonesome, because he had the blowtorch put on his belly and he buckled. He will not be allowed to let those people down again.

It is incumbent upon the Minister to ensure that the residents of Canowindra get an answer quickly. He has until 22 November to complete the consultation process. I wish I could tell the residents of Canowindra that, at the end of the day, the Minister will adopt option A. I wish I could be confident that he would adopt option A, but I am not so sure. The residents need an answer quickly, because the Government has dislocated their lives and created stress and undue concern. They want an answer now.

Today, I challenge the Minister that, as soon as the consultation process is finished, he gives the people of Canowindra that decision. I put the Minister on notice, and I give the people of Canowindra the assurance that if he does not, we will again move the motion in this House. I will give the member for Albert the opportunity to do what he said he would do the other night on ABC radio; I will give him the opportunity to cross the floor of this House. I will give the honourable member the opportunity to put the wishes of the constituents of Canowindra right up front, out where they can be seen. I will give the honourable member the opportunity to cross the floor and stick by his statements.

Time expired.

Toowoomba Base Hospital

Mr HEALY (Toowoomba North) (10.22 a.m.): I rise to commend the Health Minister, my colleague the honourable member for Toowoomba South, for his decision to accelerate the redevelopment of the Toowoomba Base Hospital. The Minister has allocated $11.5m to allow an early start to the refurbishment of medical services and surgical blocks. The redevelopment will also include the corporate services fit out and bulk earthworks and piling for the acute care and main entrance blocks. This is all good news for my long-suffering constituents who were promised this redevelopment year after year, but every Labor Health Minister failed to deliver. Labor's bottomless bucket of promises was not matched with a bottomless bucket of money. If anyone needs a demonstration of the impact of the Beattie/Elder $1.2 billion blow-out, they need only look to the Toowoomba Hospital.

Fast-tracking the redevelopment of the Toowoomba Base Hospital will see excavation scheduled for February next year and ensure the community health centre is completed in March 1998. I understand that the clinical services block, which contains operating theatres, an intensive care and high dependency unit, radiology, and accident and emergency, will be completed in June 1998. This will allow the minor upgrading of wards and the day surgery and other works to be completed between July and December 1998.

Overall, the coalition has committed $60m to this redevelopment of the hospital, which will be a major boost to health services in Toowoomba, providing the district with a first-class 310-bed facility. A further $4m is committed for the establishment of the community health centre. The redeveloped hospital will include a new six-level acute care and main entrance block on the eastern side of the site. This block will incorporate day surgery theatres, a high dependency unit, intensive care, CSSD and other clinical services. As I said, the Minister's announcement is great news for the people of Toowoomba.

Mr M. Heery

Mr BARTON (Waterford) (10.24 a.m.): I refer to the publication in the press last week of admissions by Matt Heery that he was the part operator and owner of an Annerley Road brothel, Club Rio, for a six-month period in 1990-91. That brothel was previously owned by Fitzgerald inquiry figure Hector Hapeta. This self-confessed liar says that he became involved in a bid to improve the welfare of the female sex workers. He said, "I was on a crusade to save the world. I tried to talk the girls out of the business." A brothel keeper who tries to drive his staff away? I think not!

Is this the same man who was Police Minister Cooper's eyes and ears in Mundingburra?

Opposition members: Yes.

Mr BARTON: Is this the same man who was involved in the Police Minister's and Premier's memorandum of understanding deal with the Police Union in Mundingburra?

Opposition members: Yes.

Mr Hamill: He certainly had the eye in.

Mr BARTON: He certainly did.

Mr Gibbs: Is he now the eyes, ears and hands?

Mr BARTON: I think that that is a question we might need to ask. Is this the same man who coordinated the so-called Concerned Citizens for Mundingburra, fronted by none other than the Police Minister himself?

Opposition members: Yes.

Mr BARTON: Is this the same man who was appointed to Police Minister Cooper's personal ministerial staff in March this year, in a claimed bureaucratic muck up?

Opposition members: Yes.

Mr BARTON: Of course, as my colleagues have told me, that answer is also, "Yes". Perhaps the role that Matt Heery was going to play when he was appointed to the minister's staff was to head up the Police Minister's review of prostitution laws in this State. However, again, to get back to the seriousness of this issue, this is a further example of Police Minister Cooper's total lack of capacity to judge the character of the people whom he seeks to surround himself with on his ministerial staff, and this is not the first. Police Minister Cooper has a total lack of capacity——

Time expired.

Barrier Reef Institute of TAFE

Mr TANTI (Mundingburra) (10.26 a.m.): In July of this year, the honourable member for Clayfield announced a major initiative to revitalise the TAFE sector in Queensland. The initiative, known as TAFE Queensland: A New Focus—Working Better Together, aims to position TAFE Queensland as the preferred and competitive provider of vocational education and training in Queensland.

In my electorate in Townsville, the Barrier Reef Institute of TAFE was recently recognised in the Queensland training awards as the training provider of the year and it is contesting the national finals, with the winner to be announced on Thursday, 14 November. I wish the institute all the best for the finals. The award recognises the outstanding services that the Barrier Reef Institute offers the Townsville region and the wider region. The institute has a mobile techno-truck which takes programs throughout the area. The seven campuses have video conferencing facilities. All campuses are connected by electronic mail and four locations have self-access centres for greater client access. All of these services are helping to increase the flexibility of offerings to our local people.

I am particularly impressed with the arrangements for the Barrier Reef Institute to work with Russco Agencies to establish the North Queensland Spray-painting Skill Centre in Townsville so that north Queensland spray-painting apprentices may be trained locally. I congratulate Ted Winterbottom on that success.

Local partnerships will also benefit from the success of the Minister's initiative in reconstituting TAFE councils. Labor Party members should listen to this: my constituents now have access to a community council of the TAFE college led by local Electrical Trades Union official, Wal Threlfall. Mr Threlfall brings experience to this council. What have Labor members to say about that appointment by the Minister? I congratulate the Minister, Mr Threlfall and his council and wish them success in the future.

Government Recruitment Practice

Ms BLIGH (South Brisbane) (10.28 a.m.): I rise to draw the attention of the House to a new and innovative recruitment practice being adopted in the public sector by the minority Government. On 12 October this year, an advertisement was placed in the *Courier-Mail* by an executive search company, Northern Recruitment. I table that advertisement for the information of the House.

The advertisement states—

"Deputy CEO

Mandate to Drive Cultural Change

Challenging Career Opportunity

. . .

Our client is a member of a diverse group of organisations currently operating throughout Queensland. The group enjoys a reputation of quality service and innovation and operates in most market sectors throughout the state. In line with new strategic objectives driven by opportunities . . . the Chairman and Chief Executive have recently taken the decision to instigate a new executive level position."

The presentation of this advertisement would lead any reader to conclude that the "diverse group of organisations" is, in fact, a private sector company. The truth is that it is a deputy director-general's job in the Department of Training and Industrial Relations. That raises many questions. Has the Minister sold the entire department? When did the member for Clayfield assume the mantle of "chairman"? Are the bookshops of Brisbane soon to be graced with the little blue book, *The Thoughts of Chairman Santo?* Has the standing and reputation of the Queensland public sector collapsed under this Government to the point where it can only recruit by hiding its identity? I remember when the Government crest was proudly displayed on recruitment ads in this State.

The most serious questions are these: why is a deputy CEO needed when the department is divesting itself of the functions of workers' compensation and employment? Does this amount to false and deceptive advertising on behalf of the Government? What hope do consumers in this State have when the Government perpetrates deceptive advertising? What is going on in the Minister's department and does he know about it? I ask the Premier to refer this advertisement to the Office of the Public Service and for it to investigate this and other recruitment practices by the Minister.

QUESTIONS WITHOUT NOTICE

Oil and Tyre Levy; Minister for Environment

Mr BEATTIE (10.30 a.m.): In directing a question to the Premier, I refer to comments by Queensland Graingrowers Association President Ian Macfarlane that the rural sector will no longer deal with the Environment Minister because of his inept handling of the oil and tyre levy, and I table his statement. I refer also to a statement by United Graziers Association President Larry Acton condemning the Environment Department for not being prepared to discuss in a meaningful way the oil and tyre levy, and I table that statement. I refer to another statement from the Queensland Road Transport Association calling on the Environment Minister to consult with industry, and I table that statement. I refer also to comments by Queensland Conservation Council spokesperson Imogen Zehoven that the Government had failed to deliver on environmental issues, and I table that statement. I ask: will the Premier now try to restore some confidence in his Government by having a reshuffle and removing the Environment Minister from his portfolio?

Mr BORBIDGE: I thank the honourable member for his question. I did have a dorothy dixer organised on this issue. With apologies to members on my side of the House, I will tell the Leader of the Opposition a bit about the environmental record of this Government and also a few other matters.

It is passing strange that, two days after the Budget was delivered, Mr Ian MacFarlane, the President of the Queensland Graingrowers Association, said in *Queensland Country Life*—

> ". . . we accept that we should pay the tax on tyres as part of our community obligation . . ."

That was part of an article in which Mr MacFarlane also said—

> "This week's State Budget was without doubt a good news budget for the bush."

Those were the comments of Mr MacFarlane. I would make the point in respect of the oil and tyre levies——

Mr Beattie: That's not what he's saying now.

Mr BORBIDGE: The honourable member asked the question. He should allow me to answer it.

The problem in respect of the disposal of used oil and tyres has been a festering sore on the face of the environment in this nation and State for a long, long time. The previous Labor Government, which had a majority of 19 seats for six years, did absolutely nothing.

Mr Robertson: That is a lie.

Mr BORBIDGE: I am sorry, the former Government did 16 per cent of something. If I remember correctly, the Queensland Conservation Council said that the former Government's track record on implementing its policies was that it implemented 16 per cent of what it promised. For the benefit of the honourable member opposite, I point out that the Minister has been involved in detailed discussions with the industry in respect of the administration of the oil and tyre levy. Once those discussions were completed, it was always logical that there would be further discussions with other industry groups, and that will take place.

As we have raised the matter of the environment, let us have a look at the record of this Government over eight months compared to the record of the Labor Party over six years. We have not run away from the

hard decisions, despite the fact that we are a minority Government. We have faced up to them and we have fixed them. Let us have a look at some of the decisions. What about Tully/Millstream? For six long years the former Government would not make a decision.

Mr WELFORD: I rise to a point of order. Mr Speaker, the Premier is misleading the House. His comment that the previous Government did not make a decision about Tully/Millstream is quite false. The previous Government scotched the Tully/Millstream well and truly. This Government has revived it.

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

Mr BORBIDGE: They scotched it down in Brisbane and the member for Logan said up in Cairns they would go ahead with it. That was their policy on the Tully/Millstream—one policy in far-north Queensland, another policy in Brisbane.

What about the problems that my colleague the Minister for Natural Resources has had in respect of the mess at the Cooper Basin? Who is fixing that problem? This Government is fixing that problem, despite the legislative mess that we inherited from Labor. What about the absolute shambles of the mahogany glider program? This Government is fixing the problem and is picking up the pieces left by the previous Government. What about the previous Labor Party policy of mining the Byfield sands? Are Labor Party frontbenchers saying that, if Labor were returned to power, mining would proceed? It is this Government which will protect the Byfield sands. What about the situation with the Brisbane River that could not be resolved because the former Labor Premier was not on talking terms with the Labor Lord Mayor of the City of Brisbane? Those are issues that we are fixing.

As to sewerage—this Budget contains the biggest boost to local government in decades in respect of Government subsidies for sewerage and water reticulation. There will be a massive program over a number of years to make sure that sewage disposal in this State is the world's best. As to the disposal of used oil and tyres—this Government is committed to tackling the issue and trying to fix it, whereas Labor ignored the problem for years. What about the former Government's attitude to koalas? It was going to put the eastern tollway through the major koala habitat in south-east Queensland and Australia.

We are sorting out the tree-clearing mess that we inherited from the previous Government. The Minister for Natural Resources, based on scientific data and information, is now putting in place appropriate measures in that respect. This Government established the Environmental Protection Council—something which Labor would never do. For the first time, diverse community groups now have a direct conduit to the Minister and the Government in respect of environmental protection in this State.

Who can forget the legacy of Labor's disastrous introduction of the environmental licensing and compliance regulations? Who fixed it? This Government fixed it. The simple fact is that in respect of environmental initiatives this Government has been prepared to tackle the tough and difficult issues—and we will not resile from doing so—as opposed to what Labor did over six years. Even its strongest supporters in the environmental movement, the Queensland Conservation Council—people who were always very quick to support Labor—at the end of the day said that Labor's record after six years in Government was that it implemented about 16 per cent of what it promised. That is what it said of the political party opposite that wants to mine the Byfield sands. I ask the shadow Minister for Environment: does he support the previous Government's decision to mine the Byfield sands—"Yes" or "No"?

Mr McGRADY: I rise to a point of order. The Premier is misleading the House, because his Minister took to the shadow Cabinet a recommendation that Byfield be mined.

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

Mr BORBIDGE: Mr Speaker, we took to the people of Queensland a commitment to protect the Byfield sands, and that is what we intend to do. I hope that the Queensland Conservation Council is listening to this today. When I asked Labor's shadow Minister for Environment whether he supports Labor's plan to mine the Byfield sands, he sat there in silence. The former Minister for Minerals and Energy was an active supporter of mining the sands.

Mr WELFORD: I rise to a point of order. If the Premier does not want me to sit in silence, I am happy to tell him that our party has no plan to mine Byfield. That was the plan of this Government's Minister for Mines and Energy.

Mr SPEAKER: Order! The member will resume his seat. That was a frivolous point of order.

Mr BORBIDGE: I say in reply to the honourable member that he had better talk to

the member for Mount Isa, because the member for Mount Isa made it very clear what Labor's policy was.

Mr McGRADY: I rise to a point of order. The Premier is again misleading the House. The Labor Government never, ever said it would mine Byfield.

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

Mr BORBIDGE: The former Minister supported and progressed it. The honourable member knows he did. He progressed it; he wanted to see it go ahead. How they run! In respect of the environment——

Mr McGrady interjected.

Mr SPEAKER: Order! I heard the remark of the member for Mount Isa. It is unparliamentary. I ask the member to withdraw it. I now warn the member under Standing Order 123A for his persistent interjections.

Mr McGRADY: I withdraw

Mr BORBIDGE: The truth is that under this Government the Environment budget is up by nearly 6 per cent. We saw the legacy of Labor: national parks without rangers; the scandal and the disgrace of the foxtail palm affair. These are the people who have the hypocrisy and the duplicity to criticise this Government on its very sound environmental policies. The Labor Party, which for six years had a 19-seat majority, would not front up to the tough decisions. This Government accepts its responsibility to pick up the pieces that Labor left on the floor.

Suncorp/QIDC/Metway Merger

Mr BEATTIE: I ask the Treasurer: in light of Treasury advice that the Government's proposed bank merger will cost 1,500 jobs in Queensland, will she give a cast-iron guarantee to Parliament that no employee of Metway Bank, QIDC or Suncorp will be retrenched, compulsorily transferred or pressured to take forced redundancy from either head office or any branch as a result of her merger?

Mrs SHELDON: I thank the member for his question. Again, more Labor negativity, more whingeing and whining, more dumping on the State of Queensland, more trying to down Queensland compared with the rest of Australia. The Leader of the Opposition knows that the merger of Suncorp, QIDC and Metway has been a very successful move—the market has shown that. The Leader of the Opposition has the hypocrisy to speak about job losses when he and Labor Holdings were very happy to sell out their share to St George up front, first up——

Mr Borbidge: Tell him to put his money where his mouth is.

Mrs SHELDON: They could put their money where his mouth is—it would take a lot of money! In point of fact, Labor was prepared to sell out to St George, to sell out Queensland, to sell out Queenslanders.

As has been stated on a number of occasions, the State Government is divesting itself of its financial institutions. The chairman and the board and the merging entity of the new bank are totally at arm's length from any Government intervention. Any decisions they make will be made by that entity—a publicly floated entity. The Leader of the Opposition was offered a briefing by the chairman, John Lamble. I wonder whether he has bothered to take it up, because if he had he would know that Mr Lamble has no intentions of doing any of those sorts of things. In point of fact, he has given a very clear indication that the people side of this is vital, that the service is vital and that the shop fronts of QIDC, Suncorp and Metway have a niche market and have built up rapport with the public.

I can assure the Leader of the Opposition that the chairman and the board of our new financial institution are doing what is very good for Queensland and will promote a major financial institution that will create jobs in this State, headquartered here in Queensland by Queenslanders to create business in and attract business to Queensland, which is something Labor never did when it was in Government. We have done it.

Debate interrupted.

PRIVILEGE

Leader of the Opposition, Briefing

Mr BEATTIE (Brisbane Central—Leader of the Opposition) (10.44 a.m.): I rise on a matter of privilege. I advise the House that indeed I have had a briefing at the appropriate time. During that briefing, I expressed my grave concern about the loss of 1,500 jobs to Queenslanders—an assurance that the Treasurer has simply not given today, which means that 1,500 jobs are at risk.

QUESTIONS WITHOUT NOTICE

Member for Logan; Suncorp/Metway/QIDC Merger

Mr SPRINGBORG: I refer the Honourable the Premier to the re-emergence in public debate of the member for Logan,

and I ask: can the Premier outline to the House whether the member for Logan's claims have any substance whatsoever.

A Government member: Where is he?

Mr BORBIDGE: School is in! Over the past 24 hours, we have seen the public re-emergence of that enigma of Queensland politics, the member for Logan. Presumably after having consumed doses of castor oil, we now see him returning——

A Government member: It's jacaranda time.

Mr BORBIDGE: It is jacaranda time, as my colleague reminds me; he is probably off studying. We have now seen the return of the member for Logan over the airwaves and in this place and briefing the southern press to sabotage the merger of Metway with Suncorp and the QIDC—a calculated effort on the eve of major shareholder meetings today.

I find this more than passing strange, because we now have reluctant agreement even from the *Australian Financial Review*, which has been a long-time critic of this proposal, that it might just work. We have seen overwhelming support out of Queensland for this particular proposal. What Labor would have done would have been to see Metway lost to Queensland forever and any chance of Queensland having a major national financial institution being lost for all time. We had the Leader of the Opposition having a go to try to destabilise the exercise. We had the member for Ipswich having a go, and he failed. The Deputy Leader of the Opposition raved across the Chamber and said something about a State bank. I do not know how it can be a State bank when we are going to sell most of it. All of a sudden, they pass it over to the member for Logan—the return of "the Phantom". The Phantom meets Elmer Fudd—what a combination in respect of financial management! One could be suspected of just sniffing the wind in case there is a leadership challenge in the air. But if the "Comeback Kid" wants to return to the front benches, then maybe he will have to wait until after summer school, or maybe until after Schoolies Week.

About the only thing that the rantings of the member for Logan prove is that he clearly has not enrolled in any finance subjects as part of his MBA, because if he had any understanding of this issue he would be aware that his claims are not only untrue; they are maliciously untrue. He alleged that certain matters had been kept secret. There has been nothing hidden. The merger has been the subject of independent assessment by two sets of independent experts whose reports have been made available for all to see. In addition to this, it has also been assessed by the market. I refer the honourable "Master of Business Administration" to page 34 of the *Courier-Mail* which, on a daily basis, provides the latest stock market information. Under the heading "Industrial stocks", if he looks under "M" for Metway, he will see that the share price yesterday reached $5.64—hardly the financial disgrace or scandal that the former Premier is suggesting. That is what the markets think of the merger.

If the member for Logan thinks that this issue is his ticket back on to the front bench, that somehow it is the fuel for a leadership challenge to the member for Brisbane Central, he should think again. What this Government has done is in distinct contrast to the lack of leadership shown by the member for Logan during his term as Premier. He and his colleagues knew that there would be an interstate takeover of Metway. They knew that St George was hovering around waiting to swoop. They knew that there was an opportunity to create a strong, home-grown financial institution based in this State—the fifth-largest listed financial institution in the country. They knew the opportunity was there, but like so many other issues under the Government led by the member for Logan, they wimped out; they could not make a decision.

Then, as this exercise unfolded, we saw the Labor Party prepared to sell out Metway, its staff, shareholders and customers to New South Wales. That is what they were prepared to do initially. Of course, it is fascinating now that, because the strategy of the Government has worked so well, they do not want to sell their shares because they know they are on a good thing. They also know that this proposal is in the best interests of the people of Queensland. No amount of economic sabotage by the member for Logan, the Leader of the Opposition or the shadow Treasurer will divert the people of Queensland from realising that this very major economic development project is in the best interests of this State.

Cabinet Deliberations; Oil and Tyre Tax

Mr ELDER: I refer the Minister for the Environment to the Parliamentary Register of Members' Pecuniary Interests, which shows that he and seven other National Party Ministers all own farming properties. I ask: did

any of them exclude themselves from the Cabinet decision to exempt off-road farm vehicles from the oil and tyre tax, or are they so above the law that they do not care about avoiding the gross conflict of interest of voting——

Mr Borbidge interjected.

Mr ELDER: When the Premier has finished with his brief, I will finish the question—or are they so above the law that they did not care about avoiding the gross conflict of interest of voting themselves a tax break—a personal tax break—at the expense of other Queenslanders?

Mr LITTLEPROUD: What a hypothetical question. I pose a similar question back to the Deputy Leader of the Opposition. He was a member of a Government that passed legislation which gave stamp duty exemptions and subsidies and relief to householders. Does he own a house?

Mr ELDER: Mr Speaker, I was not buying a house at the time. It did not involve me.

Mr BORBIDGE: I rise to a point of order. I can inform the honourable member that he was not buying a farm at the time, either.

Debate interrupted.

PRIVILEGE

Cabinet Deliberations

Hon. J. P. ELDER (Capalaba—Deputy Leader of the Opposition) (10.52 a.m.): I rise on a point of privilege. At the time that I was part of a Cabinet that made a decision which benefited all Queenslanders, I was not buying a house. In the Minister's case, he has taken a personal tax break at the expense of all Queenslanders.

QUESTIONS WITHOUT NOTICE

Capital Works

Mr CARROLL: I refer the Premier to the current Opposition Leader's latest suggestion that to stimulate the economy the Government should be building more police stations, schools and hospitals as part of an accelerated Capital Works Program, and I ask: what are the Government's plans for capital works in these areas?

Mr Horan interjected.

Mr BORBIDGE: In replying to the honourable member's question, my colleague the Minister for Health just suggested that I should ask the Deputy Leader of the Opposition whether he excluded himself from the eastern tollway decision because he owned a car. The Opposition has had a heavy strategy meeting this morning. They really have the big guns out. The Deputy Leader of the Opposition is in intellectual overload.

I thank the honourable member for his question, which related to calls by the Leader of the Opposition and others.

Ms Bligh interjected.

Mr BORBIDGE: The member should not be cheeky. The honourable member for Mansfield raised questions about the Leader of the Opposition's comments that the Government should be spending more on capital works to get the economy going, with emphasis on the key area of law, order and public safety. That is outwardly a sensible proposition from the honourable gentleman, but I thought that it would be appropriate to go through the record and inform the House of the performance of this Government in this regard compared with the performance of the Labor Government of which he was a member. The facts speak for themselves.

During the Labor years in Queensland, there were declining allocations for capital works in the key area of law, order and public safety and actual expenditure was in free fall. In 1990-91, spending of $88m was on a par with the last National Party Budget in 1989. Then in 1991-92 there was an allocation of $91.2m, but expenditure was only $70.7m. That was in the middle of the recession! That was when the Labor Government should have been cranking it up. That Government allocated $91.2m but spent only $70.7m.

In 1992-93, there was another big slump. That year, the allocation was down to $62.9m and actual expenditure in the key area of capital works on law, order and public safety was $34.9m. That is a disastrous and a disgraceful set of numbers. In 1993-94, the allocation slipped further to just $47.4m and expenditure, as usual under Labor, came nowhere near the allocation. Expenditure was a lousy $31.7m.

This is the record of the Labor Party opposite. In the space of four Labor Budgets, we saw expenditure slip from $88m down to $31m. That is a drop of almost two-thirds, and it corresponds with the increase in the unemployment rate under Labor of 70 per cent during the same period. In 1995-96, the allocation was finally up to $129m, and when we came to Government we made sure that the money was being spent. So for the first

time since 1989 the target was not only met but was exceeded with expenditure of some $150m. That happened under this Government, not under the previous Government.

In our first Budget, the allocation for law, order and public safety has increased to $271.978m, which is more than double the last allocation of the Labor Party—more than twice what Labor allocated, and almost 10 times the amount actually spent in the last Budget for which the ALP had total responsibility. These figures speak for themselves.

I was a bit curious. I wondered how we were going in education and health, seeing that these were areas of concern of the Leader of the Opposition. It is the same sad, sorry record. The allocation for education in the last Labor Budget was $247m for capital works, in the coalition's first budget, $392m, or 60 per cent more. That is a 60 per cent increase. The allocation for health in the last Labor Budget was $193m. In our first Budget, the allocation is $295m. That is an increase of over 50 per cent. The Leader of the Opposition and the Labor Party opposite say we should spend more. When in Government, they spent less and expenditure by this Government in these key areas puts them to absolute shame.

Railway Line; Karawatha Forest

Mr ROBERTSON: I refer the Minister for Transport and Main Roads to the report of the Office of Local Government Commissioner into the review of the Brisbane and Logan City Council boundaries tabled by the Minister for Local Government and Planning in this House yesterday. In particular, I refer to the concerns expressed by the independent Local Government Commissioner that preliminary proposals for a railway line through Karawatha Forest were an example of the State Government not acting in the interests of the conservation of the forest and its corridors. The Minister has repeatedly denied that such a proposal exists, so do the revelations from the Local Government Commissioner show that the Minister has been misleading this House or does the Local Government Commissioner simply know more about what is happening in the Minister's department than the Minister does?

Mr JOHNSON: I have noted what the Local Government Commissioner said. I will say this from the outset: submissions to the Integrated Regional Transport Plan closed on 31 October. Yes, there have been a number of submissions in relation to the rail line that could be proposed for the Karawatha State Forest.

That IRTP was put in place by the former Labor Government. I ask Opposition members to remember that. Have they got that? Some Opposition members have been whingeing and whining about heavy commercial trains going through the residential areas of Brisbane at all hours of the day and night. I see the member for Bulimba nodding his head. I take on board the points he has made in the past. We are trying to upgrade the urban rail system in Brisbane. I am sure that all members would support that concept. What do Opposition members want to do? Do they want to strangle the port of Brisbane and close it down? There certainly has to be another freight line somewhere. Whether or not it is there, I am not saying. It is part of that report. We do not have the final draft of that report, but it is about planning for the next 25 years, and it is about getting it right.

Mr Robertson: Will you listen to the people out there?

Mr JOHNSON: The honourable member for Sunnybank is probably the most negative man on the Opposition side of the House. I can tell him that we are not going to be railroaded into making a decision on the run as a result of something that he is squirming about. The situation is that, at the end of the day, we will be guided by what the majority say, not by what the member for Sunnybank has to say.

Queensland Health Major Capital Works Programs

Mr HEGARTY: Would the Minister for Health advise the House of the current status of the major capital works programs currently being undertaken by Queensland Health?

Mr HORAN: It gives me a lot of pleasure to tell this House about the progress with capital works and the Hospital Rebuilding Program under the coalition Government. It is a well-planned program and, most importantly of all, there is some money to pay for it—not like the program of the previous Government. We discovered, through a quantity surveyor's report, that $1.2 billion of funds simply were not there. Former Ministers were waltzing around the State saying, "$50m here and $80m there", but none of it was there in cold, hard cash. As well, we found that $150m of the original $1.7 billion Hospital Rebuilding Program of the former Government had not even been approved by Treasury. We have

announced a $2.1 billion program over 10 years. I believe that the most important thing about that is the numbers of jobs that will be created. For this year alone, $295m is going to be spent. That will create 145,000 people-days of employment this financial year. We expect that next financial year the $400m that will be spent will create 285,000 people-days of employment.

The most important aspect of the Hospital Rebuilding Program is that we are getting it right. We inherited a system wherein there were watercolour paintings, drawings and sketches of buildings. Projects had been assessed on pretty paintings. We have put in place a system whereby we are actually getting architects and engineers to design those plans—to design the water supplies, the geotechnical drilling and drawings, and everything else that is required to put up these $100m, $200m or $300m projects. What a mickey mouse organisation it was! When we came to office, we discovered pretty watercolour paintings. The former Government based a budget upon those. It must have said, "$200m for this and $300m for that."

The day before the election was announced last year, 19 June, the Cabinet of the previous Labor Government approved $225m for the QE II/PA Hospital. It approved $70m for the Cairns Hospital. That had been announced by the member for Cairns six months before, and approval came some six months later—the very eve of the State election. That is how well organised the former Government was, that it had to announce those projects the day before the election was called.

Last week, I was at the Princess Alexandra Hospital to witness the first drillings for the preparatory work for the foundations to get under way. Early next year, demolition of the buildings will commence. Project directors have been appointed. We now have engineers, architects and hydraulics engineers working on it. I well remember the Opposition spokesman saying that the former Government would have started the rebuilding of the PA Hospital by now. She must have thought it was some sort of garden shed that one buys from Mitre 10—just go out, pick it up and plonk it on the site. It is a $300m complex which does need detailed design. The architects told me last week that it will take about 18 months to complete the detailed design for such a complex building.

Also last week, I drove onto the Royal Brisbane Hospital site to have a look personally at the work that is under way there—a $30m central energy plant complex. That is the most important part of that building. We cannot start anything else until there is power, electrical distribution, airconditioning and steam. That is under way. The sum of $31m was put forward in the successful tender for the Thursday Island Hospital Community Health Centre and accommodation. That is under way. The Cairns Hospital project is also well under way, with the multistorey four-level car park under construction, and the Psychiatric Services building to commence next year. We have also provided $117m for Townsville Hospital, and the preliminary studies are under way there. This is happening right across the State. At Rockhampton, demolition will commence in January for the Eventide complex. I have already outlined the works that are under way in Brisbane. It is a massive program.

Most importantly of all, despite the mess we inherited, despite the lack of money, despite the airy-fairy, fairy floss promises and no cash to back them up, and despite the lack of architectural and engineering plans, we are getting on with the job, creating 145,000 man-days of work for this financial year alone.

Transtate Rezoning Application

Mr WELLS: I refer the Minister for Local Government and Planning to her statement to Parliament on 25 July that she did not have lunch with the developer Transtate prior to instructing the Redcliffe City Council to fast-track Transtate's rezoning application. I refer also to her subsequent personal explanation to Parliament on 3 September that she did have lunch on 4 June with Transtate chairman Peter Marshall, but thought that he was there in some other capacity. I refer also to her post-lunch thank you note, which I table, which reads—

> "Thank you most sincerely for your hospitality and encouragement extended to myself and personal staff during our luncheon last Tuesday. I understand Peter Marshall has already met with Harry, and I believe Sue is currently looking into your rezoning concern."

I ask: what did the Minister's senior policy adviser, Harry Wadley, discuss with Mr Marshall, and what rezoning concern was her personal secretary, Sue Kimmins, looking into?

Mrs McCAULEY: I think this matter has been fully canvassed. As I said previously, I was not hosted to a lunch by Transtate. I was at a lunch which they attended. I do not really

think that is against the law. Does the honourable member?

Remote Area Incentive Scheme

Miss SIMPSON: I refer the Minister for Education to a poster, authorised and distributed by the Queensland Teachers Union, which alleges that 51 members of the Legislative Assembly support enhancement of the Remote Area Incentive Scheme for teachers. It also alleges that the balance of members either did not support the scheme or did not respond to their inquiries regarding the issue. I ask: can the Minister tell the House about the level of commitment to such a scheme by members on either side of the House?

Mr QUINN: I was rather intrigued when a copy of that poster was handed to me. It appears to have been posted on the walls of most schools around Queensland. Down one side of it are listed all those members who support the enhancement of the Remote Area Incentive Scheme. Down the other side are the MLAs who were not willing to support it or have not responded. It should come as no surprise that, all of a sudden, we have had a mass conversion to supporting the Remote Area Incentive Scheme by one political party in this House. That political party had four years in which to allocate money in the Budget to support the Remote Area Incentive Scheme. It had four years and it did nothing. It should come as no surprise that, for four years, the ALP did nothing.

Debate interrupted.

PRIVILEGE

Remote Area Incentive Scheme

Hon. D. J. HAMILL (Ipswich) (11.10 a.m.): I rise on matter of privilege suddenly arising. The Labor Government introduced the Remote Area Incentive Scheme to assist teachers in isolated areas. My matter of privilege is this: when I was Education Minister, I initiated the working group to review the Remote Area Incentive Scheme with a view to further enhancing the benefits available to teachers under that scheme. The Minister is misleading the House. I find his comments personally offensive.

QUESTIONS WITHOUT NOTICE

Remote Area Incentive Scheme

Mr QUINN: It ought to be known that the previous Government, prior to the Labor Party taking over in 1998, actually left the money in the bin for them. We left the money in the bin for them.

Mr BEATTIE: I rise to a point of order. I draw to the attention of the House that the Minister is right: we will take over in 1998.

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

Mr QUINN: The money was there when the Labor Party assumed office in 1989. All it did was follow through and put the process in place. During the following four years, despite representations by the Queensland Teachers Union and individual teachers from around the State, Labor members sat on their hands and did nothing. That $2m project really needed enhancing. Despite representations, they did nothing.

However, once they took their places on the other side of the House, they had a massive conversion. All of a sudden they were putting their hands up. It must have been an act of gracious grovelling when the Leader of the Opposition visited the Queensland Teachers Union and handed across a letter saying, "We are all now converted. Hallelujah! We've found it." It took them four years to find the RAIS.

Most coalition members are sitting on the other side of the ledger, because we would not state, in general terms, amounts of money that we would put into the scheme. We supported the enhancement of the scheme and the facts speak for themselves. At the first Budget——

Mr BREDHAUER: I rise to a point of order. The Minister is misleading the House when he talks about enhancement of the scheme. Under his proposals, many teachers in remote areas may actually be worse off.

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

Mr QUINN: Our credentials are beyond reproach. At the first opportunity to do something we put our money where our mouth was. We did that in the first Budget. Not only did we provide an enhanced level of funding but also it was funding of a substantial order. We doubled it the first year; we trebled it the second year. We trebled the funding over the first two years. The old scheme covered 500 teachers. We will now cover 2,500 teachers under the Remote Area Incentive Scheme. That will extend to approximately 95 per cent of State.

Mr NUNN: I rise to a point of order.

Mr SPEAKER: Order! Order while we hear about Hervey Bay.

Mr NUNN: Obliquely, Mr Speaker, obliquely.

Mr SPEAKER: Order! What is the member's point of the order?

Mr NUNN: It is partly a matter of clarification. The honourable Minister is speaking very loudly and clearly——

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

Mr NUNN: Mr Speaker, a point of order must be heard, surely.

Mr SPEAKER: Order! There is no point of order. I asked the member to state his point of order and he went on and on and did not state his point of order. This is not a debate.

Mr NUNN: There was a lead-up to it.

Mr SPEAKER: Order! The honourable member should try to be shorter tomorrow when he talks about Hervey Bay. I call the Minister.

Mr QUINN: We have substantially increased the number of teachers covered, substantially increased the area of Queensland that is covered and, more importantly, we have revamped the scheme. We have cashed up the benefits so that teachers——

Mr SPEAKER: Order! I ask the Minister to complete his answer.

Mr QUINN: We have substantially reformed the scheme by cashing up the benefits. That will substantially improve the Remote Area Incentive Scheme throughout Queensland. All of us in this House want to see more experienced teachers stay longer in the remote areas of Queensland. That will benefit the kids. I am pleased to say that the new scheme that we have put in place substantially improves that prospect for our kids in Queensland.

Community Housing Grants Board

Mr MACKENROTH: In directing a question to the Minister for Public Works and Housing, I refer to his media statement of 10 October concerning the Community Housing Grants Board in which he said that the board's key role would be to provide recommendations about community grants that are objective, independent, accountable and above politics. I also refer to his Ministerial Program Statements that stated that funding for groups such as Home Assist, Home Secure, Housing Resource Services and the Community Rent Scheme would be on a pro rata basis until the end of October 1996 and that further funding would be as recommended by the Community Housing Grants Board. I ask: how can the Minister justify saying that the board would be independent and above politics when he overturned its first major recommendation, which was to continue funding to those groups for the remainder of this financial year? Will he now give the Parliament a guarantee that those valuable community groups will continue to receive Government funding?

Mr CONNOR: That is a fair question and I thank the member for it. It is a very important issue because it relates to the negotiations on the Commonwealth/State Housing Agreement. Honourable members may recall that there is a proposal from the Commonwealth that our capital funding for public housing in Queensland—that is right across-the-board, including community housing—would be suspended. We have an interim Commonwealth/State Housing Agreement in operation at the moment. We still do not have an exact timetable, but that means that we could lose almost all our capital grants. That amounts to $200m per year.

Mr MACKENROTH: I rise to a point of order. Relevance comes into this once again. Other than the Community Rent Scheme, none of those schemes is funded under the Commonwealth/State Housing Agreement.

Mr SPEAKER: Order! I call the Minister.

Mr CONNOR: As the former Minister would know, all the funding for community housing comes out of the pool. The $110m comes out of the pool.

Mr MACKENROTH: I rise to a point of order. The Minister is once again misleading the House. The money for the Housing Resource Service comes from the Residential Tenancies Authority. It comes from tenants' bonds, so it does not come out of the pool. The money for Home Assist and Home Secure should come from consolidated revenue.

Mr SPEAKER: Order! The Minister is answering the question.

Mr CONNOR: The funding that the Community Housing Grants Board is allocating is coming out of the fund. The fund is in question because $200m is in question—$110m of which is earmarked to go to the Community Housing Grants Board. I might add that $37m was all that that board had under the previous Minister; we are giving it $110m to allocate. There was a proposal that it would allocate recurrent funding until the end of the year. A lot of people were involved in that. Until I received an undertaking from the Commonwealth of a continuation of funding, I

could not be sure whether or not I could keep that funding going. It is as simple as that.

We are expecting to have an indication in the next few days as to whether or not we will be receiving that money. Members opposite should acknowledge that Queensland had a huge win. We managed to get the community housing issue on the national agenda. Before 1 November, community housing was not on COAG's agenda. However, on 1 November in Melbourne, I managed to get it on the agenda. So under the Commonwealth/State housing interim arrangement, we may get an exemption for community housing. That will mean that the funding will continue to come through. COAG meets next Friday and as a result of my efforts in Melbourne, hopefully, the allocation of that funding will be on the agenda. If we receive that funding, we will be able to allocate the continued recurrent funding to those community groups. Members opposite do not care about them, anyway. They really do not care.

Mr MACKENROTH: I rise to a point of order. That is untrue, it is offensive and I ask that it be withdrawn.

Mr CONNOR: If the member finds it offensive, I withdraw it.

Mr Mackenroth interjected.

Mr SPEAKER: Order! The member will withdraw his persistent interjections.

Mr CONNOR: If the member had support for those people, why was only $37m allocated for them last year as opposed to the allocation of $110m this year? Why did not the member, when he was Minister, set up an independent board, which I did? This Government has managed to get something significant for Queensland; it has tried to get an exemption for community housing.

I add also that I have called publicly on the Federal Government to give us some indication as soon as possible as to whether we will receive an extra year of capital funding. That is something that the members opposite, when they were in Government, never did and were never committed to. I rest on this Government's record.

Oil and Tyre Levy

Mr RADKE: I refer the Minister for Environment to the announcement on Monday of Cabinet's decision to introduce legislation for environmental franchise fees for oil and tyres, and I ask: has the proposal received the support of the Motor Traders Association of Queensland?

Mr LITTLEPROUD: It is obvious that the member for Greenslopes has become aware of the press release by Mr Buckley. The headline nearly says it all—"Levy on new tyres means war on waste"—and I add, "At last." We had six years of a Labor Party Government—lots of talk, but no action.

The member represents the inner-city electorate of Greenslopes, which is exposed to many pollutants. Two of the worst pollutants are those generated by oil and tyres. At last this Government has done something about that. The member was quite correct: Cabinet made a decision last week to introduce legislation to carry out the announcement made by the Treasurer when the Budget was brought down earlier this year. Since then, we have gone through a process of consultation. We have heard a lot from members opposite about the consultation, and I will go into that in greater detail. Since the Budget announcement and until Cabinet's decision yesterday to introduce enabling legislation, all of the major stakeholders in the tyre industry and the oil industry were negotiating with my departmental officers and Treasury officials to work out a system by which the process can work. We are going to need those people on side in order to make the process work.

We now plan to put in place an administrative body, which will be run by the industry itself, but on which the Department of Environment will have representation, to oversee the process. It will be scrutinised by audit and it will also be scrutinised by the Environmental Protection Council of Queensland. We have been through protracted negotiations.

I want to clear up some misunderstandings, because some members of rural producer bodies are complaining that they have been locked out of negotiations. We had one round of negotiations with those people. They came to me and expressed the opinion that there should be some exemptions for bulk purchases of oil in 44-gallon, or 211-litre, drums. I took their suggestion on board and I did not forget them. Yesterday, I wrote to Mr Prendergast from the United Graziers Association, and Mr Macfarlane to say that now that we have completed negotiations with the people in the oil and tyre industries to work out a system that will work, because it has to depend on their cooperation, we will now open up the rounds of negotiation with what I term the consumer groups. I refer to the transport industry and producer bodies. If members of those groups want to see me, they can make submissions, which we will discussed and considered by officers of my department and

the administrative body. It is all about negotiating.

I will now outline how negotiating was not carried out by the previous Government. Previously, the Premier referred to the Brisbane River Management Group. It was a great idea, and there were many promises made about negotiations taking place in that regard. When I became Minister for Environment, all of a sudden the Labor Lord Mayor of Brisbane, Jim Soorley, jumped up and down and said, "You have had something going there for three or four years in that department and what has happened? Absolutely nothing! We have to restructure it and make it work." I can say to members that Minister Hobbs and I have had three meetings. At the first meeting, the group was restructured. At the second and third meetings, the focus of the group was established. Members would have seen in the *Courier-Mail* the notices to the effect that we are addressing the problems in the total catchment area of the Brisbane River.

That is one example of the former Labor Government talking about a big scheme and about negotiations, but nothing worked. I refer now to waste management. No sooner had I become the Minister for Environment than representatives of the Local Government Association of Queensland and various regional Local Government Associations came to me and pointed out that for at least two or three years at their conferences they had moved a motion that there should be something done about coordinating waste management throughout Queensland. I have done something about that. Members of the Local Government Association throughout Queensland are now coordinating their efforts to work towards regional landfills. We are going to put in place a waste tracking system, in coordination with the private sector, local government and my department.

Coordination is a matter of negotiation and discussion, and that is exactly what has taken place with people in the industry. I am pleased to have the support of the Motor Traders Association. It was part and parcel of the process. I took notice of some of the suggestions made by members of that association. My departmental officers have been working closely with those people and we will soon be introducing legislation into this House that will put in place an appropriate system.

Police Numbers

Mr BARTON: I refer the Minister for Police and Corrective Services to his announcement of extra six police for the Logan district, and I ask: whatever happened to his promise early last year when, as Opposition Police spokesman, he said that the Logan district needs a minimum of 150 extra police? How does a measly extra six police relieve the operational problems identified in the *Gold Coast Bulletin* by Logan District Police Union representative Sergeant Axel Pfuhl who said, "We are strained to the limit but we have to cope. We just do the best we can with the resources we have and a lot of it is luck." When are the people of Logan going to get the extra 150 police the Minister promised, or was this just another empty political promise to get the coalition elected?

Mr COOPER: The record of the member when he was Minister and that of the fellow sitting next to him when they were in Government for six years was an absolute disaster, and they know it. I do not suppose the member listened this morning when, during my ministerial statement, I went through the extra numbers of police. I say this every time I am asked a question about police numbers—when the previous Government was in office, under the member for Kedron as Minister, police numbers were actually falling. I say this every time: between 1993 and 1995, police numbers fell by about 79. At that time, the increase in population was 4,000 to 5,000 a month. Logan was, and still is, a growth area. It was one of the areas that was suffering the most. The former Premier, who represented that area, had to go cap in hand to that member opposite to get some more police. He could not get any. At the time, the former Minister for Police grabbed 22 officers from various parts of the State and stationed them at Logan. After the dust had settled, those officers were again dispersed throughout the State, and they disappeared from the area.

An Opposition member interjected.

Mr COOPER: Yes, they did. They were dispersed throughout the State.

The six officers who will be located at Logan are just the start. As I have said, from here on in, the numbers are going to be increasing rapidly. I gave members opposite the figures—139 this year, 252 next year, 409 the year after, 400 civilian positions being placed over the three years, $77m and 800 more police. How many times do the members opposite want me to say it—400 more civilians, the Oxley academy filling up, the Townsville academy now up and running. How many times do I have to say it? The numbers are well and truly on the way. God knows how

many times I have to drum it into members opposite.

Mr SPEAKER: Order! Time has expired.

FINANCIAL ADMINISTRATION AND AUDIT AMENDMENT BILL (No. 2)

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (11.30 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend the Financial Administration and Audit Act 1977 to extend the term of office of the auditor-general."

Motion agreed to.

First Reading

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

Second Reading

Hon. R. E. BORBIDGE (Surfers Paradise—Premier) (11.31 a.m.): I move—

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

This Bill has the sole purpose of extending the present Auditor-General's term of appointment by one year. This action is necessary because the Financial Administration and Audit Act 1977 prohibits the reappointment of an incumbent Auditor-General.

Honourable members might recall that this provision was inserted in the Act following reviews of public sector auditing by the Electoral and Administrative Review Commission and the Parliamentary Committee for Electoral and Administrative Review. It was thought, quite properly, that the Auditor-General as an independent statutory officer should not be in any way beholden to the Government of the day, and that seeking reappointment could be seen by some to place him in such a position.

When the present Auditor-General was appointed, the instrument of appointment specified a four-year term, rather than the maximum seven-year term. It seems, however, that one important thing was overlooked at the time this appointment was made, that is, that the Act was at the same time—again in response to an EARC recommendation—amended to require an independent strategic review of the Queensland Audit Office to be undertaken at least once every five years. This review is due to take place during 1997, and I will be corresponding with the Public Accounts Committee about that in the near future.

I am sure honourable members would agree with me that it is appropriate for Mr Rollason to continue in office while this review is undertaken, since it will scrutinise the running of the Queensland Audit Office for the last five years under his administration and point directions for the future of the organisation. It would be invidious for a newly appointed Auditor-General to face such scrutiny. It would, moreover, be a denial of natural justice if such a review were to be critical of Mr Rollason's administration and he had not had the opportunity of defending his actions. I have consulted with the Leader of the Opposition on this matter, and we agree that this is the appropriate action. I thank the Leader of the Opposition for his cooperation in regard to this legislation.

The Bill repeals itself immediately its effect has expired with the completion of Mr Rollason's extended term in December 1997. I commend the Bill to the House.

Debate, on motion of Mr Beattie, adjourned.

REVENUE LAWS AMENDMENT BILL (No. 2)

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (11.33 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend certain Acts administered by the Treasurer."

Motion agreed to.

First Reading

Bill and Explanatory Notes presented and Bill, on motion of Mrs Sheldon, read a first time.

Second Reading

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (11.34 a.m.): I move—

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

This Bill effects several significant changes to revenue legislation which will impact on all Queenslanders. For the majority,

that impact will be positive. In fact, I expect that the only people who will not be pleased with this Bill are those who are unfairly reducing their taxation liability through various arrangements which this Bill will address.

The Government is aware of the effect that rising land values can have on owners who are liable for land tax. In times of volatile land values, it is often difficult for land-holders to plan and budget for their land tax liability from year to year. Therefore, as I announced in the 1996-97 Budget, a scheme for land tax averaging will be introduced for 1997-98 and subsequent years. The averaging scheme will be modelled on a similar scheme for council rates under the Local Government Act and will even out the effect of sharp land value increases when determining a person's land tax liability by averaging land values over a three-year period. Importantly, where the value of land in a particular year is less than its three-year average value, the lower value will be used when determining land tax.

Landowners who hold land for which three years' values are not available will not be disadvantaged. In those cases, the average value for the land will be determined based on an averaging factor for all Queensland land for which there is a valuation under the Valuation of Land Act. As is currently the case for assessments made on the basis of unimproved values determined under the Valuation of Land Act, there will be no right of objection or appeal against the averaged values used in making a land tax assessment.

The Land Tax Act is also being amended to ensure the continuation of a deduction for exempt proprietary companies in certain circumstances where land is used solely for agriculture, pasturage or dairy farming. The deduction was previously allowed to exempt proprietary companies as defined in the Corporations Law but, following removal of that term from the Corporations Law, it is necessary to establish the qualifying conditions for the concession in the Land Tax Act.

The amendment will rely on the definition of "proprietary company" in the Corporations Law. However, reliance on that definition alone would expand the range of companies eligible for the deduction as that definition is wider than the definition of "exempt proprietary company". The new definition will therefore contain an additional requirement that no share or interest is held by a body corporate—other than a proprietary company—whether directly or through one or more interposed companies or trusts. In addition, the new definition will not apply to proprietary companies in which an exempt foreign company holds an interest. This change improves the consistency of the deduction with the corresponding deduction for resident individuals.

Earlier this year I publicly announced that I would be introducing legislation to give retrospective effect to an administrative scheme which allowed stamp duty on certain new forms of securities to be accounted for by return. On 15 July this year, the Australian Stock Exchange introduced Instalment Receipts, which are a new form of security representing beneficial interests in Commonwealth Bank shares. A similar form of security which is proposed for introduction by the Australian Stock Exchange is CHESS Units of Foreign Securities, known as CUFS. The CUFS system facilitates electronic transfers of shares in foreign companies through the issue of CUFS by a depositary nominee company, with the depositary nominee company holding the shares beneficially for the share purchaser.

This Bill gives effect to the publicly announced administrative scheme by clarifying the stamp duty liability of Instalment Receipts and CUFS, and simplifying the way in which stamp duty may be accounted for on their transfer. The Bill also provides an exemption for transfers of securities to and from the depositary nominee company where the transfers relate to the issue or redemption of CUFS and are made in the ordinary course of business.

As securities similar to CUFS and Instalment Receipts are expected to become increasingly popular, the Stamp Act is amended to include a generic description of these beneficial interests to reduce the need for future legislative amendment on introduction of new securities. However, these provisions will not apply retrospectively to any securities for which stamp duty is not currently being sought. Leases of premises which are used as dwelling houses are currently exempt from stamp duty. However, the benefit of this exemption does not currently extend to leases of mobile home units. The result is that people entering into agreements to position their mobile homes on a site must also meet the cost of stamp duty on the agreement. This Bill will address this anomaly by extending the lease exemption to include relevant agreements under the Mobile Homes Act.

Other minor amendments will also be made to the Stamp Act to remove a stamp duty exemption for Government owned corporations on applications for registration

and transfers of registration of motor vehicles, to allow the commissioner to approve forms and to ensure that rights in respect of shares are treated consistently with marketable securities.

Importantly, this Bill also clearly signals the Government's commitment to ensuring that everyone pays their fair share of tax by demonstrating that avoidance schemes which enable some to benefit at the expense of others will not be tolerated. By removing these opportunities for avoidance, the whole community will benefit as taxation obligations will be spread more equitably throughout the community.

This equity will be achieved in three ways: by closing off opportunities for minimising debits tax through account structuring, by ensuring that payroll tax is payable where entities are interposed between workers and employment agents, and by ensuring that a complex scheme whereby the benefit of multiple payroll tax threshold deductions may be obtained by employment agents is ineffective.

Debits tax applies to taxable debits to bank accounts on which cheques and payment orders may be drawn. Arrangements have been identified which are designed to provide the account holder with a savings account with chequebook access but attract debits tax on cheque withdrawals only. While the effect of one such arrangement was recently considered by the Court of Appeal, which held that the savings account was one to which the Debits Tax Act applied, financial institutions and account holders require certainty regarding the circumstances in which debits tax will apply in all cases.

Therefore, the Debits Tax Act will be amended to provide this certainty and to ensure consistent treatment of accounts with chequebook access. The amendments will also provide a mechanism for excluding certain accounts from the scope of the court's decisions where the commissioner is satisfied that there is an insufficient connection between the linked accounts. This could arise where, for example, transfers between the accounts are for the limited purpose of offsetting an overdrawn balance which arose inadvertently. Specifically, the amendments will clarify the circumstances in which debits tax will be imposed on accounts from which transfers are made to satisfy cheques or payment orders drawn on an account and also to ensure that double duty is not imposed on what is essentially the same debit.

Payroll tax is payable by an employment agent on wages to workers who are engaged to provide services for the agent's clients. The first of the payroll tax schemes takes advantage of a loophole in the Pay-roll Tax Act. Under the scheme, workers establish companies or trusts which contract with the employment agent for the provision of services to the employment agent's clients. The services performed by the workers are similar to those of an employee. The client is usually unaware of the contractual arrangements between the agent and the worker's company or trust and the client's decision to use the worker's services is based on the worker's personal qualities.

The interposition of these entities means that there is no payroll tax liability on payments to an interposed entity for services provided by the worker. These arrangements discriminate against employment agents whose workers do not operate through these structures as their operating costs are higher. Additionally, as more workers adopt this means of operation and as the trend towards increased reliance by business on short-term labour hire increases, the payroll tax base will be increasingly eroded. The consequence will be a shifting of the taxation burden to other members of the community. Accordingly, it is proposed to amend the Pay-roll Tax Act to ensure that the employment agent provisions apply where the agent directly or indirectly procures the services of a worker for a client.

The second payroll tax scheme is a highly artificial arrangement having no commercial purpose other than the avoidance of payroll tax otherwise payable by employment agents. The scheme involves the establishment of a separate trust for each client of an employment agent. The employment agent acts as trustee of each trust and each client is a beneficiary of its own trust. The sole activity of the trust is contracting with workers to be engaged by the client and, in turn, contracting with that client for the supply of the workers' services.

Although the same employment agent contracts with every worker, the trust arrangements have the effect that each trust is treated for payroll tax purposes as if it is a separate employer. The result is that each trust is entitled to claim the statutory deduction, which is presently $750,000 per annum. In the Budget, I announced a proposal to increase the threshold to $800,000 from 1 January 1997.

While the grouping provisions of the Pay-roll Tax Act were designed to overcome

employers splitting their operations between a number of entities and taking advantage of multiple deductions, those provisions do not enable the trusts in this case to be grouped where the only common feature is the identity of the trustee. Additionally, while the grouping provisions may operate to group each trust with the client's business, the scheme is marketed to clients whose total wages are below the payroll tax threshold.

In the absence of the trusts, the employment agent would be liable for payroll tax on the total amount of remuneration paid to its contract workers regardless of the clients for whom the services are performed. Accordingly, the Pay-roll Tax Act will be amended to overcome this arrangement and possible variations involving other structures such as agencies, partnerships and companies. The amendment will also ensure that the employment agents are liable for payroll tax on all wages paid and that, where the employment agency is conducted by more than one employment agent, the employment agents will constitute a group. I commend the Bill to the House.

Debate, on motion of Mr Hamill, adjourned.

CASINO CONTROL AMENDMENT BILL

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (11.45 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend the Casino Control Act 1982."

Motion agreed to.

First Reading

Bill and Explanatory Notes presented and Bill, on motion of Mrs Sheldon, read a first time.

Second Reading

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (11.46 a.m.): I move—

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

The Government is presenting this Bill to permit Queensland casinos to compete equally with casinos in other jurisdictions in respect of the casino high roller gaming market.

In January of this year the Victorian Government moved to decrease high roller tax imposed on Victorian casinos to 9 per cent. As a result of these changes there has been a noticeable decrease in casino high roller tax revenues in Queensland. This is principally due to the enhanced comparative advantage to attract interstate and international high rollers that interstate casinos maintain over their Queensland counterparts. Currently in Queensland, southern (Gold Coast and Brisbane) and northern (Townsville and Cairns) casinos are paying 20 per cent and 10 per cent respectively on high roller play. This compares unfavourably with casinos in Western Australia, Victoria and Northern Territory who are paying 15 per cent, 9 per cent and 8 per cent respectively on high roller play.

To remain competitive with its Australian counterparts and to provide Queensland casinos with a greater opportunity to provide attractive packages which will ensure the continued patronage of these players at Queensland casinos, it is proposed to amend high roller casino tax to 10 per cent and 8 per cent for southern and northern casinos respectively. This change will be effective from 1 July 1996.

These changes are conditional, and in keeping with the essence of the problem, have been restricted to high roller play by interstate and international players with substantial amounts of money. I wish to stress that it is imperative from a revenue perspective that these changes be introduced to allow Queensland casinos to remain competitive in this important sector of the gaming market. I commend the Bill to the House.

Debate, on motion of Mr Hamill, adjourned.

HEALTH LEGISLATION AMENDMENT BILL (No. 2)

Hon. M. J. HORAN (Toowoomba South—Minister for Health) (11.48 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend certain Acts administered by the Minister for Health, and for other purposes."

Motion agreed to.

First Reading

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

Second Reading

Hon. M. J. HORAN (Toowoomba South—Minister for Health) (11.49 a.m.): I move—

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

It is with great pride that I put this Bill to the House. It restores to Queenslanders their rightful place in the management of their public health services. The community, too long cut out of the health planning process, is back in charge of Queensland's hospitals and community health facilities.

Technically, the Bill will amend the Health Services Act to give effect to genuine community input. The amendments proposed in this Bill fall into five main categories:

amendments to the Health Services Act relating to the rebuilding of Queensland Health;

minor amendments to various Acts as a result of the dissolution of the failed regional health bureaucracy;

other amendments to the Health Services Act dealing with the audit of health services, the provision of data related to their funding, and the control of traffic and conduct;

amendments to the Queensland Institute of Medical Research Act to provide for a new membership structure for the Queensland Institute of Medical Research Council; and

machinery amendments to various Health portfolio Acts.

In April this year I announced new arrangements for Queensland Health which fulfilled the coalition's commitments to the Queensland electorate. The aim of rebuilding Queensland Health is the delivery of quality patient care. These arrangements include: single point accountability; greater autonomy and responsibility at the health service delivery level; decentralised decision making; most effective use of finite resources; responsiveness to public need; and greater mobility of staff within the organisation. The principal changes involve:

the dissolution of regional health authorities and the delivery of Queensland's public sector health services through 39 district health services;

the establishment of district health councils to achieve genuine community input into the local planning, delivery, monitoring and evaluation of each district's services; and

the appointment of a manager for each district health service who will be accountable for public sector health services provided by the relevant district health service.

Much of the task of rebuilding Queensland Health has been achieved administratively, for example, the closure of regional offices, the establishment of district health services and the appointment of managers. However, the amendments to the Health Services Act contained in the Bill are necessary to reinforce these changes and to complete the task of restoring Queensland Health's ability to deliver quality patient care.

The Bill provides for a new objective for the Health Services Act—to help prevent illness and to provide for the treatment of the sick. It is unfortunate that the existing legislation never mentions the patient, never mentions the treatment of those who are ill, never mentions health advancement. It only speaks of administration. It is not surprising that the system it created concerned itself primarily with administration. If it were not for the efforts of the thousands of dedicated medical, nursing and allied health staff on the ground, the system would have lost all focus on the patient. This new objective recognises that the work of these people is the work of Queensland Health. Whether you are one of these staff or a clerk in corporate office, whatever your job at Queensland Health, we will put the patient first.

The key amendments to the Act are those contained in new Part 1A dealing with the creation of health service districts and the establishment, functions and operation of district health councils. Provision is made for the Governor in Council to declare an area of the State or a public sector hospital or other facility to be a health service district. These districts will mirror the districts that have been established administratively excluding the existing Mater district. The Bill provides that the councils are to comprise between 8 and 10 members appointed by the Governor in Council having regard to the need for community representation on the council and the expertise and experience necessary for the exercise of the council's functions. For its district, each council will:

identify and assess health service needs;

participate in the development of strategic plans;

monitor compliance by the manager with strategic plans, health services agreements and the budget;

monitor the quality of health services delivered;

decide the priorities for minor capital works, and monitor the programs for the works and asset management; and

advise and make recommendations to the manager about the development of health services agreements.

In performing these tasks, the councils will have direct access to the Minister, providing him with reports both annually and as needed. In addition, councils may at their discretion participate in the selection of senior district executives.

The Bill provides for council members to be appointed for a period of up to four years and contains provisions relating to a range of other matters concerning councils, including the appointment of the chairman by the Governor in Council, eligibility for membership, and requirements for meetings. Of particular importance is a provision enabling the establishment, and therefore continuation, of consultative committees. In some parts of the State, these committees provided what little community input was possible under regionalisation, and I take this opportunity to recognise their efforts. When constructing the new consultative committees, I would encourage the new district health councils to look to these existing committees for membership and ideas.

The councils will play a vital role in ensuring that public sector health services in this State reflect community needs and expectations and are delivered in the most efficient and cost-effective manner. The response to recent advertisements calling for expressions of interest for membership of councils has been most encouraging, and the quality and diversity of applicants indicates that councils will be well equipped to exercise their statutory functions.

The Bill also makes provision for the appointment, functions and responsibilities of the manager for each district. The manager's functions are to manage, subject to the chief executive, the delivery of public sector health services in the district in accordance with the health services agreement for the district and to consult and liaise with the council for the district. Managers are required to attend council meetings and ensure that reasonable administrative support is provided to councils. Health services agreements, which are to be made annually between the chief executive and the manager for each district, will specify the health services to be delivered in the district and the funds allocated for their delivery. These agreements are an essential element of the new arrangements as they will ensure the accountability of the managers and that health services are delivered appropriately and within budget.

The dissolution of the failed regional health authority structure gives Queensland Health the opportunity to become, for the first time, a single employer. The benefits of this for Queensland Health's employees cannot be overstated. Mechanically, this will be achieved by inserting new provisions into the Act which authorise the chief executive to appoint persons as health service employees. Of course, the status of the Public Service will be protected. A regulation may prescribe a part of the department to which the power to appoint does not apply. This will enable the chief executive's power of appointment under the Act to be confined to public sector staff and will not extend to parts of the department staffed by Public Service employees. Coupled with the new Public Service Act, this Bill will provide Queensland Health with a far more flexible work force, with better outcomes for employees and patients alike.

With the exception of the change of employer from the relevant regional health authority to the chief executive, the Bill retains the same conditions of employment that currently apply under the Health Services Act. The Bill enables the Governor in Council to issue, by notice in the gazette, directives about the employment of health service employees. The purpose of this provision is to cover situations where a directive issued under section 34 of the Public Service Act is unsuitable for application to health service employees. The Bill also specifies that the employment of health service employees is to be governed by provisions of the Public Service Act which are applied to health service employees under a regulation under section 22 of that Act. The application of these provisions and the development of directives will be done in full consultation with the relevant unions.

The Bill inserts a new Part 6 into the Act which formally dissolves regional health authorities and provides for savings and transitional arrangements. These apply in relation to the assets and liabilities of authorities and legal proceedings by or against authorities. The provisions also specify that employees of authorities become health service employees. Their existing conditions of

employment, including leave and superannuation entitlements, are preserved. The Schedule in the Bill contains consequential amendments to numerous other Acts that are affected by the dissolution of regional health authorities. The amendments mainly involve the omission of references to regional health authorities and regional directors and, where necessary, the insertion of terms consistent with the Health Services Act as proposed.

The Bill also includes amendments which are unrelated to the rebuilding of Queensland Health. The principal amendments in this category seek to address difficulties caused by the strict confidentiality provisions of section 62 of the Act which, subject to certain exceptions, prohibit the disclosure of information which may identify a person who has received a public sector health service. Although generally necessary, this section has severely restricted audits and the provision of information under funding arrangements such as the Medicare agreement. It is proposed that a new Part 4 be inserted into the Act. This will enable the chief executive to appoint auditors who will have authority to verify patient records and other documents as required by the funding arrangements.

In addition, it is proposed to amend section 62 of the Act to allow the giving of patient-identifying information to the Commonwealth or a State agency where the information is required or permitted to be given under an agreement. However, the information may only be given if the agreement is prescribed by regulation and the chief executive is satisfied that the giving of the information is in the public interest. The amendments impose confidentiality obligations on auditors and agencies receiving information under these circumstances. A further amendment to section 62 permits patient-identifying information to be collected within the department for the purpose of being passed on under an agreement or if it is being reported under a funding arrangement.

The Bill inserts a new Part 3 into the Act dealing with the control of traffic and conduct on health services land. These matters were previously regulated under by-laws made under the repealed Hospitals Act. Provision is made for the appointment of authorised persons who will have power to control traffic on health services land and security officers who will have power to deal with disorderly conduct. A provision restricting smoking on health services land is also included.

The Bill makes significant amendments to the Queensland Institute of Medical Research Act. The amendments affect the structure of the council, which is the institute's management body. Change is necessary because the research activities of the institute are being undertaken within an increasingly complex technical and commercial environment. The council is often required to deal with complex legal, financial and contractual matters in this environment. The Bill provides for the composition of the council to be increased from 12 to 15 members with the substantive changes to the composition being the inclusion of a lawyer, two persons with skills in financial management or business and public administration, and a second nominee from relevant tertiary institutions.

Finally, the Bill makes a number of machinery amendments to various Health portfolio Acts to ensure the effective operation of those Acts. Included in this category are amendments repealing provisions in the Hospitals Foundations Act which are in conflict with the provisions of the Financial Administration and Audit Act.

I commend the Bill to the House.

Debate, on motion of Mrs Edmond, adjourned.

EDUCATION (GENERAL PROVISIONS) AMENDMENT BILL

Hon. R. J. QUINN (Merrimac—Minister for Education) (12 noon), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend the Education (General Provisions) Act 1989."

Motion agreed to.

First Reading

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

Second Reading

Hon. R. J. QUINN (Merrimac—Minister for Education) (12.01 p.m.): I move—

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

The purpose of this Bill is to introduce two major areas of amendment to the Education (General Provisions) Act 1989. Firstly, the Bill contains new behaviour management provisions relating to the good order and management of schools. Secondly, the Bill

ensures that the distance criteria for determining the granting of a dispensation from compulsory enrolment and attendance at either a State or non-State school is consistent with the remote area distances currently prescribed in the Education (General Provisions) Regulation 1989.

One of the major goals of the Department of Education is to provide quality education for all students in Queensland. The behaviour management amendments to the Act are designed to improve the management of student behaviour in our schools and to promote school environments that allow effective learning and teaching to occur.

Under the existing Act, principals have authority to suspend students for up to five school days with the approval of the executive director of the region. Principals can also suspend a student and recommend to the executive director that the student be excluded. The Director-General of Education, with the approval of the Minister for Education, has authority to exclude a student after considering an executive director's recommendation.

The current Act provides that students may be recommended for exclusion for behaviour that constitutes disobedience, misconduct or other conduct prejudicial to the good order and discipline of a State educational institution. Students have the right to appeal to the director-general against a recommended and an actual exclusion.

The Act therefore provides a three-tiered decision making procedure for student exclusions and a two-tiered one for suspensions. The current procedures are overly bureaucratic and often time-consuming. Of course, where the rights of individuals are directly affected, appropriate accountability measures must be observed; however, the current tiered system is a cumbersome process for attempting to achieve accountability. It is also not consistent with departmental plans to move decision making closer to schools.

As promised in the 1995 election campaign, the coalition Government has responded to the concerns of State school principals, who believe they need more authority to manage the behaviour of disruptive students. Principals have sought greater autonomy and power, free of bureaucratic intervention, for dealing with the extreme antisocial or aberrant behaviours of the minority of students who interfere with the rights of other students to learn and teachers to teach.

Principals want to be able to ensure the immediate and appropriate treatment of this small group of students whom they see as having a major impact upon the management of schools and the use of school resources. The amendments to the Act will enable them to enforce standards of behaviour developed by their school community and contribute to the public perception of State schools as well-managed and orderly places providing high quality education.

Schools have a role to play in teaching young people how to behave by working with them and their parents and providing appropriate consequences which foster self-discipline. The actions taken to develop responsible behaviour in students need to be appropriate to the level of maturity of students and their ability to accept increasing responsibility for their behaviour. It is therefore reasonable to expect that schools will generally treat students of the age of compulsory school attendance differently from those of post-compulsory age.

Our schools are responsible for providing educational programs, resources and guidance for their students. In turn, there is an expectation that students of post-compulsory age, who are not legally compelled to be at school, will attend school, accept school rules and make a reasonable attempt to profit from the programs and resources provided. As they approach adulthood, these students must be given opportunities where they are encouraged to demonstrate responsibility for their behaviour. When, however, the behaviour of these students indicates they are not accepting that responsibility and are, in fact, wasting the education and resources being provided to them, principals will be able to cancel their enrolment at that school.

A main objective of the behaviour management amendments is to give principals more authority to make behaviour management decisions without having to seek higher authority. Devolution of decision making to principals streamlines the current processes for behaviour management and is consistent with the concept of school-based management.

Principals, as school-based managers, will be required to use their new powers judiciously. Safeguards have been built into the Bill to provide for this. Grounds for deciding to suspend, exclude or cancel enrolment, requirements for formally notifying students and parents of the decision, and appeal rights have been specified in the Bill.

In addition, comprehensive guidelines and training will support the implementation of the changed procedures for suspension and exclusion and the new procedures for cancellation of enrolment. The guidelines are in the final stages of development and will be released to State schools early next year in tandem with the new legislative changes.

Behaviour management is complex and requires a responsible, planned approach involving parents at an early stage. Identifying behaviour problems early and using intervention strategies, including the resources available in the community, can assist students with their behaviour. In the majority of cases, the extreme measures of suspension, exclusion and cancellation of enrolment will be used only when other strategies have been exhausted and there has been no demonstrated improvement in the behaviour.

The increased authority being granted to principals to suspend, exclude and cancel the enrolment of students of post-compulsory age is balanced by the preventive and early intervention measures the Government will fund over the next three years. We are committed to providing 200 extra support staff, including guidance officers and behaviour management teachers, over this period to work directly with schools on behaviour issues. In addition, parents and teachers will be informed about the new behaviour management procedures.

The Government will allocate almost $3m in 1996-97 to alternative programs and teachers to staff these programs for students on suspension of more than five days and students at risk of suspension. These programs will work with students on both behaviour and learning, including literacy and numeracy, so that the student is equipped to fit back into the regular school setting.

Some very important policy changes are enshrined in the Bill and I will discuss them as they appear. The Bill provides for the inclusion of a new Part in the Act—Good Order and Management of State Educational Institutions. It also contains important amendments to section 24, which deals with suspension, and section 25, the exclusion provision.

The Bill amends section 24 to allow principals to suspend students for up to 20 school days without having to seek the approval of a senior departmental officer. As I said earlier, a student at present may be suspended for a maximum of only five days; however, students with extreme behaviour problems may need to be suspended for a longer period. Under the new suspension provisions, students or parents may make a submission to the principal's supervisor against a suspension of more than five school days. Where a suspension of more than five school days is imposed, the student will be required to attend a supervised alternative education program.

The current exclusion process in section 25 of the Act is to be changed to give principals' supervisors authority to exclude students of compulsory and post-compulsory age. This removes the cumbersome requirement that the Director-General of Education may, with the Minister's approval, make a decision about a recommendation from a regional executive director that a student be excluded from any or all State educational institutions. The Bill also provides that an excluded student may appeal to the Director-General of Education against a decision made by the executive director.

Provision is made in the Bill to allow principals to cancel the enrolment of non-compliant and disruptive post-compulsory students. These are students who are 15 years of age or over and who, unfortunately, simply refuse to participate in the educational program that is provided to them or who persistently disrupt the classroom so that the education of other students is adversely affected. The Bill also provides for a right of appeal to the principal's supervisor against the principal's decision to cancel enrolment. There are also amendments to the penalties imposed for wilfully disturbing the management or operation of schools and for trespassing on State educational institutions. These penalties will be increased to 10 penalty units, from the current penalty of four penalty units.

Finally, the Bill provides for changes to the distance criteria for students enrolled and enrolling in schools of distance education. The distances currently set out in the Act derive from the State Education Acts Amendment Act of 1912—more than 80 years ago. Indications from community groups, schools and education regions are that today these distances do not constitute the great degree of isolation or lack of access that was originally intended to be addressed, nor are they consistent with departmental regulations for living away from home allowances. Furthermore, the changes are in line with Commonwealth criteria for assistance to isolated children.

The Bill aligns the distance education distance criteria with the "remote area" definition and distances in section 58 of the

Education (General Provisions) Regulation 1989. These increased distances are more in keeping with the original intention of providing access to distance education for students living in the more remote areas of Queensland, unable to attend a local school. It is estimated that the change in distances will impact upon approximately 1.4 per cent of the 1,208 rural families currently participating in the distance education program.

I also draw the attention of members to the transitional provision in the Bill for children who already have approval to participate in distance education under the existing distance criteria to continue in the program for a period of three years. These new procedures will ensure that students can be enrolled in a fair and equitable manner according to appropriate distance criteria in order to receive a quality education.

There has been extensive consultation on the amendments. This has involved interdepartmental consultation as well as consultation with members of the education community, including departmental officers, all principals' associations, the Teachers Union and peak parent and youth groups. Today, in introducing a Bill to amend the Education (General Provisions) Act, the community and, in particular, the educational community, can be assured that the Government is committed to providing quality educational services. Taking a pro-active approach on behaviour management procedures and providing distance education to appropriate client groups are fundamental components of that commitment. I commend the Bill to the House.

Debate, on motion of Mr Bredhauer, adjourned.

EDUCATION (SCHOOL CURRICULUM P-10) BILL

Hon. R. J. QUINN (Merrimac—Minister for Education) (12.12 p.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to establish a council with functions about guidelines for the preschool year and syllabuses for years 1 to 10 and related matters, and for other purposes."

Motion agreed to.

First Reading

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

Second Reading

Hon. R. J. QUINN (Merrimac—Minister for Education) (12.13 p.m.): I move—

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

The primary policy objective of the Education (School Curriculum P-10) Bill 1996 is to provide for a strategic and coordinated approach to the development of high-quality curriculum for the preschool year and from Year 1 through to Year 12. A key feature of the legislation is the establishment of a new curriculum body, the Queensland School Curriculum Council (P-10), as an inter-systemic, independent and autonomous body that will have the charter to, amongst other things, develop and approve guidelines available for use in the preschool year and syllabuses available for use in the school Years 1 to 10. The Queensland Curriculum Council, set up in 1995 legislation, is to be abolished.

Further, the Bill makes significant enhancements to the independence of the existing Board of Senior Secondary School Studies, the existing Board of Teacher Registration and the existing Tertiary Entrance Procedures Authority. These initiatives will create a framework to facilitate, amongst other things—

> the improvement of strategic planning and coordination for the development of guidelines for the preschool year and for the development of syllabuses for Years 1 to 12;
>
> the development of quality syllabuses for use in Queensland State and non-State schools for the preschool year through to Year 12; and
>
> the provision of quality advice to the Minister on preschool to Year 10 curriculum matters.

The legislation before the Parliament heralds a significant change in the way preschool guidelines and syllabuses for Years 1 to 10 are to be developed and made available for Queensland schools. I wish to take this opportunity now to alert honourable members to the fact that even though the term "guidelines" is applied in the Bill quite properly to the preschool year, for ease of discussion from here on I will refer to the generic term "syllabus" to include "guidelines".

The Bill will put into place the policy of the Government in that the existing Queensland Curriculum Council is to be abolished and a statutory body created with a new name and with substantially enhanced functions and

responsibilities. The policy calls for the new body to independently develop syllabuses. In terms of current syllabus development from preschool to Year 10, honourable members will be aware that the main syllabus development authority now is the Department of Education through its Education Services Directorate. Previously, the Director-General of Education has approved for use in State educational institutions a number of syllabuses for the Years 1 to 10. Furthermore, a number of syllabuses for Years 8 to 10 were approved by the former Board of Secondary School Studies and have been maintained for the past six years by the Board of Senior Secondary School Studies under the Education (Senior Secondary School Studies) Act 1988. Those syllabuses approved by the director-general and those maintained for all those years by the Board of Senior Secondary School Studies are now utilised by State schools.

The non-State (or independent) sector has a very heavy reliance on those syllabuses. That sector essentially has an "adopt and adapt" approach to syllabuses utilised. Under the new syllabus arrangements proposed in the Bill, the essence of that approach will not alter. The non-State sector will remain free to utilise the syllabuses or not—that is still their choice. The relevant syllabuses developed by the new council proposed in the Bill will be mandatory for State schools. Given the make-up of the proposed council, I believe that all schools in Queensland will, most likely, utilise the syllabuses developed by this body.

Honourable members will be aware that the Queensland Curriculum Council was established, and its members provided for, in 1995 amendments to the Education (General Provisions) Act 1989. The changes made in the 1995 legislation did not address the real problems about the condition of the available Queensland curriculum. Outdated syllabuses are but one such problem area that this Bill will address.

The work of the existing Queensland Curriculum Council is seriously constrained in the current legislative arrangements. That council's legislated functions are confined to advising and planning. Even in that, its functions extend into the area of responsibility of the Board of Senior Secondary School Studies with no proper legislative linkages that establish cooperation or that achieve a working arrangement built on mutual trust between both bodies so that together they move forward hand in hand to achieve common goals.

The functions of the current Queensland Curriculum Council as set out in the Education (General Provisions) Act 1989 are as follows—

to advise the Minister on preschool to Year 12 curriculum development;

to develop, endorse and recommend to the Minister a strategic plan for preschool to Year 12 curriculum development;

to undertake an annual forum to consider major school and industry curriculum issues; and

to undertake an annual forum to ensure open learning and distance education issues are included in curriculum development.

Honourable members will quickly see how limiting and restrictive those functions are to achieving high-quality syllabuses.

The planned functions for the new Queensland School Curriculum Council (P-10) differ substantially from those existing now. The Bill provides for the main functions of the council to be as follows—

to develop P-10 syllabuses;

to develop initial in-service materials and source books for Years 1 to 10;

to advise the Minister on the development of P-10 syllabuses;

with the Board of Senior Secondary School Studies—to develop and, from time to time, revise a strategic plan for the development of P-12 syllabuses, and to recommend the plan to the Minister; and

for tests required under a regulation—to develop and approve the tests, and to collect and analyse systemic information about performance of students in the tests and report the results of the analyses to the Minister.

I point out here another deficiency in the current strategic planning model that this Bill rectifies. Under the Board of Senior Secondary School Studies' existing legislation, the board is required to submit its program for curriculum development in Years 11 and 12 to the current Queensland Curriculum Council for endorsement and inclusion in the council's strategic plan for preschool to Year 12 curriculum development. It could be argued that the board is in this regard subservient to the existing council. That arrangement will change markedly under the proposed legislation. Inappropriate arrangements in the existing legislation, like "endorsement", will be removed by the Bill. Under the strategic planning framework set out in the proposed legislation, the Board of Senior Secondary

School Studies will have a corresponding function to that of the Queensland School Curriculum Council (P-10). In short, both statutory bodies will have a common function in the area of strategic planning for P-12 syllabus development.

Even though the Bill assigns to the chairperson of the council the primary responsibility for the process by which the council and the board must work together on the strategic plan, the common functions given to both bodies will eliminate the notion of one being somehow more powerful or dominant than the other. Replacing that will be elements of cooperation and partnership in achieving a strategic plan for P-12 syllabus development that will have enormous benefits for the quality of education available for Queensland schools.

The Queensland School Curriculum Council (P-10), like the Board of Senior Secondary School Studies, will be a statutory body under the Financial Administration and Audit Act 1977 and the Statutory Bodies Financial Arrangements Act 1982. The current Queensland Curriculum Council does not have statutory body status. As a statutory body, the new council will attract the appropriate checks and balances on its operations without unnecessary intrusions by Government. Parents, teachers and industry are represented on the new council.

Honourable members may be surprised to learn that there is no requirement now to have parents on the current Queensland Curriculum Council, even though bodies like the Queensland Council of Parents and Citizens Associations were able to nominate someone. On the proposed Queensland School Curriculum Council (P-10), however, there will be a requirement under the legislation to have three parents as members. These members must be parents of students currently attending a year from preschool to year 10 at a Queensland school. One is to be nominated by the Queensland Council of Parents and Citizens Associations, one is to be nominated by the Federation of Parents and Friends Associations Queensland, and one is to be nominated by the Independent Parents and Friends Council of Queensland. Teachers, too, will have adequate representation in that there will be two on the new council—one to be nominated by the Queensland Teachers Union and one to be nominated by the Queensland Association of Teachers in Independent Schools.

Representation is a feature, too, of the subordinate legislation to be progressed upon the successful passage of the Bill. It is proposed to enact a new Education (School Curriculum P-10) Regulation to provide for the council's various syllabus advisory committees to have wide representation from the education and general community, including parents and teachers. In addition, and importantly, it is proposed to amend the existing Education (Senior Secondary School Studies) Regulation 1989 to enhance the membership of the board's subject advisory committees to include parents.

The Bill enhances the independence of the new council, as well as the independence of the existing Board of Senior Secondary School Studies, the Tertiary Entrance Procedures Authority and the Board of Teacher Registration. It achieves this by removing the public servants who assist those bodies from the Department of Education, and placing them into newly created structures clearly separate from the department.

The Department of Education's Queensland School Curriculum Office, often called QSCO, is currently staffed by officers of the Department of Education under the control and direction of that department's director-general. Also, the Office of the Board of Senior Secondary Schools Studies, the Office of the Tertiary Entrance Procedures Authority and the Office of the Board of Teacher Registration are part of the Department of Education.

The Bill will abolish QSCO and create in its place, but separate from the department, a new Office of the Queensland School Curriculum Council. The severance of the close connection with the Department of Education will enhance the intersystemic and independent character of these key statutory bodies in the Education portfolio.

The Bill ensures the Minister retains a level of authority to give direction to these statutory bodies in certain circumstances. Each body may be given a written direction by the Minister if the Minister is satisfied that it is necessary to give the direction in the public interest. The Bill requires the statutory bodies to ensure the direction is carried out and, importantly, ensure that the relevant annual report, prepared and laid before the Legislative Assembly under the Financial Administration and Audit Act 1977, includes a copy of each direction.

The Government believes that this way of achieving independence is reasonable and appropriate as it strikes the right balance of independence and autonomy for the four statutory bodies, and in relation to the four

offices that are established under the Bill to assist those statutory bodies. Each has attached the appropriate checks and balances, such as financial and human resource controls, on their operations without unnecessary intrusions by Government.

I move quickly to assure honourable members that the rights and entitlements of the existing staff in QSCO and the other three offices in the Department of Education are preserved in the move out of the department to the new arrangements. The legislation will automatically appoint existing staff to their new positions and the legislation ensures that each of those officers keeps their existing salary and conditions of employment and their entitlements with respect to leave and superannuation.

In addition, miscellaneous amendments of a concise and minor nature have been provided for in the Bill, including: amending the University of Queensland Act 1965 to remove the listing of university faculties from the Act and to remove the undesirable Henry VIII provision that empowers the Senate from time to time to modify the list by university statute; amending all State university and university college legislation to remove the requirement that the appointment of the respective vice-chancellors be confirmed by the Governor in Council and to remove the current provision that disqualifies a person who is a patient within the meaning of the Mental Health Act 1974 from being a member of the institution's governing body; amending the Grammar Schools Act 1975 to remove the existing provision that excludes a person who is a patient within the meaning of the Mental Health Act 1974 from being a member of the board of trustees of a public grammar school; removing redundant transitional provisions; and omitting other provisions that are addressed by the Acts Interpretation Act 1954.

I am privileged to be introducing into this House today a Bill that will significantly reform the curriculum development processes for Queensland schools. In shaping the policy framework for this Bill, I am grateful to many individuals and groups for their assistance and advice. Their contributions have helped to ensure that the curriculum available for Queenslanders will be of the highest standard possible.

I look forward to the Queensland School Curriculum Council (P-10) making a distinctive contribution to education in Queensland. I commend the Bill to the House.

Debate, on motion of Mr Bredhauer, adjourned.

ENVIRONMENTAL PROTECTION AMENDMENT BILL (No. 2)

Hon. B. G. LITTLEPROUD (Western Downs—Minister for Environment) (12.27 p.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend the Environmental Protection Act 1994."

Motion agreed to.

First Reading

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

Second Reading

Hon. B. G. LITTLEPROUD (Western Downs—Minister for Environment) (12.28 p.m.): I move—

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

This Bill will implement recommendations of the ministerial advisory committee which I established in March this year to review the effectiveness, fairness and practicability of the environmental protection legislation. The Bill also provides for several minor administrative changes to the Environmental Protection Act 1994. The ministerial advisory committee focused on the Environmental Protection (Interim) Regulation 1995 but also made a small number of recommendations that would require amendments to the Environmental Protection Act 1994.

This Bill introduces provisions to implement two of these recommendations. Firstly, the Bill allows for an administering authority to approve the amendment of an environmental management program. An environmental management program allows a business to propose a program that will overcome a temporary inability of the business to comply with the requirements of the Environmental Protection Act 1994 or licence conditions. This amendment will provide flexibility in cases where new technologies or different management techniques become known after the initial approval is granted. The existing provisions in the Act do not allow any flexibility for a change to an environmental protection program. The proposed amendment will facilitate the achievement of improved environmental management outcomes, including more rapid implementation of new technologies.

The same ministerial advisory committee recommendation also proposed that public notice of an application for an environmental management program should not be required unless the period of the program exceeded five years instead of three as stated in the Act at present. This amendment would recognise that large capital outlays could be involved in changes to an existing process. Such changes may be required to bring a business's environmental performance up to current standards. A five-year period would be more comparable with the replacement planning, investment and taxation regimes that apply to most businesses.

The second recommendation that will be implemented will allow an administering authority to continue to process applications for licences or approvals which were deemed to be refused because the administering authority did not respond within the statutory time limit.

Because of the large number of applications that had to be processed in the initial implementation of the Act and the difficulties experienced with the new procedures, some administering authorities were unable to handle all applications within the statutory period. The moratorium on the need to hold environmental authorisations for a four-month period from 1 March 1996 to 1 July 1996 caused some confusion for both business and administering authorities and added to the number of applications that had deemed refusal. The existing legislation would have required the applicants to resubmit applications and pay additional fees. This was considered inequitable.

The amendments are proposed to resolve the situation where it has arisen since 1 March 1996 and to allow an administering authority to extend the period for consideration of new applications more readily than under the present provisions. A commencement date of 1 January 1997 has been proposed to allow administering authorities time to identify any applications that are likely to be affected by this change to the Act. This will allow such applications to be properly dealt with without placing the applicant in a position of being technically unlawful.

One additional amendment has been proposed. It will establish an offence for contravening a condition of an approval. When the Act was initially being drafted, approvals were to be similar to works approvals under the repealed legislation. An approval had to be obtained before an operation commenced but there was no ongoing operational control over the business. Currently, the Act establishes approvals as authorisations similar to licences but without the need for payment of annual fees. The major difference is the absence of an offence for operating an environmentally relevant activity in breach of conditions in an approval. The amendment will eliminate this anomaly.

A number of minor consequential changes are required to implement the amendments I have described. These include defining the application date for an application to change an environmental management program and additions to the list of "Original decisions" in Schedule 1.

The proposed changes to the Environmental Protection Act 1994 are not weakening its ability to achieve better environmental outcomes in Queensland. They increase flexibility in several areas that should make the legislation more effective, fairer and more practical. These were the objectives I gave to the ministerial advisory committee and I am pleased to bring these amendments before the House to implement these recommendations.

Debate, on motion of Mr Welford, adjourned.

TRANSPORT LEGISLATION AMENDMENT BILL

Hon. V. G. JOHNSON (Gregory—Minister for Transport and Main Roads) (12.33 p.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend various Acts to provide for the extension of camera-detected offences, and for other purposes."

Motion agreed to.

First Reading

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

Second Reading

Hon. V. G. JOHNSON (Gregory—Minister for Transport and Main Roads) (12.34 p.m.): I move—

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

Mr Deputy Speaker, the Bill laid before you has been jointly prepared by myself and the Honourable Minister for Police and

Corrective Services and Minister for Racing. The lifesaving potential of an effective speed management program in Queensland is indisputable. Two thousand and eighty-five people died on Queensland roads in the five years between January 1991 and December 1995. Over 20 per cent of these fatalities were speed related, that is, an average of 70 fatalities per year. The speed management strategy, when fully implemented, has the potential to reduce Queensland's total number of road crashes by about 400 crashes per year and make a significant reduction in fatalities.

Excessive speed is not only deadly, it is also costly. In social and economic terms, it is estimated that speed-related fatalities are costing the community about $90m per year. A further $90m can be added for crashes that have been made worse by speed. This means speed-related crashes drain the community in terms of hospital and health care costs, lost productivity, utilisation of police and emergency resources and insurance claims, not to mention the trauma experienced by crash victims and their families.

Mr Deputy Speaker, to enable you to fully appreciate the significance of the proposed legislative changes and their potential impacts, let me run through a brief outline of how the speed management strategy actually works. As you would be aware, Queensland Transport and the Queensland Police Service have jointly developed a comprehensive plan for speed management in Queensland which addresses excessive and inappropriate speed. Road engineering, police enforcement and public education activities will work together to ensure that as many vehicles as possible are travelling on Queensland's roads at appropriate speeds.

Key initiatives used to achieve these aims include—

a comprehensive review of speed limits across the State to ensure consistency and credibility of all speed limits;

a comprehensive public education campaign including Statewide media campaigns;

improved systems for deployment of police resources; and

improved speed enforcement technology.

The strategy is not just about increasing enforcement, it is about changing the speeding culture in the community. Over the years, we have been very successful in changing community attitudes towards drink-driving. For most people, drinking and driving is no longer considered appropriate behaviour and as a result alcohol-related road crashes have dropped significantly. Speeding, on the other hand, is all too common and an accepted behaviour within the community. The speed management strategy will tackle these issues head-on.

There will be many benefits flowing from the strategy. For example, there will be greater use of the 110 kilometre an hour zones where they are appropriate. The trial introduction of such zones has been very successful and we can look to an expanded, although not extensive, use of these higher limits.

Turning now to focus on the proposed legislation, a key enforcement element is the introduction of speed cameras approved by Cabinet on 29 July this year. The introduction of speed cameras will be accompanied by strict operational policies and controls to ensure they are used to help reduce speed-related crashes.

These operational controls will include—

cameras limited to use on roads which have undergone speed limit reviews;

police enforcement operations to be highly visible and managed on a deterrence-based approach; and

camera sites selected according to strict criteria with an emphasis on locations with a traffic crash history.

Essential to the effectiveness of speed camera operations is the introduction of this Transport Legislation Amendment Bill. This Bill has two main objectives. Firstly, it provides the legislative changes necessary to streamline the introduction of speed cameras; and, secondly, it provides for necessary improvements in camera-detected offence provisions. It is important to note that this legislation is not new. It is taking existing successful legislation and expanding it to include provisions for the effective use of speed cameras. It is this Government's intention that amendments to the legislation not only allow for the implementation of speed cameras but provide for their fair and efficient use.

One of the main purposes of any legislation is to provide a framework within which law can be effectively administered. Preparation of this Bill has always been guided by our underlying commitment to enhance current enforcement practices and justice administration procedures. This Bill will enable this to happen.

Mr Deputy Speaker, the Bill before you produces the best possible results from a legal, administrative and social justice

perspective. In a nutshell, the legislation must be amended to allow for the effective identification and prosecution of individuals detected speeding.

Currently, the range of camera-detected offences only covers red- light running. The Bill extends this legislative base to include other transport-related offences, including speed. A review of existing camera detected legislation has highlighted a number of weaknesses or loopholes which currently allow certain offenders to evade the law. Unfortunately, with the introduction of speed cameras an increase in offences is inevitable. It would be nice to think that motorists will heed the warnings and slow down before we introduce cameras, and I encourage them to do just that. But it is reasonable to anticipate that the number of camera-detected offences being challenged will increase accordingly until legal precedent has been determined.

The amendments effectively address important issues such as the identification of drivers and owners of motor vehicles whilst ensuring an appropriate balance between social justice and enforcement activity. Some of the main issues covered in the Bill include-

> Expanding the range of offences that can be camera detected to include speed and other transport offences—for example, driving an unregistered vehicle could be prescribed as a camera detected offence. This provision will help Queensland Transport and Queensland Police rid the roads of unregistered vehicles and vehicles with obvious safety defects, and to deal effectively with drivers committing dangerous offences.
>
> Nominating a "responsible driver" for a vehicle where the owner has previously been issued with a camera detected offence and has failed to nominate the driver of that vehicle.
>
> Applying a corporate penalty to companies that fail to nominate the driver of a vehicle. This penalty is, in effect, in lieu of demerit points which cannot be issued to companies.

Motorists who adopt a responsible approach to road safety and driving will have nothing to fear from these provisions. The requirements will, however, deal effectively with those who might seek to flaunt the law and create a safety risk for other motorists.

Speed management activities affect all road users, industry and the general community. Speeding is not just Government business or police business—speeding is everybody's business. The speed management strategy's enforcement initiatives are based on the philosophy of "deterrence rather than detection" or, put more simply, "prevention is better than cure". The whole idea of managing speed is to encourage drivers to think about the consequences of speeding before they speed and not after.

This Government is committed to the introduction of a comprehensive speed management strategy and ensuring that the necessary legislative changes are efficient, accurate and fair. The proposed legislative amendments are essential for the introduction of speed cameras and, as such, they will have far reaching effects for road safety and the quality of life for Queenslanders. I commend the Bill to the house.

Debate, on motion of Mr Elder, adjourned.

RESIDENTIAL TENANCIES AMENDMENT BILL

Hon. R. T. CONNOR (Nerang—Minister for Public Works and Housing) (12.43 p.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to amend the Residential Tenancies Act 1994."

Motion agreed to.

First Reading

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

Second Reading

Hon. R. T. CONNOR (Nerang—Minister for Public Works and Housing) (12.44 p.m.): I move—

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

The purpose of this Bill is to amend the Residential Tenancies Act 1994 to reflect the recommendations of the recent decision of the Queensland Anti-discrimination Tribunal. In terms of the decision, holiday unit managers and agents will be able to take rental bonds from tenants during specified periods of the year and in specified places. However, they may only take such bonds if they do not discriminate among groups or individuals from whom bonds may be required.

The periods are the four weeks from 16 September in 1996 and 1997, the period of

four weeks from 16 November in 1996 and 1997 and the nine days before the Indy race on the Gold Coast in 1997. The specified places are the local government areas of Cairns, Gold Coast, Caloundra, Maroochy, Noosa and Whitsunday.

The genesis for the two-year trial of holiday bonds lies in the problems experienced in certain parts of Queensland by some categories of holiday makers. Anecdotally, damage to premises is more prevalent in those areas at these times of the year.

This amendment extends the rental bond provisions of the Residential Tenancies Act to these holiday lettings. Currently, the Act does not apply to holiday lettings at all. The intention of the amendment is to allow the Residential Tenancies Authority to act as an impartial holder of the disputed part of the bond where any such dispute arises. The authority will then attempt to arrange a settlement of the dispute by mediation, failing which the dispute may be heard in the Small Claims Tribunal.

Members will note that the amendment will apply only until December 1997. This amendment authorises only a trial of the new arrangement. It is important to note that the amendment does not make bonds compulsory. However, once a lessor begins taking a bond, he or she must take them from all clients during the trial. The Residential Tenancies Authority and peak industry bodies will gather data about the trial to gauge its effect and whether it should cease or be extended. I will advise the House of the outcome in due course.

Members will also note that the amendment replaces a regulation about holiday bonds executed earlier this year. In consultation with the Scrutiny of Legislation Committee of the Parliament, I have agreed that the matter should be dealt with by a full amendment to the Act so that there is no doubt about the Parliament's intention. I thank the members of the committee for their assistance. I commend the Bill to the House.

Debate, on motion of Mr Mackenroth, adjourned.

CHILDREN'S COMMISSIONER AND CHILDREN'S SERVICES APPEALS TRIBUNALS BILL

Resumption of Committee

Hon K. R. Lingard (Beaudesert—Minister for Families, Youth and Community Care) in charge of the Bill.

Debate resumed from 12 November (see p. 3946) on Schedule 2, to which Mrs Woodgate had moved an amendment.

Ms BLIGH (12.48 p.m.): The amendment that is before the Chamber seeks to expand the coverage of the powers of the proposed Children's Commissioner into areas such as boarding schools and health and recreation facilities. The Minister has advanced two arguments in opposition to the amendment that is being proposed to sustain his objection to it. I draw the attention of the Committee to the fact that neither of the arguments that he has proposed withstand any scrutiny. In fact, the arguments that he has put forward contradict each other.

The first argument that has been raised by the Minister is this: it has taken a long time for the Parliament and the State to get to this point and those of us who want to ensure that it goes the full extent are somehow being greedy or cheeky. In his speech to the Chamber yesterday, the Minister stated—

> "I think that all members would admit that we have gone a long way to get to the stage of establishing a Children's Commissioner. People have had difficulty even getting this far. However, having got this far, some members now want us to go the whole way."

I say to the Minister: that is exactly what the Opposition wants the Government to do. We want the Government to go the whole way with the legislation that is before the Chamber. Going the whole way is, in fact, central to the efficacy of this legislation.

In the debate, many speakers on both sides of the Chamber have identified the fact that those who perpetrate sexual abuse on children often act in concert with others in what has become known as paedophile rings, which in turn are often protected by networks within the official institutions of the State. The perpetrators of these crimes against children do not respect legislative boundaries. We can have no certainty that they will restrict their activities to the institutions outlined in Schedule 2, which we are now debating. These networks are likely to include a range of people who are placed in positions of trust over and who come into daily contact with children, including in some instances police officers, teachers, members of the clergy, sporting coaches and others. It is my view that it is the very interrelationships between those involved and the organisations for which they work in these networks which allow them to escape discovery and punishment.

Under the legislation as it is currently drafted, complaints which, for example, originate in a private school would not be within the powers of the commissioner to investigate. One case originating from a private school in Brisbane has already resulted in prosecutions in this State. In my view, the current limitations on the powers of the commissioner would have allowed that case to escape scrutiny. I urge the Minister to reconsider his position on this issue. In his second-reading speech, the Minister stated that it was the objective of the Government to achieve world's best practice in relation to this commission. I put it to the Minister that the only way to do that is to go the "whole way" and provide protection to children in whatever institutions in the State they find themselves.

The Minister advanced a second argument in his opposition to this amendment when he responded to questions raised by the member for Chermside. The Minister gave the following guarantees to the member for Chermside in relation to this matter. He said—

> ". . . the legislation allows the Children's Commissioner to receive and deal with complaints of alleged offences involving children which might arise in relation to any service, including education, health, recreation and sporting activities. I have been most adamant that that must be in the Bill. The provision is clearly made in functions (d) and (e) specified in clause 8, where complaints about the delivery of children's services and alleged offences involving children are separately categorised."

I agree with the Minister that the functions outlined for the commissioner in subclauses 8(d) and (e) provide that the commissioner must receive, assess and investigate complaints about the delivery of children's services and, at subclause 8(e), must monitor, in cooperation with other entities, the procedures developed and implemented by them for handling complaints about the delivery of children's services.

This piece of legislation, like all pieces of legislation, requires the reader to examine all parts of it to understand its full meaning. The reader of subclauses 8(d) and (e) must go to Schedule 2 to determine the meaning of "children's services". The definition spelled out in Schedule 2 of the Bill does not include health or recreation services. They are specifically excluded. The definition contained in Schedule 2 is an exclusive definition. It does not have a separate part which provides, for example, "and any other organisation by regulation" or "as the Minister sees fit" or "as the Commissioner sees fit". If, as the Minister outlined in his speech, it is his intention to make sure that health and recreation services and other educational institutions, both public and private, are covered by this legislation, I urge him to ensure that that is achieved by supporting the amendment before the Parliament.

The contradictions in the Minister's arguments are as follows. On the one hand, he says, "It can't be done, because we can't do everything with this legislation. You can't expect us to go the whole way. So what you're asking can't be done just yet. Be patient. Maybe later on." On the other hand, he seeks to argue that it has in fact already been done. He says that when the words "children's services" are used at subclauses 8(d) and (e), they have the meaning of covering all of those bodies.

The appropriate place for this matter to be resolved and the appropriate place in the Bill for this matter to be clarified beyond doubt is in the Dictionary to the Bill. As I said before, it is an exclusive definition which in the way it is currently drafted will not achieve what the Minister has told the Parliament he is seeking to achieve. I urge him to reconsider the amendment. It is a reasonable amendment. It provides the opportunity for the Minister and the legislation to achieve the many laudable aims sought by all of the speakers supporting the Bill.

Mrs CUNNINGHAM: I seek the Minister's clarification of a point. Two specific points of view have been put—that put by officers and that put by supporters of the amendment. The amendment seeks to ensure that any incidents that occur, whether in respect of scouting groups, private or public schools, hospitals or any environment, are covered by the Minister's current legislation.

Mrs Woodgate: That is not what the amendment seeks to do at all. That is not what my amendment seeks to do. They can be investigated. The amendment wants a pro-active role so that the commissioner can act before the event.

Mrs CUNNINGHAM: So the intent of the amendment is to require the commissioner to have an investigative role into curriculum and so on?

Mrs Woodgate: No, not at all. But I will let the Minister answer.

Mrs CUNNINGHAM: All right. I still seek clarification as to whether there is in the Bill, as it is drafted, any impediment to the

commissioner investigating any incident in any environment of misconduct towards a child, be it paedophilia, assault, molestation—any of those sorts of things. Is there a necessity for this amendment to address that type of issue?

Mr LINGARD: I will not only answer that question; I will respond to all members who have spoken in support of this amendment. There are most definitely two categories of complaints envisaged in subclauses (d) and (e). One category comprises complaints about the delivery of children's services. The member for South Brisbane was saying that that therefore blatantly limits the complaints. Accordingly, it is in this category of complaints that it is restricted to the services provided pursuant to the four specific pieces of children's services legislation. We agree with that. However, it is wrong to blatantly say that it is limited to that.

The second category of complaints is about alleged offences involving children. That answers the question of the member for Gladstone. There is no restriction—absolutely no restriction—as to the nature, situation or other circumstances of the alleged offences. Therefore, consequently, it is possible for any person, including a child, to bring a complaint to the commissioner alleging offences involving children wherever they occur. I have repeated that many, many times. I say to the member for Gladstone that this applies to any situation—providers of education, health, recreation, sporting or, indeed, any other service, such as religious or entertainment services. Therefore, it is wrong to say that there is a limit in this Bill on where the complaints can come from. As to any service which provides any of those or any other aspects—where there might be a complaint of child abuse or about some of the services provided to the children, the commissioner can hear that complaint. It is wrong to say that we have not gone the whole way.

The task of the commissioner on receiving complaints alleging offences involving children is to deal with them in accordance with the Act, cooperating with other appropriate authorities, such as the police or the Criminal Justice Commission, depending on the nature of the allegation. As I mentioned to the member for Chermside, the cooperation of the Children's Commissioner with the Queensland Police Service and the Australian Bureau of Criminal Intelligence envisaged by functions (f) and (g), also specified in clause 8, is also provided for in relation to any sexual abuse of children, child pornography and child sex tourism. They are similarly not restricted.

The reason I mentioned the words "whole way" is that neither I nor the Government envisage that the Children's Commissioner would become involved in such matters as the school curriculum. At this stage, we do not envisage that the commissioner would become involved in anything to do with the school curriculum as such. That explains my reference to the "whole way". That applies similarly to any talk about paediatric services in hospitals throughout the State. That is why I have said that the commissioner has not gone the whole way in regard to that aspect. But we have gone the whole way in respect of any aspect of abuse or complaint about any service that is provided to children. Therefore, the Government cannot support the amendment.

Ms BLIGH: I accept the Minister's argument, but I do not think that my concerns have been alleviated by the Minister's response. I accept that he is correct in saying that subclauses 8(d) and (e) provide that, where there is an alleged offence involving children, that can be dealt with by the Children's Commissioner and that there is nothing that would prohibit a single, isolated incident from being picked up by the commissioner. Perhaps it would be better for me to ask the question: what harm would be done by the Minister's accepting this amendment? In my view, the delivery of children's services ought to pick up children's services beyond those which are contained in the four categories that the Minister outlined in Schedule 2. There is a range of services, many of which receive funding from the State, over which we ought to have a monitoring role and about which the Parliament ought to be concerned. We ought to be giving some powers to the commissioner.

The Minister's argument is that the inclusion of this amendment would provide the Children's Commissioner with the opportunity to determine curriculum. However, where institutional, systematic and networked systems of abuse do not come to light because of individual complaints—and many times they do not—we ought not tie the hands of the commissioner, who may want to investigate the way in which some services are delivered which are not picked up under the current definition. In the Minister's view, what is the harm of the amendment as it is proposed? An answer to that question might lead us closer to understanding our differences.

Sitting suspended from 1.01 to 2.30 p.m.

Mr LINGARD: My answer to the member for South Brisbane is exactly the

same answer as I gave previously. Quite obviously she is referring to the first category. I have said that there are two categories, and my answer is exactly the same as I gave previously.

Mrs WOODGATE: With respect, I was hoping that the Minister would answer the specific question asked by the member for South Brisbane when she said that if in fact the Minister says there is no need for this amendment, what is the harm in accepting it? I am not a lawyer, as all members know, but I want to stress once again the importance of this amendment being accepted by the Minister. Let us not miss the point here: the Bill as it presently stands does not allow the commissioner to monitor and review the provision of services in boarding schools, in sports clubs or, as the member for Yeronga said yesterday in the debate, scout troops. Sure, if complaints are lodged the commissioner can become involved, but that is after the event. Surely what we are trying to do here is to have the commissioner take a pro-active rather than a reactive role, and that is what a lot of people spoke about yesterday. During her contribution to the debate the member for Mulgrave said that the Bill would provide young children with safety at school. How will it do that if the only access the commissioner has to boarding schools is to be involved after an offence is committed? That is what I am saying. It has to be pro-active. I ask the Minister once again to take this matter very seriously and to answer the specific question of the member for South Brisbane when she said that if the Minister thinks there is no necessity for this amendment, what is the harm in accepting it?

Mr LINGARD: I respect the shadow Minister's comments and request, but I once again repeat what I have said: there is no restriction on the nature, situation or other circumstances of the alleged offence. It is completely dishonest to indicate that there would be any restriction on offences within boarding schools or scout groups. There is no restriction. I have repeated it again and again. Therefore, my answer is the same as I gave before.

Mr T. B. SULLIVAN: I want to raise a point with the Minister. In his response yesterday when we dealt with this I thought that it was covered, but after hearing some of the debate since then I am not so certain. I believe the Minister said that parts (d) and (e) of clause 8 cover the concerns we have. Am I correct in saying that?

Mr Lingard: And (f) and (g).

Mr T. B. SULLIVAN: And (f) and (g). If I am right, all of those subclauses refer to complaints or alleged offences. Do we not have the situation in which a formal complaint may not have arisen or an alleged offence may not have come to the notification of the police but there has been some inherent problem—an underlying problem—which needs to be addressed? The concern here is not just a particular offence against a child which can be necessarily proved by a particular complaint or an offence but a more general situation that arises that needs to be addressed because of the inherent danger to the child. I understand that (d), (e), (f) and (g) would cater for a particular offence against a child or where there has been some charge laid, but they do not cover the more general sense where it is difficult to pinpoint it to an individual. That is my concern.

Mr LINGARD: My comment once again is that we have already referred cases—even on the hotline—involving that sort of thing. It is quite possible for the commissioner to refer a matter to the CJC, the Queensland Police Service or the Australian Bureau of Criminal Intelligence. I explained that yesterday.

Mr ELDER: I was not going to rise on this point, but I think it is a little precious for the Minister to claim that we are being dishonest in pursuing this particular issue.

Mr Lingard: That is not what I said.

Mr ELDER: The Minister said it was dishonest in terms of the argument that we were using.

Mr Lingard: You would have taken a point of order if I had said that.

Mr ELDER: The Minister said that there is dishonesty in the argument that we are using to put our case.

Mr Lingard: It is dishonest to imply that it cannot be done.

Mr ELDER: That was not quite what the Minister said, but let me come to the point that I was going to make. I was not going to raise this point, but I refer to the original draft of the Bill in which these matters were included under the definition of "children's services". I was not going to raise that matter until this particular point in the debate, but I am raising it now because of the comments that the Minister has made. In the original Bill that we saw, the definition of "children's services" is the definition that is contained in the amendment before the Committee. In other words, when the Minister first took this issue on board to meet the concerns that were raised by a number of us in terms of this debate—and I

direct this comment to the member for Gladstone—that exact same terminology was in the original draft. I ask: why has that changed? Why have the Minister's original draft, his original intent and his original concerns changed, and why is he now debating against what I think he believes to be the case? If the Minister believed in it, as he said he did from the outset, then the definition in the draft should have remained. I do not see it in this legislation. What we are giving the Minister is exactly what he wanted in his original draft. Again I ask: what is wrong with that? What is wrong with what we are trying to achieve here?

Mr LINGARD: Always in draft legislation one accepts the suggestions or the statements from other people and other departments. That is obviously what a draft is for. The member knows that as well as I do. As I have indicated today, it is not the intent of this legislation that the commissioner should investigate the curriculums of schools. The intent of this legislation is to enable the commissioner to investigate complaints and concerns about the abuse of children—paedophilia or whatever. There is no limitation whatsoever on where we listen to complaints about the abuse of children—it can be in schools, boarding schools, scouting groups—but it is not the role of the commissioner to go in and investigate school curriculums, and that is why that limitation is there.

Mr ELDER: That is not the intent of this amendment. I say to the member for Gladstone that that has not been implied in this particular amendment. What I am saying to the member for Gladstone is quite clearly this: in the original draft of this legislation, the Minister had it right. He has been rolled in Cabinet. We are saying that if the commissioner is to achieve his ultimate outcome—and that is the best outcome for the kids in this State—then this particular definition needs to be expanded in terms of the amendment.

Mr LINGARD: I rise to a point of order. Those comments are offensive to me and I ask that they be withdrawn.

Mr ELDER: Which comments?

Mr FitzGerald: You made allegations.

Mr ELDER: The allegation that the Minister was rolled in Cabinet? I have made that allegation on four separate occasions. This is the first time the Minister has taken offence. I will withdraw it; however, it is pretty obvious to me that the Minister was defeated in Cabinet, and it is pretty obvious to me that the original intent was there——

Mr FitzGerald: Withdraw and be a man.

Mr ELDER: I withdrew some time back. Part of being Leader of the House is to sit there and listen. If the member sits there and listens, he will hear when withdrawals are made. I say to the member for Gladstone that quite clearly the original intent was there. That has been changed. How on earth can the Minister deliver on this after the event? Monitoring and reviewing is about dealing with events before they occur. The Wood inquiry in New South Wales is dealing with these facts after the event. The idea is to be pro-active and be out there trying to intervene before such events occur. The Mr Bubbles investigation and a range of other matters illustrate that point. It is fine to be clever after the event. Hindsight is great, but it does not help the kids much and it does not help those who have been involved in these types of pernicious activities. I say to the Minister again: this is based on straight commonsense. It is something that the Minister agreed with. Yes, he was rolled, but here is an opportunity to at least get it right in the Parliament.

Mrs WOODGATE: I take on board what the Minister is saying about complaints from schools being investigated. I accept and understand that, but I would ask the Minister how he then reconciles the comments of one of his own backbenchers yesterday, the member for Mulgrave, who said during her contribution that this Bill would provide young children safety in school. How can the Minister provide young kids safety in school when all this Bill allows in relation to boarding schools is the right of the commissioner to investigate after the complaint has been lodged? The way I look at it, that is not providing safety. The commissioner has to play a pro-active rather than a reactive role. How does the Minister reconcile the member for Mulgrave's comments in her prepared speech, written by one of the Minister's minders, that the Bill will provide young children safety in school? It will not. The only way the Minister can do that is to agree to this amendment. It would follow on from the list of four items in Schedule 2. What is the harm in supporting the amendment?

Mr LINGARD: I refer the shadow Minister to the comments that I made to the member for South Brisbane.

Miss SIMPSON: I have a question to the Minister on the same point. I take it that the Minister is saying that he is not wanting to make this a McCarthyism. He does not want to

give the commission the extraordinary powers to investigate matters without a complaint existing.

Mr LINGARD: One of the positive advantages of a Children's Commissioner is that as soon as a complaint is received or any thought of a complaint is received, a commissioner will be able to act immediately. The difficulty with an inquiry is that, after the throes of the inquiry have been gone through, only at the end of the inquiry does a Government maybe try to overcome the problem that has been uncovered by an inquiry.

Ms Bligh: Maybe.

Mr LINGARD: I say "maybe" because we have seen the Wood royal commission and plenty of other inquiries right across Australia. The positive thing about a Children's Commissioner is that the commissioner can act immediately a complaint is received.

Mr FOURAS: Yesterday, in my contribution to the second reading debate, I mentioned what was happening in New South Wales regarding paedophilia and sexual abuse investigations. New South Wales had joint investigation teams—JITs—and they played a reactive role, but the New South Wales Government changed those JITs to the Child Protection Enforcement Agency, which had a pro-active, multifaceted approach to investigations, research and liaisons.

If we are to have a pro-active approach towards serious sexual abuse, be it paedophilia or any other form of abuse, there can be no limitations on the bodies investigating such matters. I was not going to break a confidence, because Mr Elder and I were shown the original draft legislation, but that draft stated that the commissioner would not have those types of limitations placed on his office. This Bill is a pale version of its original draft. It is unfortunate that its effect has been watered down.

Although the Opposition supports this legislation, we are particularly concerned about this point. That is why we are keeping the Minister in the Chamber—to discuss it and to ask him to reconsider. From what the Minister is saying, I see no reason for him not to accept the amendment. If he does have a reason not to support the amendment, we have every reason to be concerned about that.

Mr LINGARD: I refer the member to his own comments to me to this effect: "I'm glad you're putting it up. I could have never got this past Gossie."

Ms BLIGH: I want to address the question raised by the member for Maroochydore. If the member honestly believes that the powers being provided under this Act to children's services, which are enacted under the Adoption of Children Act, the Child Care Act, the Children's Services Act or the Family Services Act, constitute McCarthyism——

Ms Simpson: No.

Ms BLIGH: Then I think it is important to explain the point of the amendment. The point of the amendment is to give the powers that are currently provided by the Bill to those four Acts to other institutions. If the member believes that they are McCarthyism for schools, why are they not McCarthyism for other institutions under those Acts? It is a bizarre accusation to make in the Parliament and it has not helped the debate one bit.

Question—That the words proposed to be omitted stand part of the Schedule—put; and the Committee divided—

AYES, 44—Baumann, Beanland, Borbidge, Connor, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Turner, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 43—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

Resolved in the **affirmative**.

Schedule 2, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

BANK MERGER (BANKSA AND ADVANCE BANK) BILL

Second Reading

Debate resumed from 30 October (see p. 3653).

Hon. D. J. HAMILL (Ipswich) (2.51 p.m.): This is the second such Bill that has come before the House in this session. As

members might recall, only a few weeks ago a Bill regarding the merger of the Standard Chartered Bank with Westpac was dealt with quickly by the House. This Bill deals with the Bank of South Australia and the merger that is taking place with Advance Bank.

I think it is fair to say that, at present, it is a very turbulent time in the banking industry and the financial industry. This Bill may well be but an intermediate step in the life of Advance Bank. Although the merger has been effected and this Bill is designed to facilitate the transfer of the Bank of South Australia's assets in Queensland, as such it is common legislation which is being enacted around the country. The Advance Bank is currently engaged in negotiations with the St George Bank with the prospect of establishing another bank merger.

Considerable debate is raging as to the merits or otherwise of this spate of mergers that are taking place around the country. There has been considerable debate in this place and in the public forums concerning the wisdom of the Government's foray into banking with the Suncorp/Metway merger—or the "Banana Bank", as the Treasurer has dubbed it. Similar debate has occurred in the United States regarding bank mergers.

Although members have often heard about propositions of economies of scale being achieved as organisations get bigger, there are, however, examples of how diseconomies of scale can occur. In the American experience, a recent report that was brought down by Hancock Institutional Equity Services actually suggests that some of the very large financial institutions which have emerged in the United States over the last 10 years may well be suffering some diseconomies of scale. In that report, Hancock stated—

> ". . . we believe bank shareholders should have a healthy scepticism about the benefits derived from mergers and should oppose acquisitions involving any but minimal premiums."

In a number of these mergers, in order to try to effect the merger, very substantial sums of money have been offered in return for the shares—sums of money which are very difficult to justify in terms of the price to earnings ratios of those financial institutions.

Our experience here is a very good example of that. The offers that were being made by St George and the State Government in relation to Metway were up around 16 times earnings, whereas the share price of other banks in Australia—certainly regional banks—was in the order of a ratio of about 12 in terms of price to earnings.

That US report stated that there may also be some significant disadvantages for the very large institutions because the rules are changing so quickly. In Australia we have the Wallis inquiry, which may bring about very substantial changes to the banking system as we know it in this country. But one thing is certain: new technology is having a tremendous impact upon the way in which financial institutions operate and how they serve their public and their customer base.

The point that is being made in the United States is that banks with a range of assets from about $1 billion to $10 billion are actually performing much better than some of the much larger institutions in that country. That was attributed—in part, anyhow—to the fact that smaller institutions are able to respond more quickly to changes in technology and changes in the way that banking and finance are being undertaken. That really lies at the heart of the views that have been expressed here in Queensland by institutions such as the Bank of Queensland, which actually believes that small is beautiful. Being a niche bank operating in a section of the local market, that bank has been able to perform very well and provide a very good return to its shareholders. It has been very profitable. That bank would argue that it is a much more responsive organisation than, say, any one of the big four banks in the country. It would also suggest that it is much more responsive to the marketplace than the Government's Metway/Suncorp merger would be or, indeed, the Bank of South Australia/Advance Bank/St George Bank merger, which is currently being negotiated.

We are going to hear much more of this argument over the weeks and months ahead. Certainly in the context of the Wallis inquiry, these issues are going to get quite a canvassing out there in the general community, not only in the financial community. We must take cognisance of the views that have been expressed by boards such as that of the Bank of Queensland. Obviously, they are watching very closely movements in the marketplace, and they feel very confident that they can eke out a very successful operation by maintaining their small status compared to their much larger and, it would appear, much more predatory competitors.

The Opposition joins with the Government in supporting this legislation. It is necessary that it is enacted quickly. We hope that the

merger of the Bank of South Australia and the Advance Bank is successful.

Hon. J. FOURAS (Ashgrove) (2.59 p.m.): As the shadow Treasurer said, the Opposition supports this legislation. It is complementary legislation which, when enacted, will overcome the burden of individually transferring assets and liabilities. I believe that allows for better customer relations.

I wish to speak very briefly about bank mergers. Australia has some very big banks. Today, Westpac announced a record profit of $1 billion. However, those sorts of earnings are not going to be able to continue because, as interest rates fall, there will be a smaller difference between what the bank is paying for money and what it is getting from lending it out. In that regard I think it will be interesting to see whether the hype currently associated with bank shares is somewhat overstated. Although the shareholders of Metway Bank should be celebrating the fact that they have had a windfall and are likely to have some very good days over the next couple of years, I believe that the day will come when the reality of Queensland's bank merger will become apparent. It is actually a merger of an insurance company and a bank; it is not really a bank merger. Nevertheless, when too high a price is paid for a portion of an asset—as was paid for Metway—that must be balanced by paying too little for the remainder of the asset. That is what has happened in this case: too high a price has been paid for Metway and the other assets will have to be given away for substantially less than they otherwise would. There is no doubt that the sweetener of forgoing dividends for one third of the shares and substantial holdings—I am not sure of the percentages; I think the Government holds a percentage approaching 70 per cent—will bring, in the short term, the returns that the Treasurer has predicted. But what will happen in the long term?

Serious costs will be incurred by the new bank. It will need new technology, which will be very expensive. Those costs will affect the profitability of the new megabank. In common with other banks that compete in the marketplace, in order to maintain its level of profit for shareholders, Metway will be hiving off staff. The prediction is that Westpac, which has just made a $1 billion profit, will be reducing staff to stay competitive, because of that declining interest rate gap that I mentioned earlier. I suggest that people who have bank shares should be getting out of that investment, because I believe that the bottom line is that they are becoming overpriced. As the competition in the market becomes hotter—which I believe is a good idea—and as the Wallis recommendations are brought in, there will be a further shortening of the gap between the rate paid for deposits and the rate at which banks can lend.

Mr Hamill interjected.

Mr FOURAS: Exactly, the competition is becoming so hot.

The Labor Party is one of the lucky organisations that will make money out of this merger in the short term. However, I say to the Treasurer: she can bask in her hour of sunshine, but in the end the merger between Metway, QIDC and Suncorp will come back to bite the taxpayers of Queensland.

In regard to this Bill, I think that it is proper that we accept the desires of the South Australian Government to pass this legislation, because it will benefit individuals, who will not have to transfer assets individually. The Opposition does not have a problem with this Bill. However, members on this side of the House do have serious concerns about the megabank and in that regard I think that the chickens will come home to roost.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (3.04 p.m.), in reply: I thank the members opposite for their support of the Bill, which is very necessary in today's financial markets. I draw to the attention of the House that the offer by the Government to Metway shareholders was unanimously accepted today in a record time of 25 minutes. The fact that the Government offered $4.80 and yesterday the trading price closed at $5.64—it had been $5.67—shows that there is great value in that merged entity, and that that is recognised by the share market. There is value, of course, not only for the Metway shareholders but also for the Government shareholders, that is, the taxpayers, because, as we realise on our assets, more money will be coming into the Government's coffers to spend on very important infrastructure for the State and services for the State via infrastructure. Of course, we will be investing sufficient money to make sure that we have the income that we would normally be getting from tax equivalents and dividends from Suncorp and the QIDC. So it is a win-win situation for all. I believe that today is a great day for Queensland.

In today's financial world, we need the sort of Bill that we currently have before the House. These types of Bills have been agreed to by all States to facilitate the processes that

are occurring with mergers. I thank members opposite for their support.

Motion agreed to.

Committee

Clauses 1 to 19, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

LOTTERIES AMENDMENT BILL

Second Reading

Debate resumed from 24 July (see p. 1811).

Hon. D. J. HAMILL (Ipswich) (3.08 p.m.): The Opposition supports these provisions to amend the Lotteries Act. We appreciate the need for these amendments to clarify the position of agency agreements that have been entered into with individuals and corporate persons with the Golden Casket Lottery Corporation. This Bill upon its enactment will validate any agreements that have been entered into since 8 December 1995. Agency agreements are very much the bread and butter of the Golden Casket agency. Around 1,000 agents work alongside the Golden Casket agency. Those 1,000 agents share in some $49m a year in handling fees and commissions, which is generated from the lottery business in this State.

However, supporting the Bill does afford me an opportunity to make some comments in relation to the Golden Casket Lottery Corporation. I am very much aware that, in the Treasurer's Commission of Audit report that was presented a couple of months ago, recommendation 16.5 stated that the Government should corporatise and preferably privatise a range of organisations, one of those being the Golden Casket Office. In that report I saw no real justification as to why the commission should wish to preferably privatise the Golden Casket Office.

It would appear that that recommendation was ideological rather than commonsensical. When I consider the significance of the Golden Casket Office to the State's coffers, I cannot see the logic at all in wanting to sell off what is a very significant money earner for the State Government. I know that the Commission of Audit was given terms of reference that spelled out specifically privatisation as being one of the favoured courses of this Government. However, in relation to the Golden Casket Lottery Corporation, I believe that such a course of action would be very misguided indeed. The annual report of the Golden Casket Lottery Corporation, which was tabled recently in this place, spells out quite clearly the significance of the Lottery Corporation to Queensland. The 1995-96 annual report showed the Golden Casket Lottery Corporation recording an operating profit of $177m and that it remitted to Treasury $172.6m.

Mr Schwarten: Not a bad little earner.

Mr HAMILL: It is not a bad little earner. As well as that remittance to Treasury of $172.6m, the Golden Casket Lottery Corporation also paid stamp duty to Treasury of another $14.6m. So all told, Treasury was able to draw $187m from the Golden Casket Lottery Corporation. That is a very significant contribution to State revenue.

I do not understand why the Commission of Audit would want to privatise such a body—to turn what is, in fact, public profits into private profits. To actually cash out that sort of benefit, one would want well over $1 billion, maybe $2 billion, for it.

I also feel very uneasy about the proposition of allowing a private sector provider to generate profits out of privately run lotteries. I think that the system that we have is a very good system. It safeguards the public interest as well because the Golden Casket Office and those in the Treasury who regulate gaming do a very good job in ensuring that gaming in this State is run in the public interest.

I hope that the Treasurer and the Premier—indeed, all members of the Government—take their beady eyes off the Golden Casket Lottery Corporation——

Mr Schwarten interjected.

Mr HAMILL: I take that interjection of my colleague the member for Rockhampton. It is another point that needs to be made in this context: the Golden Casket Office makes a worthwhile contribution not only to Government coffers but also to a range of needy causes in the community. It makes significant contributions to paediatric health services, geriatric health services and, in this an Olympic year, the Australian Olympic effort was supported also by the Golden Casket Office. That sort of public spiritedness may not exist if we had a private sector entity running the lottery seeking simply to maximise profits.

Mr Schwarten: It was set up originally as a war veterans' pension benefits fund and then went on to hospitals later on.

Mr HAMILL: The member for Rockhampton is quite correct. In the minds of the members of the public, the Golden Casket is associated with Queensland's free hospital system. Certainly, the costs involved in running the hospital system have gone far beyond the sort of return that we receive from the Golden Casket.

Mr Schwarten interjected.

Mr HAMILL: Is the member an economist? However, the $180m makes a worthwhile contribution. As I said, the amendment is a simple one. It is one that clarifies the position of the agents in relation to the Golden Casket Office, and it has the Opposition's wholehearted support.

Mr CAMPBELL (Bundaberg) (3.15 p.m.): I want to raise a few concerns that I have about gambling in general. The Golden Casket has been the traditional form of gambling in Queensland. I am concerned that we are now being saturated with games of chance, such as keno, casinos and the TAB. In fact, the annual report of the TAB shows that last financial year it had one of its smallest increases in growth and profit. The TAB believes that has occurred because of a saturation of the market by various forms of gambling.

Because of that saturation of the gambling market, I am concerned about the advertising of gambling. I have to say to the Treasurer that some of the ads for the TAB are obscene. I believe that the way in which those advertisements portray gambling as a form of investment is an horrendous way of getting people in this State to gamble. It is about time that we set standards for Government agencies that advertise games of chance. It is not right; many organisations are saying that so much money is going into gambling that businesses and patterns of expenditure generally are being affected.

Mr Schwarten: People are experiencing hardship.

Mr CAMPBELL: Yes, hardship is one outcome, but because of gambling there has been a basic change in the pattern of expenditure. I believe that some of that change is because our gambling—our lotteries, our TAB and the casinos—are all wanting that extra dollar. So I place on record my concerns about the way in which gambling generally is being run in this State. Comments have been made from many areas that there is now a saturation of lotteries and other games of chance and that we should really consider the way in which the money is being spent. In relation to lotteries, before we expand the types of games that can be played, we should consider the real impact that gambling is having on many families in Queensland.

Motion agreed to.

Committee

Clauses 1 to 5, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

SUPERANNUATION LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 7 August (see p. 2108).

Hon. D. J. HAMILL (Ipswich) (3.19 p.m.): I think that we should get a productivity bonus for the work that we are doing here this afternoon. Certainly, it is these sorts of issues that we are debating that are germane to the Bill that is before us now.

Mr Schwarten: Germane?

Mr HAMILL: Indeed they are. The member should stay around; he may learn something. The provisions of the Treasurer's Superannuation Legislation Amendment Bill have really arisen out of the major changes that are taking place in the workplace and in the negotiation of industrial agreements. This particular Bill relates to a very important industrial agreement that was negotiated in relation to the transport industry, which I remember very, very well. It was a very difficult issue because the maritime industry has a long history, a very rich history and a lot of culture.

What we have had here—and this is not the first time that this sort of legislation has been brought forward in this place in recent years—is that, in a way, those who had an eye to dealing with the superannuation entitlements were somewhat left behind in the processes which were revolutionising the way in which industrial agreements were being put together with notions of aggregate wages and so on, rather than having a particular wage component and a range of different allowances. This Bill arises because in the negotiations that took place in the transport industry the aggregate wage concept was adopted, but at the time there was insufficient

recognition as to the superannuation implications of that because it did away with a range of allowances. As has been recognised by the Government, the Opposition and, I might say, the unions involved, it was not intended that the superannuation entitlements be altered by the negotiation of the aggregate wage in the maritime industry in the public sector in Queensland. Consequently, the Bill is brought forward to rectify that position and, therefore, it does have retrospective action to deal with that particular problem. Whilst retrospectivity generally should be treated very warily indeed by the Parliament, this is one of the examples where retrospective legislation is appropriate.

Having said that, I concur very strongly with the views of the Scrutiny of Legislation Committee which drew attention to the fact that, in the drafting of the Bill, the Government was proposing to give the Governor in Council the opportunity to have a regulatory power which would be given retrospective operation. That is something that we should not tolerate. If we are going to deal with matters that require retrospectivity, they should be dealt with right here in the Chamber and not through some regulatory instrument via the Governor in Council.

For that reason, on behalf of the Opposition I prepared a set of amendments to deal with clause 3 and clause 6 of the Bill. I place on record my gratitude to the Treasurer's Parliamentary Secretary who indicated to me that the Government was also proposing some amendments in relation to this Bill. In the short time that we had before this debate was recommenced, we were able to compare notes, as it were, in relation to the amendments. I give due credit to the Government, because the problem that we were seeking to address is the very issue that the Government, quite properly, has sought to address in its amendments.

As a result of the consultation that we had, I will not be proceeding with the amendments that I have had prepared. In fact, I have asked the table officers not to circulate the Opposition amendments because the Government amendments are substantially the same as those that I was going to propose. As I said, I give due credit to the Government for moving on this matter. The question of using regulatory power retrospectively was repugnant, as far as I am concerned. I am pleased that the Treasurer concurs with that view. I am happy to support the amendments that the Treasurer has circulated in the House. The Opposition will give its full support when the matter goes through the Committee stage. We support the Bill.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (3.23 p.m.), in reply: I thank the Opposition for its support of the Bill and, as indicated, its support of the amendments. When I move the amendments I will speak briefly to them to give an explanation of why they are needed. As the honourable member has said, the amendments are to overcome exactly the same problems that the Opposition was looking at. It is good that, to get the business of the House done, we can concur in this manner.

Motion agreed to.

Committee

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

Clauses 1 to 2, as read, agreed to.

Clause 3—

Mrs SHELDON (3.25 p.m.): I move the following amendments—

"At page 4, lines 15 to 19—

omit, *insert*—

' "application date" means the day this section commences.'.

At page 5, lines 24 and 25—

omit.

At page 6, lines 6 and 7—

omit.

At page 7, lines 1 to 6—

omit.

At page 7, line 8, ', (1)(c)(i) or (1)(d)(i)'—

omit, *insert*—

'or (1)(c)(i)'.

At page 7, line 9, 'or a declared relevant officer'—

omit.

At page 7, lines 22 to 24—

omit.

At page 8, after line 13—

insert—

' '(3) A regulation made under this section expires 1 year after it is made, unless it is earlier repealed.

'Benefits payable to declared relevant officers

'49C. Despite divisions 1 to 7, benefits payable from the fund for a contributor who is a declared relevant officer are the benefits calculated as if the officer were still employed under the old award.

'Restitution if regulation stops applying

'49D.(1) This section applies if—

(a) a benefit becomes payable to a declared relevant officer; and

(b) the amount of the benefit is different to the amount (the "notional amount") that would have been payable if the officer were not a declared relevant officer; and

(c) after the benefit is paid, the regulation declaring the officer to be a declared relevant officer expires or otherwise stops applying to the officer.

'(2) If the amount of the benefit paid to the officer is less than the notional amount, the board must pay to the officer the difference between the amount of the benefit paid and the notional amount, together with interest at the rate fixed by regulation.

'(3) If the amount of the benefit paid to the officer is more than the notional amount, the board may, by written notice, require the officer to pay to the board the difference between the amount of the benefit paid and the notional amount.

'(4) The notice must state a reasonable time, not less than 30 days after the notice is given, by which the officer must pay the amount.

'(5) If the officer does not comply with the notice, the board may recover the amount as a debt, together with interest at the rate fixed by regulation.'."

All amendments are consequential on the following points. The original Bill included a general power to allow any future unintended superannuation changes to be rectified by the Governor in Council. The Scrutiny of Legislation Committee expressed concern with this proposed general power. Therefore, to address this concern the Government has altered the Bill so that the Governor in Council is to be given the power to delay the recognition of a salary change for a period of up to one year where the Governor in Council is satisfied that the superannuation effects of the award change are unintended and should not proceed. Under these arrangements, overpayment of superannuation benefits will be avoided and sufficient time will be allowed to refer the matter to Parliament to consider the reversal of an inadvertent superannuation change.

From speaking to the shadow Treasurer, I know that he had similar concerns about the Bill and was looking to draft similar amendments. We have agreed that he will support the Government's amendments in this regard. I thank him for that.

Mr HAMILL: As I indicated in my comments in the second-reading debate, we indeed had amendments drafted. They are virtually identical to the amendments now before the House. As the Treasurer has correctly said, the need to deal with this issue of prospective retrospectivity—if I might use the term that was identified in the report of the Scrutiny of Legislation Committee—has necessitated quite a range of amendments, because it deals also with a number of the definitions that are contained within clause 3 of the Bill.

Although this may have seemed to have been a relatively simple measure—that is, to do away with this capacity that was going to be given to the Governor in Council to make retrospectively operating regulations—the amendments to 49B(1) of the original Bill have resulted in a whole range of consequential amendments which deal with the definitions and so on that are also contained in clause 3. These remarks also apply to the amendments which the Treasurer will need to move in relation to clause 6, because exactly the same issues are at stake. As I said, we support the Government amendments.

Amendments agreed to.

Clause 3, as amended, agreed to.

Clauses 4 and 5, as read, agreed to.

Clause 6—

Mrs SHELDON (3.29 p.m.): I move the following amendments—

"At page 9, lines 9 to 13—

omit, insert—

' "application date" means the day this section commences.'.

At page 10, lines 25 to 27—

omit.

At page 11, lines 7 to 9—

omit.

At page 12, lines 2 to 7—

omit.

At page 12, line 9, ', (1)(c)(i) or (1)(d)(i)'—

omit, insert—

'or (1)(c)(i)'.

At page 12, line 10, 'or a declared relevant employee'—

omit.

At page 12, lines 23 to 25—

omit.

At page 13, after line 18—

insert—

' '(3) A regulation made under this section expires 1 year after it is made, unless it is earlier repealed.

'Benefits payable to declared relevant employees

'15C. Despite part 7 of the deed, benefits payable under the scheme for an employee who is a declared relevant employee are the benefits calculated as if the employee were still employed under the old award.

'Restitution if regulation stops applying

'15D.(1) This section applies if—

(a) a benefit becomes payable to a declared relevant employee; and

(b) the amount of the benefit is different to the amount (the "notional amount") that would have been payable if the employee were not a declared relevant employee; and

(c) after the benefit is paid, the regulation declaring the employee to be a declared relevant employee expires or otherwise stops applying to the employee.

'(2) If the amount of the benefit paid to the employee is less than the notional amount, the board must pay to the employee the difference between the amount of the benefit paid and the notional amount, together with interest at the rate fixed by regulation.

'(3) If the amount of the benefit paid to the employee is more than the notional amount, the board may, by written notice, require the employee to pay to the board the difference between the amount of the benefit paid and the notional amount.

'(4) The notice must state a reasonable time, not less than 30 days after the notice is given, by which the employee must pay the amount.

'(5) If the employee does not comply with the notice, the board may recover the amount as a debt, together with interest at the rate fixed by regulation.'."

These amendments are moved for the same reasons that the amendments to clause 3 were moved. Similarly, I understand that the Opposition supports these amendments.

Amendments agreed to.

Clause 6, as amended, agreed to.

Clause 7, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

MOTOR ACCIDENT INSURANCE LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 10 July (see p. 1465).

Hon. D. J. HAMILL (Ipswich) (3.32 p.m.): Upon the change of Government in February of this year, a number of pieces of legislation lapsed even though they were on the Notice Paper of the Parliament. This Bill is one such piece of legislation. The Bill was introduced originally by the honourable member for Cairns, the former Treasurer, Mr De Lacy. With some minor amendments, it has been reintroduced into this place by the now Treasurer. It would be extraordinary for the Opposition not to be supportive of legislation which——

A Government member: Well prepared.

Mr HAMILL: It was very well prepared. It is nice to think that not every legacy falls into the category of that which the Treasurer spurns in a number of public forums around the place.

This is a simple but important Bill. It provides for a number of minor but significant changes to the operation of the motor accident insurance legislation for the State. Three aspects of this Bill are particularly important. Firstly, it will broaden the operation of the Nominal Defendant and the definition of a "public place". Currently, under the legislation the Nominal Defendant deals with circumstances in which injury has occurred on a road through negligence. That definition may be unduly restrictive, given that there are lots of other public places where vehicles are

driven. This legislation overcomes what would have been a much narrower operation of the Nominal Defendant.

Another important point addressed in this Bill is the issue of levies. Honourable members would be aware that a number of levies are struck and that those levies are paid for by motorists when they pay their vehicle registration. One such levy is the ambulance levy. This Bill changes the ambulance levy and broadens its application. The former Government saw this as a vital initiative. The changed levy will not just help to defray the cost of the Ambulance Service but will provide for emergency services in general. As honourable members would be aware, the Fire Service is an integral part of the emergency service response to the horror of traffic accidents. By virtue of this levy, some of the costs incurred by the Fire Service can be met. The fire officers are often some of the first people to attend a serious accident. They have a vital job to do in preserving life. Often, they are the people who free injured parties from vehicles involved in accidents.

Another provision contained in this Bill will give transport inspectors the power to check that compulsory third-party insurance is in order in relation to vehicles on the road. It is very alarming to think that some people are driving unregistered vehicles on the road, because they not only endanger themselves; they pose a critical risk to the welfare of others. We need to ensure that all of the vehicles on the roads are covered by compulsory third-party insurance and have all of the other benefits that flow from a vehicle being properly registered. I cite the security afforded by the Nominal Defendant, the levies paid to emergency services and so on.

I note that the Treasurer has had circulated a further amendment in relation to clause 4 and the definition of a "public place". I noted also that there had been correspondence between the Treasurer and the Scrutiny of Legislation Committee with respect to this matter. It was deemed by the Scrutiny of Legislation Committee as desirable to have a footnote included in the Bill to spell out the meaning of "public place". What the former Government sought to do and what this Government is doing as well is to adopt the definition of "public place" from the Motor Vehicles Control Act so that there would be consistency across a range of relevant enactments. We certainly support that being done. In short, as I said before, this Bill was introduced into the Parliament by the honourable member for Cairns. We supported it then; we support it today.

Mr ARDILL (Archerfield) (3.38 p.m.): Unfortunately, I was away when this Bill was introduced. I have been otherwise engaged in recent weeks and I have not had an opportunity to discuss this matter. However, I can see no provision in the Bill to address a problem that arose some time ago.

I refer to the case of a vehicle that has a dead person at the wheel at the time it strikes another vehicle. Unfortunately, the legislation did not cover that. From my quick reading of the Bill now, it still does not cover that position. I hope that that matter will be addressed. For example, a person might have a heart attack when driving along the freeway, with the result that the vehicle goes out of control and the person has died at the time of impact with another driver.

The other driver does not have a claim on either the Nominal Defendant or the insurer of the motor vehicle because the driver at fault had already died. The other driver cannot claim against the deceased motorist and, therefore, against his or her insurer at that time. Nor can the other driver claim against the Nominal Defendant. I believe that the only way in which this position could be covered is through a claim against the Nominal Defendant.

I was hoping that this matter would be addressed in the Bill. However, as I understand it, that has not happened. I suggest that the matter be considered as quickly as possible. It is not a hypothetical scenario; it does happen. In one case, a person was in a coma for quite some time after an accident and incurred considerable medical expenses. Upon coming out of the coma, that person's financial affairs were in disarray. It is a matter that needs consideration. I had hoped that the issue would be picked up in an amendment Bill such as this one. I ask that it be considered.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (3.40 p.m.), in reply: I thank the Opposition for its contribution and its support for the Bill. I will mention the shadow Treasurer first. He supported the Bill, spoke of it and mentioned the concerns that the Scrutiny of Legislation Committee had, which we have taken into consideration in our amendment and which I will briefly discuss when I move the amendment.

As to the question asked by the member for Archerfield—I will take up that matter with the Insurance Commission people. We do envisage that at some stage there will most probably be further amendments to the

legislation. If that point is an issue that needs to be amended by legislation, I can assure the member that it will be. I will take this up further and get back to him about the particular issue he has raised.

Motion agreed to.

Committee

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

Clauses 1 to 3, as read, agreed to.

Clause 4—

Mrs SHELDON (3.42 p.m.): I move the following amendment—

"At page 5, line 3—

omit, insert—

' ' "public place" see the *Motor Vehicles Control Act 1975*, section 4.[1]'.'.

[1] *Motor Vehicles Control Act 1975*, section 4—

"public place" means a place of public resort open to or used by the public as of right, and a place for the time being used for a public purpose or open to access by the public, whether on payment or otherwise, or open to access by the public by the express or tacit consent or sufferance of the owner of that place, whether the place is or is not so open at all times, and a place for the time being declared by regulation to be a public place for the purposes of this Act, but does not include—

(a) a track which at the material time is being used as a course for racing or testing motor vehicles and from which other traffic is excluded during that use; or

(b) a place that is a road within the meaning of the *Transport Infrastructure (Roads) Act 1991* or the *Traffic Act 1949*; or

(c) a place that is declared under section 25 not to be a public place."

The Motor Accident Insurance Legislation Amendment Bill went before the Scrutiny of Legislation Committee, and this amendment is at the request of the Scrutiny of Legislation Committee. The committee took the view that the legislation should be drafted to make it accessible to the layperson and that it is unreasonable to expect a layperson to refer to several Acts to obtain the meaning of a provision. Therefore the committee requested that a footnote be added that spelt out the definition of "public place", which is being copied across from the Motor Vehicles Control Act 1975. I note that the shadow Treasurer has supported the amendment. I thank him for his support for this amendment and his support for the Bill.

Amendment agreed to.

Clause 4, as amended, agreed to.

Clauses 5 to 12, as read, agreed to.

Bill reported, with an amendment.

Third Reading

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

KENO BILL

Second Reading

Debate resumed from 9 October (see p. 3200).

Hon. D. J. HAMILL (Ipswich) (3.46 p.m.): My colleague the member for Hervey Bay spoke to me just before and said that we were motoring well through the legislation this afternoon, so I suppose now we take our chance on keno! I think that the odds are in favour of the——

Mr SPEAKER: We have Hervey Bay mentioned again.

Mr HAMILL: That is right. The honourable member makes a very significant contribution to this House and represents his constituents very well.

Mr Nunn: The Hervey Bay Primary School is in the gallery.

Mr HAMILL: I welcome the children from Pialba school. I understood that they were visiting the Parliament today.

Dr Watson interjected.

Mr HAMILL: I think double or nothing.

On an occasion like this when a school group visits the Parliament—and there are many school groups that come here—it is important that they see the Parliament working and the way in which much of the business of the Parliament is in fact transacted. People who look at the Parliament as it is presented on the evening news would think that it is a bearpit here and that everyone is at each other's throat all the time. The work of the Parliament is varied, and most of the

measures that come before it receive bipartisan support—isn't that right, Mr Speaker?

Mr SPEAKER: Yes.

Mr HAMILL: We have seen that this afternoon with a number of Bills. I think we are on the fifth Treasury Bill today. The Keno Bill is another one which the Opposition supports and supports in its entirety.

Having said that, a number of members—and, indeed, a number of people in the broader community—hold some very genuine concerns about the proliferation of gambling in the community. The member for Bundaberg raised this matter in the context of the Lotteries Amendment Bill, which we dealt with a little earlier this afternoon. Certainly, prior to the Mundingburra by-election the Premier was going around the place advocating some restraint on the proliferation of gambling outlets in Queensland. This Bill actually will provide for greater access to the game of keno by extending access to the game of keno, which is currently run exclusively in the casinos, into pubs and clubs and TABs. Although we are comfortable with that—and again this is a matter which received considerable discussion prior to the change of Government; there had been negotiations in train with Jupiters, which owns the game, and this Bill does not alter the fact that Jupiters will run keno—nevertheless there is a considerable amount of community disquiet over the proliferation of gaming and access to gaming in the community.

It was announced by the Treasurer, I think back in March, that she had signed a memo for keno to be extended into hotels. This legislation is the mechanism by which that will be put into place. Certainly, Jupiters anticipates being able to have keno on line early next year. I can understand the Government's enthusiasm for getting this legislation through, because while Jupiters owns the rights to the game—and there has been considerable discussion and legal documents have been negotiated so that there effectively is a franchise and Jupiters will draw a royalty from the extension of keno—this legislation gives greater comfort to Jupiters and greater comfort to the pubs and clubs and so on which want to be involved in keno.

Mr Cooper interjected.

Mr HAMILL: I take that comment from the Honourable Minister for Police and Corrective Services and Minister for Racing. As I mentioned before, the TABs will be another venue at which keno can be played. It is the same game that is being played in the casinos. It will mean more games and, I guess, more winners per hour than there are currently.

An honourable member interjected.

Mr HAMILL: There will be some losers, but I think the State Government is hoping to be a winner because as Treasurers are wont, it might be good for you, but it is always good for the Treasurer.

Dr Watson: The Treasury.

Mr HAMILL: I said "the Treasurer." Treasury officers always cry poor mouth. They always believe that it is the Treasurer who benefits. State revenue will benefit because of the extension of keno, but it is worth noting the contribution that gaming makes to the State Budget. Earlier this afternoon, I mentioned that $187m flowed back to Treasury from the Golden Casket Office. Most of that was in a straight remit back to Queensland Treasury, and about $14m in stamp duty was paid as well. The Budget papers show that this year the casino tax is anticipated to generate some $74m for Queensland Treasury, which is a $2.5m increase on last year. That actually reflects that some of the casinos have not been doing quite as well as they would have liked, and perhaps as well as Treasury would have liked. Nevertheless, it is a 3.5 per cent increase on the revenue that was actually generated through the casino tax last year.

What is even more instructive is, if we go back over the past, say, 10 years, we can see quite vividly in the public accounts just what a volatile industry the gaming industry is. A range of products have been launched and abandoned by agencies such as the Golden Casket. There was a time when Soccer Pools was very big; they no longer make anything like the type of contribution they used to. Scratch-Its are not as popular as they once were. The gaming industry is constantly in the process of having to throw up new games to encourage people to invest. That is certainly the marketing pitch.

Dr Watson: It is part of the broader entertainment.

Mr HAMILL: I am not one of the world's great punters. I have always felt that using the term "invest" was quite extraordinary. I would have thought that one should try to guarantee some return.

Mr FitzGerald interjected.

Mr HAMILL: The guaranteed return is there for the Treasurer. That is the point I was making—the guaranteed return is there for the

Treasurer because that is enacted. The Treasurer is always there first, before any pay out goes to the would-be investors.

Mrs Sheldon: It is an investment for the State.

Mr HAMILL: It is a public interest investment, is it, Treasurer?

Dr Watson interjected.

Mr HAMILL: I will not get into the issue of two-up this afternoon. The gaming industry is a very fickle one and we are seeing that the casinos themselves have found that, over the past 12 months or so, they are having to bring on new games and new opportunities which will allow people to be parted from their investments but which will hopefully lead to a windfall. I understand that the agreement that has been entered into with Jupiters that will flow from this legislation will provide for a 25-year franchise for the game, but there are some break points in that agreement which will allow some renegotiation at various stages.

This measure of extending keno into pubs and clubs is certainly going to be welcomed by both the hotel industry and the club industry. Certainly, the gaming industry as a whole and machine gaming has made a tremendous contribution to the club industry in this State. We have to think back only a few years to what a lot of sports and recreation clubs were like when compared to our near neighbours just across the border. In those days, we saw bus loads of dollars floating out of the State. Now, in a number of our communities we see clubs that have done very well through the extension of various forms of gaming whereby the club members and the local communities have been able to benefit in terms of additional jobs and enhanced entertainment services. Certainly the club industry will be warmly applauding the extension of keno to the clubs, and the hotel industry likewise.

Even though Opposition members, and probably members on both sides of the House, share some concern about those who abuse these various forms of gaming, nevertheless, this introduction of keno will make a worthwhile contribution to clubs, pubs and the entertainment industry in the State as a whole. We support the Bill.

Mr ROBERTS (Nudgee) (3.57 p.m.): I want to say a few words about the issue of problem gambling. I do note, as has been pointed out by the member for Ipswich, the extensive range of benefits that have flowed to the community and indeed many of the clubs as a result of poker machines and other forms of gambling. However, I do think that we need to take account of the significant problems that have arisen in the community as a result of the extension of gambling activities and opportunities for gambling in the community.

In 1995, after the introduction of poker machines, the Australian Institute of Gambling Research did some work for the Government in this area and it identified that, at the time, that is, 1995, Queenslanders were losing about $1m a day on poker machines. Of course, if we were to add the expenditure on casino machinery and keno, when it is extended into the community, that daily loss by gamblers will increase. A couple of the interesting figures that came out of that research was that 45 per cent of male problem gamblers had either lost working time or been sacked as a result of their gambling problem. Some 31 per cent of men and 22 per cent of women problem gamblers had also been involved in theft, misappropriation of money or other illegal activities. So there are quite significant social problems which lead to costs to both the community and to industry as a result of problem gambling.

In newspaper articles at the time, the increased incidence of problem gambling by students was identified by Gamblers Anonymous. In particular, reference was made to students attending the QUT, which is in quite close proximity to the new casino. I am certainly not advocating a prohibition of gambling, in fact I have on occasions enjoyed a small flutter on things like the Melbourne Cup and the occasional poker machine, but I do believe we need to take significant care and take appropriate steps to ensure that programs which are in place to assist people with problem gambling do receive the appropriate level of support.

Soon after the extension of poker machines into the wider community, Break Even centres were established, and it is interesting to note that in their first year of operation throughout Queensland, 663 problem gamblers sought assistance and financial counselling with respect to their addiction. In 1994-95, the funding for those programs amounted to just over $1m. That was provided specifically to those centres that provided direct services to problem gamblers and their families. To put it in context, the amount of money that was provided to those services represented roughly 0.7 per cent of the taxes, levies and rental fees received from gaming devices in that year. But if one also takes into account the revenue received from casinos, that figure falls to somewhere between 0.4 per cent and 0.5 per cent.

The point I am trying to make is that whereas the community has received significant benefits from poker machines—I could point in particular to the Gaming Machine Benefit Fund, from which large numbers of community organisations have received funding which might not otherwise have been available—in discussing Bills of this nature we should also take account of the problems that are generated in the community as a result of the spread of gambling. In that respect, on behalf of the people who have those problems I make a plea for the Government to seriously consider expanding those services and providing additional funding to assist those people in need.

Mrs CUNNINGHAM (Gladstone) (4.02 p.m.): In the interests of brevity, I will not repeat a lot of what has been said. However, I thank the previous speaker, the member for Nudgee, for the information that he was able to disseminate. Certainly it reflects the extent and the severity of the problem that the introduction of gaming machines and gambling generally has had in the community.

In her second-reading speech, the Treasurer said—

> "Keno gaming is designed to be relaxed, enjoyable entertainment and is generally played as an accessory activity rather than a primary focus. Specifically for clubs and hotels, it provides an alternative entertainment form to gaming machines, one which is more social in nature as it can be played while patrons enjoy other facilities."

Presumably, the "other facilities" are other gaming machines.

Again, in the interests of brevity, I will not reiterate what the previous speaker said other than to say that he specifically highlighted the problems. We deal with these issues as part of essential adult entertainment. We say how important it is to provide for community recreation. However, it must also be balanced. It is vital that it be balanced with the cost to the community. Much of the cost of gaming machines and gambling of all sorts is an unseen cost to the community. It is a cost borne by families, children, spouses, and sometimes couples, who cannot control themselves. It is fine to make euphemistic statements about helping those people, but often that help is generated from the proceeds of the very problem.

I am not going to prolong the debate. I know that time is of the essence. However, while we debate these issues in a sterile situation here inside this Chamber, it should always be remembered that it has untold costs on the community; and ultimately that is an untold cost on our up-and-coming young people.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (4.03 p.m.), in reply: I thank honourable members opposite for their contributions and their support of the Bill. The establishment of keno in clubs, hotels and TABs will not expand the range of sites at which people can participate in gaming activities. It has been said that taxes come back to the Treasury. The Treasury acts as a conduit so that the taxes collected go back out as services to the people.

In the last year, approximately 40,000 people came across our border from New South Wales and Victoria—let alone any other State or international migration. There is a growing demand on this State for infrastructure and services. Unfortunately, that has to be paid for. People demand these services. Indeed, they have a right to adequate protection in law and order, health, education, welfare, transport and a range of other services that the State Government provides.

It was mentioned that keno would not be the primary focus of these facilities. I think the member for Gladstone said that the "other facilities" would probably be other gambling facilities. That is not envisaged as such. There are also the facilities of food and drink, of social gatherings, and of people getting together. A lot of people like to do that. This will provide patrons with a supplementary entertainment activity which promotes rather than prevents social interaction. The expansion of keno into clubs, hotels and TAB agencies will provide an additional source of revenue to those groups and an opportunity to increase the range of gaming opportunities in line with those available in other States. Furthermore, as with other gaming activities in Queensland, the Government will continue to collect moneys to be allocated to addressing social issues associated with gaming activities. A certain percentage of the keno take will do exactly that.

This Bill is based upon the Casino Control Act and the Gaming Machine Act to ensure consistency in the regulation of gaming activities in Queensland. Therefore, it can be expected that the high standard of integrity currently assured in the Queensland gaming environment will be maintained with keno. I commend the Bill to the House.

Motion agreed to.

Committee

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

Clauses 1 to 83, as read, agreed to.

Clause 84—

Mr HAMILL (4.06 p.m.): I want to raise a matter regarding an issue that has been touched upon by a number of speakers in relation to this Bill and the Lotteries Amendment Bill, which was debated earlier this afternoon. I refer to the proliferation of places where gambling activities are available. Clause 84 sets out the basis upon which the operators of keno can enter into agency agreements.

It has been said that the intention of the Government in relation to this Bill was to extend the game of keno into pubs and clubs and, I think, the TAB. The Opposition is concerned that others may also wish to line up to have keno played on their premises. It has been suggested that newsagencies, for example, might see themselves as future venues for the playing of keno. Obviously, many newsagencies have agency arrangements with the Golden Casket, for example, whereby Scratch-Its are readily sold across the counter probably in similar numbers to newspapers, or maybe even greater numbers than newspapers.

In clause 84 and other clauses, there is no indication as to how wide the Government intends the keno operation to be extended. In her second-reading speech, the Treasurer mentioned pubs, clubs and the TAB. That was certainly the Opposition's understanding. I am seeking from the Treasurer a definitive statement as to whether the Government is proposing to extend keno more widely than to pubs, clubs and the TAB, and what measures will be put in place to more closely define those persons or those companies that may be able to enter into a licensing agreement for keno. I raise that matter with the Treasurer. I believe this is an opportunity to clarify the Government's policy in relation to this matter.

Mrs SHELDON: The Government has no intention of extending keno into any other avenues such as newsagencies. My understanding is that to do that—even if the Government was so minded—a regulation would have to go before the House, and the House could then debate it and disagree with it, if it so chose. So the situation is as stated in the Bill, and it would need a regulation to change it.

Mr HAMILL: I thank the Treasurer for those comments. Am I then given to understand that the subordinate legislation that will flow following the enactment of the principal legislation will contain provisions that will set down specifically the sorts of people—and I am referring to corporate persons as well—who may be entering into agency agreements? Will it be as specific as, for example, a person who is a licensee of premises where alcoholic beverages can be sold? Might it be as specific as agencies of the Totalisator Board of Queensland? Will it be drafted in such specific terms, or is it intended that the regulations be fairly loosely drafted? The regulations would then rely upon the regulatory agency to exercise its discretion as to whether a particular agreement could be entered into and whether that is in the public interest. I would hope that it is the former and not the latter.

Mrs SHELDON: The regulations will specify classes of agents who will be able to have keno, such as hotels, TABs, etc. The specification will be quite clear. It will be explained clearly that, as I said, certain classes of agents and only those will be able to have keno on their premises.

Clause 84, as read, agreed to.

Clauses 85 to 244, as read, agreed to.

Schedules 1 to 4, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

STATUTORY BODIES FINANCIAL ARRANGEMENTS AMENDMENT BILL

Second Reading

Debate resumed from 10 October (see p. 3254).

Hon. D. J. HAMILL (Ipswich) (4.13 p.m.): Over the past 10 years we have seen enormous changes take place in the financial markets in this country. They have been enormous changes in terms of not only the range of providers of finance but also in the range of products that are available both for the purposes of financing and for the purposes of investment. The legislation before the House is important, because it is all about providing a framework in which statutory bodies in this State can operate within financial markets.

As can be seen from the Bill itself, a range of consequential amendments to other Acts are contained within the Schedule to this Bill. I am one of those people who happen to believe that having a piece of legislation such as this is in fact the proper way to go. When statutory bodies derive various powers from their own separate and distinct pieces of legislation, we have a formula for considerable disorganisation and lack of cohesiveness and coherence within public administration. The statutory bodies that fall within the aegis of this legislation range enormously both in size and influence. Some of the statutory bodies are relatively insignificant. Other statutory bodies in this State are handling millions of dollars and are not simply making investments for short periods but are also getting into derivatives and other forms of investment. We need to ensure that the various statutory bodies are accountable in the way in which they deal with public funds.

Obviously, different sorts of issues will need to be addressed when dealing with the particular needs of statutory authorities. Firstly, let us consider local government. Some local authorities in Queensland differ enormously in scale. In western Queensland, some have a negligible rate base and virtually live a hand-to-mouth existence in terms of their finances. At the other end of the scale, Queensland has large entities such as the Brisbane City Council, the Gold Coast City Council and those in Townsville, Ipswich and other major provincial cities, which command budgets of not only millions of dollars but also tens of millions of dollars and in some cases hundreds of millions of dollars. Therefore, it is appropriate to have a framework of regulation to ensure that, no matter what the size of the organisation, basically the same principles are brought to bear in the handling of the public funds that are involved. I support that principle. This Bill is all about enacting that principle.

The legislation before us pulls together a range of bodies that have powers under disparate pieces of their own legislation. This provides a common framework and that is important. I note that the legislation does not apply to Government owned corporations. It does not apply to the Queensland Treasury Corporation, nor to the Queensland Investment Corporation. It does not apply to regulatory bodies such as AFIC and QOFS. It does not apply to those statutory bodies that are acting as trustees of superannuation funds. One might say, "Why is it citing them? I understand the principle well enough: under the Government owned corporations legislation and so on, specific provisions provide accountability in the handling of the funds that those bodies may need to access to conduct their particular business." However, a huge range of other statutory boards and statutory authorities exist, ranging from the primary producer and marketing bodies through to local government, universities and the list goes on and on. I am pleased to see that, in the framework that is being proposed, when it comes to powers to invest, those bodies must be first placed into one of three categories, which ensures that the statutory body concerned is able to deal with funds in a way that is commensurate with the sort of expertise that may exist within that particular statutory body. It would be dangerous indeed to see, for example, some of those marketing boards and some those smaller local authorities trying their hands on the futures market or in derivatives—perish the thought. I think many ratepayers would be very concerned indeed if their local authorities took their eye off the ball of providing local services and fancied themselves as major players in the futures market or the money market.

That does not mean that there is not a proper role for some of those larger statutory authorities to make investments in those areas, but it is important that they have the expertise, the wherewithal, to properly manage their finances, because at the end of the day those finances, although they accrue to the statutory bodies, are public funds for which those statutory bodies and their managers must be accountable.

The framework also outlines the powers of those particular statutory authorities to borrow funds. Again, that is an important principle, and one that I welcome. I know that the Opposition as a whole welcomes that principle as well, particularly, as I said, at a time when there is so much change in financial markets and when there is such a wide variety of products available. The market is changing constantly, so the framework that is put in place by this Statutory Bodies Financial Arrangements Amendment Bill means that we can continue to have a process whereby the categorisation of organisations can be reassessed. It should not be seen as a static arrangement but rather as a dynamic arrangement.

This afternoon, the Government is doing very well in enlisting the support of the Opposition on a series of measures. This one is no exception: the Opposition supports the Bill.

Dr WATSON (Moggill) (4.21 p.m.): I rise also to support the Bill. I will follow on from a few of the comments that were made by the shadow Treasurer, the member for Ipswich, and explain in more detail some of the complexities of the Bill.

The member for Ipswich was right when he referred to the change in the financial and capital markets. There is no doubt that over the past decade they have expanded and developed enormously. Financial innovation has seen considerable growth in the number and range of borrowing techniques and investment products available to borrowers and investors, together with the growth in other sophisticated financial products and financing techniques.

The increased range of borrowing facilities provided by Queensland Treasury Corporation, financial institutions and other commercial lenders has prompted many statutory bodies to look beyond their traditional methods of raising funds, such as through the issue of debentures, bonds and inscribed stock. Similarly, with the vast array of investment products now available in the market, many statutory bodies are seeking investments beyond those expressly mentioned in legislation. The advent and continuing development of derivative financial products and the potential financial risks associated with these readily available products warrant specific legislation to ensure that appropriate guidelines and safeguards are observed.

Although the existing Statutory Bodies Financial Arrangements Act has proved invaluable since its introduction, it is clear that it now needs to be updated to ensure that the range of financial arrangements available to statutory bodies is compatible with market developments and practice. It is clear also that the decentralised framework under current legislation regarding statutory bodies' financial powers requires amendment to overcome various interpretative difficulties.

At present, a statutory body's power to borrow, invest or enter into financial arrangements could be derived from its authorising Act, the SBFA Act, or a combination of both. As a result of the uncertainty regarding the interaction between the current SBFA Act and other statutory bodies' authorising Acts, uncertainties about statutory bodies' powers to enter into financial arrangements arise regularly. Those uncertainties usually necessitate the obtaining of legal advice to clarify the position, which generally results in delays in arranging the legislative approvals required for the arrangements.

The decentralised legislative framework has also led to the ad hoc and often inconsistent development of statutory bodies' financial powers. A review of statutory bodies' authorising Acts reveals a large assortment of provisions regarding financial powers in circumstances where, having regard to statutory bodies' functions and objectives, no difference is justifiable. Those unjustified inconsistencies have added to the confusion and uncertainty regarding the extent of statutory bodies' financial powers.

For some time it has been recognised in a number of areas that to overcome those interpretative difficulties the legislation needs to be overhauled to standardise and centralise statutory bodies' financial powers in one Act. Further difficulties arise with the current legislation because the approvals required by statutory bodies to enter into financial arrangements are not uniform and, in many cases, are time consuming and administratively cumbersome. Also in many cases the approval process involves obtaining a legal opinion and three separate levels of approval, including the Treasurer's sanction, before a statutory body may even commence negotiations for a financial arrangement. That results in both a wastage of Government resources and further delays in the provision of approvals.

As a result of the inefficiencies and approval delays caused by the existing legislation, statutory bodies often experience difficulty in negotiating borrowing arrangements because lending institutions are reluctant to hold interest rate offers or funding commitments open for extended periods while approvals are obtained. Similarly, in relation to investment powers, statutory bodies often miss opportunities to undertake investments at attractive interest rates because of the time required to arrange the necessary approvals.

The primary objective of this Bill, the Statutory Bodies Financial Arrangements Amendment Bill—as I think the member for Ipswich outlined succinctly—is to promote efficiency and effectiveness of Government by improving and streamlining the framework for the management and regulation of the exercise of financial powers by statutory bodies. The Bill will improve significantly the management and regulation of statutory bodies' financial powers by amending the SBFA Act and the numerous authorising Acts.

The primary objective of streamlining the regulatory framework and approval processes for the exercise of statutory bodies' financial powers is achieved in part by enabling the

Governor in Council to deal with core matters by regulation and also by placing approval power for financial arrangements with the Treasurer.

In the context of the rapid rate of product innovation and diversification in the finance industry, the availability of a prompt mechanism such as a regulation to deal with particular matters relating to statutory bodies' financial arrangements is central to the objectives of the Bill and the overall effectiveness of the legislative scheme. The regulation power is not inconsistent with the current SBFA Act and is considered essential to facilitate the efficient operation of the legislation and the timely provision of approvals for financial arrangements. In the circumstances, and bearing in mind that a regulation is subject to disallowance by the Parliament, the regulatory power contained in the Bill is in all respects appropriate.

Statutory bodies are created by statute for the purposes of the Government and their financial arrangements directly affect State finances. The approval of the arrangements is an important part of an integrated system designed to ensure the prudent and efficient management of the State's finances. The approval decisions apply only to Government bodies and are dependent upon a range of changing Government and market factors, which necessarily extend beyond matters directly related to any particular financial arrangement. In those circumstances, the approval power to be given to the Treasurer under the Bill is essential and appropriate.

Generally, the amendments proposed by the Bill, which I think the Treasurer will outline shortly, remove any relevant financial powers provisions from statutory bodies' authorising Acts and replace those provisions with a cross-reference to the SBFA Act, thus centralising the powers in the SBFA Act. In addition, I will outline the categories of the amendments contained in the Bill—

categorise and standardise the financial powers and enable allocation of the relevant and appropriate powers to statutory bodies;

update and refine the range and description of financial arrangements dealt with in the SBFA Act to accord with current market practice;

simplify the administrative procedures required for approval of such financial arrangements by replacing existing cumbersome approval requirements with a single stage approval process comprising, generally, the approval of the Treasurer;

clarify the manner in which a State guarantee may be given for the obligations of a statutory body under a financial arrangement; and

confirm the State guarantee of loans provided by QTC to statutory bodies.

Accordingly, the amended SBFA Act will be the primary and, in most cases, the sole source of borrowing and investment powers for statutory bodies.

Although the general term "statutory body" is a defined concept, the amended SBFA Act will allow entities to be declared under a regulation either to be or not to be a statutory body for the purposes of the amended SBFA Act.

Mr Hamill: To be or not to be.

Dr WATSON: Yes. That flexibility is necessary to allow the provisions of the amended SBFA Act to be applied to future Government entities where appropriate. For clarity and ease of reference, the proposed provisions dealing with the various powers are divided into four separate parts, namely, general banking powers, borrowing powers, investment powers, and the power to appoint funds managers and to enter into derivatives and other financial arrangements.

The general banking powers will be given to every statutory body to allow the operation of deposit and withdrawal accounts with banks, building societies and credit unions. Those powers are intended to cater for statutory bodies' day-to-day operations and activities. The powers to borrow, invest and enter into derivatives will be allocated to statutory bodies by regulation. That allocation will be determined in consultation with administering departments having regard to statutory bodies' functions and objectives and existing powers.

Statutory bodies that are allocated borrowing powers will be able to exercise the powers only with the prior approval of the Treasurer. That will enable approval requests to be processed promptly, thus overcoming the approval delays inherent in the current legislation whilst maintaining an appropriate level of financial oversight. However, it should be noted that the Treasurer's approval is not intended to obviate the need for statutory bodies and administering departments to observe established administrative arrangements and guidelines relating to financial arrangements, such as obtaining

allocations under the State Borrowing Program.

In order to provide flexibility to efficiently deal with modern, innovative financing techniques which may not be a borrowing in the strict sense but have an equivalent commercial effect, the Bill will allow a regulation to prescribe that a form of financial accommodation is or is not covered by the definition of "borrowing". In an environment of continual financial innovation, this regulation power is necessary to enable future clarification of the types of borrowing transactions regulated under the legislation.

Statutory bodies which are allocated investment powers will receive one of three categories of power, which will enable them to invest in accordance with the category without requiring further approval. The categories will greatly reduce the need for the Treasurer to consider investments on a case-by-case basis and will allow statutory bodies access to a broader range of prudent investments, whilst ensuring that the investments are consistent with their functions and objectives. The inclusion in the legislation of a ratings-based approach to investments and the ability to supplement the list of investments by regulation will provide a more efficient, flexible system by which statutory bodies may undertake investments.

A statutory body allocated investment powers will also have a power to appoint a funds manager to manage the investment of its funds, subject to the Treasurer's approval. This new power will fill a gap in the current legislation and allow statutory bodies to utilise the expertise of professional investment managers, whilst ensuring an appropriate level of oversight regarding the selection and mandate of the manager.

The provisions dealing with the power to enter into derivatives fill another gap in the current legislation. The Bill recognises and deals with the potential financial risks associated with derivatives by providing that the power may only be allocated, where necessary, by regulation and may only be exercised for hedging purposes and with the Treasurer's approval. The Bill also provides for a unique reporting system to facilitate Treasury and departmental monitoring of derivative transactions entered into by statutory bodies. Of course, as members would know, derivatives have sometimes led other bodies into problems, and that is a pretty critical area. The power to enter into other financial arrangements with the Treasurer's approval allows statutory bodies continued access to the same range of financial arrangements as the current SBFA Act, but overcomes both the interpretative difficulties and the approval delays which have plagued the current legislation.

The Bill will clarify that State guarantees of statutory bodies' obligations under financial arrangements may only be given by the Treasurer, but will allow the Treasurer to delegate this power to another Minister in appropriate circumstances. This will overcome the difficulties experienced with the current legislation by providing both an efficient and flexible system for the giving of State guarantees and a centralised system to facilitate the ongoing monitoring of the State's contingent liability. The Bill also addresses deficiencies in the current legislation and further facilitates efficiency by clarifying that both approvals and State guarantees may be given, where appropriate, on a general or "blanket" basis and by enabling the Treasurer to delegate powers to another Minister or, in certain cases, to a chief executive of a department.

The Statutory Bodies Financial Arrangements Amendment Bill 1996 has been drafted with the intention of improving the management and regulation of the financial powers of statutory bodies in this State. The previous cumbersome approval processes have been replaced with a streamlined and efficient system whereby the SBFA Act will be the primary and, in most cases, the sole source of borrowing and investment powers for statutory bodies.

The Bill also recognises the vast developments in the financial and capital markets since 1982 and confirms this Government's commitment to ensuring that the regulation of statutory bodies' financial arrangements is efficient and administratively simple, whilst providing adequate safeguards for prudent financial management. In common with the shadow Treasurer, I commend the Bill to the House.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (4.33 p.m.), in reply: The overall objective of this Bill, as I think has been mentioned by previous speakers, is to provide efficiency and effectiveness of government by improving and streamlining the framework for the management and regulation of the exercise of financial powers by Queensland's statutory bodies. The Bill will remove the uncertainties regarding statutory bodies' powers which are inherent in the current decentralised legislative framework and will

provide a simple centralised framework whereby the amended Act will be the primary source of borrowing and investment powers for most statutory bodies.

The Bill recognises the vast developments in the finance industry and capital markets since 1982 and updates the legislation to reflect those developments and to ensure that the range of financial arrangements which statutory bodies may undertake keeps pace with industry developments and practice. The Bill also replaces the previous cumbersome approval processes with a streamlined and efficient system which will facilitate prompt response to statutory bodies' applications for approval of financial arrangements, whilst providing adequate safeguards to ensure prudent financial management. Overall, the Bill confirms the Government's commitment to improving and streamlining the administrative processes of Government for the benefit of all Queenslanders, by ensuring the efficient regulation of financial arrangements undertaken by the State's statutory bodies.

I turn now to the Scrutiny of Legislation Committee, which has made a number of comments in relation to the Bill in Alert Digest No. 10 of 1996. My response to those comments are dealt with in Alert Digest No. 11 of 1996. I thank the Committee for its careful consideration of the Bill and I will address each of the comments in turn.

Firstly, the committee sought clarification regarding a minor typographical error in the Explanatory Notes in the section headed "Consistency with fundamental legislative principles". I have clarified this matter with the committee, but, for the benefit of members, I seek leave to table a correction notice in relation to the error.

Leave granted.

Mrs SHELDON: Secondly, the committee expressed the view that, whilst proposed section 13 seeks to provide that the amended Act is to be read subject to a subsequent Act only if the subsequent Act provides so, it is by no means certain that the amended Act would prevail against future inconsistent legislation. I have provided the committee with further information regarding the section and the reasons for its inclusion in the Bill. In particular, I have acknowledged the committee's viewpoint and have noted that, as proposed section 13 expressly acknowledges Parliament's ability to override the amended SBFA Act by express provision in another Act, the proposed section clearly recognises the primacy of the institution of Parliament.

Thirdly, the committee requested the redrafting of proposed sections 36(2) and 36(3) of the Bill to avoid the creation of a Henry VIII clause situation. I have separately agreed to the committee's request and will be moving amendments to those sections and a consequential amendment to proposed section 83 at the Committee stage of this debate.

Fourthly, the committee raised concerns regarding the transitional regulation making power conferred in proposed section 86 of the Bill. I have provided the committee with a detailed response to these concerns, which I believe justifies the inclusion of proposed section 86 based on the reasoning given by the committee for its acceptance of similar provisions in previous legislation. In particular, I have pointed out that this Bill is an innovative piece of legislation which deals with complex matters relating to modern financial arrangements and products. It is unique in that it removes financial powers provisions from a large number of authorising Acts and centralises standardised powers in one Act. By its very nature, the potential scope of impact of the Bill is extremely wide. It affects a large number of statutory bodies and Acts, as well as an innumerable number of different financial transactions entered into by statutory bodies under those Acts.

Because the Bill impacts upon such a large and diverse range of financial arrangements, it is virtually impossible to foresee all the transitional issues which could arise. Whilst every attempt has been made to identify and address all relevant transitional concerns, there remains the possibility of unforeseen and unintended consequences with potentially substantial repercussions.

In a situation of commercial financial arrangements where time is generally of the essence, it is imperative that unintended transitional deficiencies may be rectified urgently, in order to minimise the risk of jeopardising the arrangements and imposing unnecessary costs on the statutory body concerned and ultimately the Queensland taxpayer. The transitional regulation making power is included as a precautionary measure to cover unforeseen transitional issues and is an essential component for the successful achievement of the objectives of the Bill. The operation of proposed section 86 is limited to matters of a transitional nature and is not intended to erode parliamentary jurisdiction or to facilitate changes to the principles or policies of the Bill.

I point out that recognition has been given to the committee's general concerns regarding such provisions by the inclusion in proposed section 86 of sunset clauses relating to both the proposed section and any regulation made under it. I also point out that nothing in the Bill affects Parliament's right to disallow any regulation made under the proposed section and, as noted by the committee, the committee is in a position to move a disallowance motion. In the circumstances of this Bill, the disallowance mechanism provides sufficient scrutiny over the application of the proposed section and any regulation made under it.

In conclusion, this Bill will provide the framework for vast improvements to the administration and regulation of statutory bodies' financial powers by overcoming difficulties in the current legislation and recognising advances in the finance industry. The flow-on effect of these improvements will ultimately be for the benefit of all Queenslanders. Again, I commend the Bill to the House.

I thank the Opposition for its support for what the shadow Minister clearly said is a very important piece of legislation to streamline these financial activities.

Mr Hamill: We're with you.

Mrs SHELDON: The shadow Treasurer was here with us and spoke of his support. I also thank my Parliamentary Secretary, Dr Watson, for his input to the Bill which gave clarity to a lot of the complex issues that are raised in the Bill.

Motion agreed to.

Committee

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

Clauses 1 to 4, as read, agreed to.

Clause 5—

Mrs SHELDON (4.41 p.m.): I move the following amendments—

"At page 12, line 22 and page 13, lines 1 and 2—

omit, *insert*—

' "appointed under an Act", in relation to a person or member, means—

(a) a person or member, who is appointed under an Act; or

(b) a person or member, whose appointment is confirmed by the Governor in Council or a Minister under an Act.'.

At page 14, line 21, 'part 5'—

omit, *insert*—

'this Act'.

At page 15, line 10, 'part 6'—

omit, *insert*—

'this Act'."

To allay any concerns, I will explain amendment No. 1, which is to proposed new section 5. Proposed new section 5(4) requires amendment to clarify that the definition of "appointed under an Act" includes—

". . . a person or member, who is appointed under an Act"—

in addition to—

". . . a person or member, whose appointment is confirmed by the Governor in Council or a Minister under an Act."

The amendment is necessary because it is not uncommon for an authorising Act to provide for members to be appointed under the Act either ex officio or by the Governor in Council or a Minister without necessarily requiring the appointment to be confirmed by the Governor in Council or a Minister.

As to amendment No. 2, which is to proposed new section 9—proposed new section 9(2) requires amendment to reflect the fact that the borrowing powers under the amended SBFA Act will not be limited to Part 5. For example, statutory bodies will also be able to seek approval for a borrowing under Part 7 in appropriate circumstances.

Amendment No. 3 is to proposed new section 10(2). It requires amendment for the same reason as amendment No. 2 was needed, except that section 10(2) applies to investment powers.

Amendments agreed to.

Clause 5, as amended, agreed to.

Clauses 6 and 7, as read, agreed to.

Clause 8—

Mrs SHELDON (4.44 p.m.): I move the following amendments—

"At page 27, lines 9 to 17—

omit, *insert*—

' '(2) The Treasurer may, by gazette notice, direct that the body's income encumbrances rank in relation to each other in the way stated in the notice.

'(3) If there is no gazette notice for the body's income encumbrances, the

encumbrances rank equally with each other.'.

At page 50, line 5—

omit, *insert*—

' '83.(1) Section 36(2) and(3)[1] '.

[1] Section 36 (Ranking of encumbrances on income and property)"

As to amendment No. 4, which is to proposed new section 36—proposed new sections 36(2) and 36(3) are to be amended as requested by the Scrutiny of Legislation Committee.

As to amendment No. 5, which is to proposed new section 83—this requires amendment as a consequence of amendment No. 4 in order to correct a cross-reference to proposed new sections 36(2) and 36(3).

Amendments agreed to.

Clause 8, as amended, agreed to.

Clause 9, as read, agreed to.

Schedule—

Mrs SHELDON (4.45 p.m.): I move the following amendment—

"At page 109, lines 22 and 23 and page 110, line 1—

omit, *insert*—

' ' "appointed under an Act", in relation to a person or member, means—

(a) a person or member, who is appointed under an Act; or

(b) a person or member, whose appointment is confirmed by the Governor in Council or a Minister under an Act.'."

Amendment No. 6 refers to the Schedule to the Bill. The amendment to proposed consequential amendment No. 2 to be made to the Queensland Treasury Corporation Act 1988 is required for the same reason as in amendment No. 1.

Amendment agreed to.

Schedule, as amended, agreed to.

Bill reported, with amendments.

Third Reading

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

REVENUE LAWS AMENDMENT BILL

Second Reading

Debate resumed from 10 October (see p. 3251).

Hon. D. J. HAMILL (Ipswich) (4.47 p.m.): Last year, the then Leader of the Opposition, the current Premier, went to the people of Queensland promising a contract—a contract in which he said that he would not promise that which he could not deliver in Government. What the Government is delivering here is a fundamental breach of that contract. This is a fundamental breach of the undertakings given to the people of Queensland by the coalition when it contested the last State election. This is a fundamental breach again of the sorts of undertakings that were given to the people of Queensland, and the people of Mundingburra in particular during the by-election earlier this year.

This Bill is a misnomer. This Bill should more properly be titled the "breach of promise" legislation—the breach of the important taxation promises made by the coalition. What we saw in the Budget was breach after breach of the coalition's promises to the people of Queensland with respect to taxation. If we look back over the last nine months, we find, though, that the breach of promise in relation to taxation was premeditated. It did not take the Government very long at all to be canvassing new taxes and increased taxes once the coalition sat on the Treasury benches.

It was back in March that we first heard the Deputy Leader of the National Party, the Minister who is sitting in the Chamber now, Mr Lingard, canvassing the fact that Cabinet was talking about new taxes—in breach of its undertaking to the people of Queensland. He was not alone. Other Ministers came out——

Mr Beattie: Mr Horan.

Mr HAMILL: Mr Horan, Mr Hobbs and other National Party Ministers actively canvassed additional taxes—an increased tax burden on the people of Queensland—within one month of taking the Treasury benches. What value does this coalition place upon solemn undertakings to the people of Queensland?

Mr Beattie: Absolutely none.

Mr HAMILL: Absolutely none indeed. No sooner did coalition members come to power than the promises that they had made so solemnly were being cast off in a rush to try to add to revenues and the tax burden placed on the people of Queensland. We saw an elaborate campaign being put in place to try to justify breaking the promises that they had made to the people of Queensland and breaking the trust that the people of Queensland had placed in them. The first effort that was put into breaking the promises

was, of course, that much-talked-about speech by the Treasurer at the Conservative Club luncheon in Brisbane where she started up what I have called "the cult of the underlying deficit". What was the simple message? "Oh me, oh my, here I am, the Treasurer now, and the Labor Party Government has left us with"—allegedly—"a black hole in the Budget." That was the genesis of a concerted effort by the Treasurer and the Premier to deceive the people of Queensland as to the true financial position of our State. That was a barefaced attempt by the coalition Government, the Treasurer and the Premier to justify breaking their solemn electoral promises on the basis that they were experiencing budgetary difficulties and that these alleged budgetary difficulties had been the legacy of the Labor Government.

Mr Beattie: No-one believed them.

Mr HAMILL: No-one believed them then, and certainly no-one believes them now because over the intervening nine months, time and time again we have seen independent economic analysis showing that, contrary to the assertions of the Treasurer and the Premier, Queensland's budgetary position was fundamentally sound. The greatest legacy that any Government could have left its successor was the Budget that the coalition inherited when it became the Government in February this year.

The alleged underlying deficit that the Treasurer had spoken about proved to be nothing more than a myth, nothing more than an example of this Treasurer's ability to run fast and loose with economic data. Once it was demonstrated that the underlying deficit that the Treasurer had claimed in cash terms was nonsense, the Treasurer then used the trick for which she has become well known, that is, "We will move to another basis of cooking the accounts." I make that point. It was not a case of making fair reports on the public accounts; it was an attempt to cook the accounts, to come at peddling the myth of alleged financial mismanagement in another way. The biggest problem for the Treasurer, of course, was that her own department was publishing the facts. Every quarter the Treasury brought out its economic review, and it showed that, contrary to the Treasurer's assertions, Queensland's Budget sector was running a massive underlying Budget surplus—in the order of a billion-dollar surplus—and not the underlying deficit that the Treasurer would have had us believe.

In desperation, the Premier and the Treasurer, having to concede that on a GFS basis there was a massive underlying surplus in the Budget, then trotted out the Commission of Audit report. There was much fanfare about the alleged deficit—I think it was in the order of $337m—that the Treasurer hung her reputation on when it came to the state of the Queensland Budget. What did we find out? As we found out in relation to the alleged underlying deficit in cash terms and the alleged underlying deficit when we looked at the public accounts on a GFS basis, the alleged deficit in accrual terms proved in fact to be a surplus. They were not my words; they were in fact the words of the Treasurer when she brought down the Budget in this place in September. Strike one, strike two, strike three—the Treasurer's credibility was out, out altogether, and it was all her own doing.

Why would the Treasurer have gone to such elaborate means to try to deceive the people of Queensland? The simple reason was that this coalition Government had no intention whatsoever of keeping its promises to the people of Queensland. It had no intention of honouring the commitments that it had made in relation to taxation; it had no intention whatsoever of honouring the commitments for certain tax relief to the business community in relation to land tax; and it had no intention whatsoever of honouring the commitments it had given to the people of Queensland in relation to other areas of Government revenues—the very areas which are the subject matter of the Bill before the House this afternoon.

This Bill breaks three key taxation commitments of the coalition. In the first part, it breaches the commitment not to increase taxes. The first part of this Bill increases the bank account debits tax—indeed, increases the rates at which that tax is levied by up to 35 per cent—a fundamental breach of the Government's tax platform. In the second element of this Bill, that to do with payroll tax, it fails to deliver on the whole promise that was given to the people of Queensland with respect to payroll tax. Not only was there a promise to adjust the thresholds at which payroll tax was paid but there was also a promise to provide payroll tax rebates with respect to youth employment. Nowhere can we find the delivery of that commitment, which would have been of benefit in alleviating the excessive level of youth unemployment in Queensland.

In fact, what we do know is that a number of the decisions that this Government has taken have in fact exacerbated youth unemployment and unemployment generally in this State. After its first 12 months in office,

this Government will be remembered as the Government that delivered most in terms of adding to the dole queue, the Government that added the greatest numbers to the unemployment queue as a result of the freeze on capital works, the Government that abandoned the Accelerated Capital Works Program which had been announced by the Labor Government late in 1995. This issue has been canvassed in the Parliament this week, but I can assure you, Mr Deputy Speaker, that it is going to be canvassed week in and week out by this Opposition, and rightly so, because what this Government has delivered by the breaching of its promises is adding to the quantum of human misery in this State.

The unemployment rate has now reached 10.1 per cent, and it shows no sign of abating. In fact, in the Budget which the Treasurer brought down, the unemployment forecast for the financial year 1996-97 was suggested as averaging 9.3 per cent. Even on a trend basis, the unemployment rate this financial year has not been below 9.3 per cent, and in fact it is sitting at 9.8 per cent and it is trending up, which further highlights the inappropriateness of the legislation that we have before us this afternoon. Not only did the Government not deliver on its pledges in respect of payroll tax but also in respect of the increases to the bank account debits tax and in relation to a range of other imposts which the Treasurer has canvassed in the Budget, and there were seven areas in which new or increased imposts were being brought down by the coalition in the Budget. Those additional imposts will add to the unemployment crisis that is being faced by this State.

Business is crying out, saying that there is no action coming from this Government with respect to a strategy to reinvigorate the State's economy, no strategy to turn around the collapse in economic growth in Queensland. Let us look at the figures. The State accounts for the June quarter showed that economic growth in this State, contrary to the Treasurer's assertions that it was double the national average, was in fact half that of the rest of the country. Little wonder that we see unemployment rising. Why would a responsible Government faced with those sorts of figures in terms of parlous growth figures and increasing unemployment figures do the sorts of things that this mob has done since it came to power in February?

Why would a Government undermine the fragile level of economic growth in the State by abandoning so much of the existing Capital Works Program? Why would it seek to further undermine business confidence by whacking on a whole range of new levies and taxes in the Budget? No responsible Government would do those things, but an inept and irresponsible Government would. That, unfortunately, is what we have in this State, an inept, incompetent and irresponsible Government, one that is out of touch with the needs of the community.

Mr Lester: Absolute rubbish.

Mr HAMILL: The member for Keppel may interject in his usual inane way, but I wonder what the unemployed young people of the Capricorn Coast think of a Government that abandoned capital works which might have given them a job. What do they think of a Government that abandoned an accelerated works program that was going to generate 16,000 additional jobs in the State? What do they think of a Government that is shedding employment hell west and crooked and has been doing so over the past nine months? I know what they think of that Government—they want to see the end of that Government and they want to see it sooner rather than later. These imposts are a further reason why the people of Queensland have lost their patience with the coalition, because the coalition has been found to be wanting with respect to economic management and the coalition has been found to be wanting when it comes to basic honesty in Government.

I said that this legislation deals with three areas of taxation. The third area of taxation relates to the tobacco tax, and the Government has again breached its fundamental undertaking not only to the people of Queensland as a whole but also to the tobacco growers on the Atherton Tableland. They well remember that it was a National Party Government that first introduced the tobacco licensing fee in this State. It was a National Party Government that did that and it is a National Party led coalition that is further increasing the tobacco levy. Before Government members start interjecting and saying that Labor in Government increased the levy, too, I make this point, and it stands for any fair-minded person to judge: yes, indeed, in Government we increased the tobacco licensing fee. We did it in 1992, but we did it with the blessing of the people of Queensland, because we had the intestinal fortitude to go out of this place and say to the people of Queensland, "Yes, we want to increase this particular tax and we are prepared to answer to you, the people of Queensland, in a general election so that you

could judge us before we move to add to the tax burden through an increased tobacco tax."

I contrast that with the spinelessness, the downright deceit, which has been this coalition's hallmark, of it going to the people promising no increases in taxes and no new taxes and then, within one month of taking office, it starts canvassing the very things that it had promised it would not do when it was trying to garner votes to win the Treasury benches. One could not see a more stark contrast between the honesty that was displayed by Labor with respect to the tobacco tax in 1992 and the abject dishonesty which has been displayed by the coalition with respect to these additional burdens that are provided for in this legislation.

I see that the Honourable Minister for Mines and Energy is in the Chamber. I do not know how he tries to explain this breach of promise, this backflip, this dishonesty, this betrayal of his constituents when he talks to the tobacco growers around Dimbulah and Mareeba. He knows only too well that up there the industry has been on its knees for some time. I remember the Honourable the Minister making impassioned speeches in this place on behalf of the tobacco industry in his electorate. He sits there, culpable, an accessory, a party to the dishonesty, a party to the betrayal, by supporting the coalition Government's increase in tobacco tax.

Let us look at these imposts in a little more detail. In relation to bank accounts debits tax, we see that collections by virtue of the measures contained in this Bill will see revenue from bank account debits tax rise from $131m last year to $162m estimated collections this year. That is a 23.7 per cent increase in revenue. We all know what sort of tax the bank accounts debits tax is. It is an insidious tax. It is a tax that is highly regressive, a tax which falls very heavily upon people who can ill afford to pay it.

Whilst there is some scaling of the level of tax that attaches to particular transactions, the person who has a cheque account and who uses EFTPOS to pay his bills, who goes to the grocery store to buy his food, who goes to the service station to buy his fuel or who goes to the automatic teller at the bank to put a few bob in his pocket finds that he is paying BAD tax every time he actions a transaction that is attached to his cheque account. That happens every time he actions a transaction in relation to his cheque account. There are plenty of people, ordinary Queenslanders, who have their pension cheques paid into a bank chequing account on which they have a card, whether it be a bankcard or MasterCard or some such instrument. There are plenty of Queensland families who rely upon wages and salaries that are paid directly into a bank account on which there is a chequing facility and a card. They are the ordinary Queenslanders who resent the Government's duplicity in relation to these tax measures.

People are actually shocked now when they get their bank statement to see just how much is taken off the top through bank accounts debits tax. Many of those transactions are for relatively small amounts of money, but every transaction generates that impost. It is the pensioners and the people on modest incomes who feel the brunt of bank accounts debits tax most. They are the people who are hurting, because this coalition Government could not keep its promise to the people of Queensland.

The financial community regards the move to increase BAD tax as striking at Queensland's competitiveness with respect to other States. Under Labor, Queensland maintained its low-tax status. As the weeks and months go by, this Government seems to be hell-bent on undermining Queensland's low-tax status and its tax competitiveness. It is doing it with tobacco tax and the BAD tax. It has a few others in the pipeline, with its new taxes on oil and tyres—when it can finally decide at what rate it wants to tax people and how it is going to collect it.

What about payroll tax? After reading this Bill this afternoon, one could be led to believe that it contains major payroll tax relief for businesses in Queensland. We know for a fact that only about 5 per cent of businesses in Queensland actually pay any payroll tax. Indeed, in the Government's own Commission of Audit report, serious questions were raised by commissioner FitzGerald and his fellow commissioners concerning the strategy of continuing to raise the exemption levels with respect to payroll tax. They actually suggested that, as an instrument, payroll tax was too narrowly based. But this Government promised periodic adjustments to the exemption level. To that extent, it is honouring that promise by this measure that members are debating in the Bill this afternoon. However, the Government has not gone the whole hog. As I said, it has not honoured the other important part of its payroll tax pledge, namely, to provide rebates with respect to the employment of young people. It has failed to honour that part of the commitment.

What is also worth while noting, however, is that even though the Government is

providing some concessions for some businesses, payroll tax collections will continue to rise in 1996-97. Last year, over $1 billion in payroll tax was collected by the Queensland Government from 5 per cent of the State's employers. This year, it is anticipated that payroll tax collections will reach $1,091m—almost $1.1 billion—notwithstanding the adjustment to the threshold level that is anticipated in this legislation.

What of tobacco tax? What of this other broken promise? It is anticipated that the increase in the tobacco licensing fee to 100 per cent will generate an additional $44m in revenue. Although that represents a significant increase in the rate at which the franchise fee is charged, the anticipated collection of tobacco licensing fees this year will increase by something less than 10 per cent. One might well wonder why that could be so—that by increasing by one-third the rate at which the franchise fee is levied, the revenue collections will increase by an anticipated 10 per cent. I do not for one moment believe that it is because a lot of people will say, "Enough is enough", and they will give up smoking because of the additional impost levied by the Queensland Government. We know better than that. We know that smokers in the community are a pretty hard-bitten, hard-core bunch who find giving up the habit a very difficult thing. We know that to be the case. That is why the Government has moved to increase tobacco tax in this way.

However, we will see a significant loss of revenue from one particular source, that is, the current cross-border trade in cigarettes. Queensland's State revenues have actually benefited substantially by pegging our tobacco licensing fees at a point somewhat less than that which is charged interstate. By bringing that tax into line with taxes charged in New South Wales and Victoria, the Queensland Government is actually cutting off its nose to spite its face with respect to tobacco tax revenue.

What is particularly galling in relation to the measures that the Government has brought forward is that it has not even had the decency to link the increase in tobacco tax—in other words, its broken promise—with a commitment to tie those funds to the provision of health services. The Government has not had the decency to hypothecate the increased revenue that it anticipates from tobacco tax to health education, lung cancer research or some other appropriate use for the funds.

Mr Roberts: Promoting low-nicotine cigarettes.

Mr HAMILL: I take that interjection. It is nothing more than a tax grab. It is not there for any good public purpose. It is just a crude tax grab.

As I said, the justification for these broken promises was initially suggested to be a budget deficit inherited by the incoming coalition Government. When we found that that alibi could not be sustained—because all the independent commentators supported the contention of the Opposition that the Queensland Budget was in extremely good shape and, indeed, was the envy of the rest of Australia—the Government changed its tune. In order to justify its plan to breach its election promise, it then ran the line that Commonwealth cuts would be so severe that there would be a need to raise the level of old taxes and introduce new taxes to fill that alleged hole in its Budget.

What did we find when the Budget came down? We found that payments to Queensland from the Commonwealth increased this year. They were not reduced. We also found that the Treasurer has been squirreling away her new-found riches. The additional revenues that are being raised through measures such as the tobacco tax are being squirreled away by the Treasurer into the Treasurer's Advance. It is suggested that, this year, the Treasurer's Advance will total some $259m, or $155m more than the reserve fund which was established last year by Mr De Lacy when he was the Treasurer. Of course Treasurers need to have a reserve fund or a contingency fund. It is good housekeeping. But an extra $155m? That suggests more than good housekeeping

Mr Beattie: Pork-barrelling.

Mr HAMILL: It is pork-barrelling—a slush fund. It is more than good housekeeping, it is a slush fund. It is the contention of the Opposition that, given the enormous reserve that has been built up, the Government does not need these revenue measures at all. It does not need to increase the burden of taxation on the people of Queensland—ordinary Queenslanders. The Government could forgo the additional $31m that it expects to collect through BAD tax because of the increases that it is seeking to have endorsed in this Bill. It could forgo the additional $44m in revenue that it expects to collect through tobacco tax. The Treasurer's Advance is big enough to sustain the Government without those additional sources of revenue. In other words, the Government could actually honour its promise and do as it

said it would do when it faced the people of Queensland.

Quite clearly, the Opposition will be opposing strenuously these revenue measures because they are a breach of promise. They are a breach of this Government's contract with the people of Queensland. They represent dishonesty at large, and the people of Queensland ought not to have to cop this sort of deceit, this sort of dishonesty, this duplicitous Government, and the attempt in which it has indulged throughout this year to try to muddy the waters with respect to the state of the economy in Queensland.

I foreshadow that we will be opposing other breaches of the Government's election program. By way of a disallowance motion, the Opposition will be opposing the additional impost that the Government has whacked onto Queensland motorists in registration charges. It was not enough to whack on $66.50 through the increase in the compulsory third-party insurance charge; through the Budget the Government had to have another go at the Queensland motorist. It now costs the average Queensland family over $70 more to register a vehicle and have it on the road than it did when Labor was in office prior to February.

Yesterday, the Government increased the proposed level of the tyre tax. We were told, of course, that the primary industry groups were clamouring to have the oil tax and the tyre tax levied. At least that is what the Treasurer told us, but one can put as much store by those claims as the people of Queensland could put by the Treasurer's claims that there would be no new or increased taxes in the Budget or that the State Budget that she inherited was in a parlous state.

We will be opposing the increased burden that the people of Queensland will be experiencing when they seek to access TAFE. For goodness' sake! At a time when unemployment is the major growth industry in the State, this Government dismantles training programs that are all about providing people with skills that will help them compete for jobs in the labour market. If it were not enough that this State Government has been doing that through its Budget, its Federal colleagues have been even more ruthless in the way that they have gutted employment programs, particularly programs designed to provide skills and train our young unemployed.

The Opposition will be opposing those measures in the full knowledge that the Government can afford to forgo the additional revenue that it is trying to raise. It can afford to forgo it because the Treasurer's Advance has so many dollars in it that the Government does not need these tax increases. I suggest that the best thing that the Treasurer can do to try to restore what little credibility she has left is abandon her determination to tax, tax and tax again the people of Queensland, contrary to promises that she made as recently as February this year.

Mr BEATTIE (Brisbane Central—Leader of the Opposition) (5.23 p.m.): On 3 July last year, National Party leader and then Leader of the Opposition, Rob Borbidge, promised Queenslanders that a coalition Government would deliver on its promises. He said that he was doing more than making promises. All those promises were contained in what he called "Our contract with Queensland". He promised that, if the coalition said it was going to do something, it would do it. He said—

> "We will not promise what we know deep down we cannot deliver."

He vowed—

> "If we fail—then throw us out."

The coalition promised no new or increased taxes. This legislation is a clear, fundamental breach of that election commitment given by the then Leader of the Opposition, Rob Borbidge, and confirmed by the Leader of the Liberal Party and the now Deputy Premier, Joan Sheldon. They have breached their election commitment. They have lied to the people of this State. At the next election, we will be reminding Mr Borbidge, the Premier, and the Deputy Premier of the commitment that they gave and what Mr Borbidge said—"If we fail—then throw us out"—because this is a clear breach of an election commitment.

I confirm my personal opposition and that of the parliamentary ALP to the tax increases contained in this Bill. We oppose them because they are unnecessary. By opposing them today we fulfil the public commitment that I gave after the Lytton by-election that we would oppose these taxing measures, a decision made by both the shadow Cabinet and the caucus. If there was a message from the Lytton by-election, it was that the people of Queensland do not support these seven new or increased taxes. That was the message of the Lytton by-election. That was the mandate that we were given, and we use that mandate today to oppose these taxing measures.

We oppose them because they directly attack Queensland's hard-won reputation as

the low-tax State. I am simply amazed that the Treasurer, Mrs Sheldon, could impose $125m in new and increased taxes—and that will be the revenue from them this year—at the same time as skimming $83m off the Budget to pay for her decision to remove the tolls on the Sunshine Motorway and setting aside a further $259m in her own slush fund, the Treasurer's Advance Account. How can she do those things on the one hand and then slug taxpayers on the other? She also appears to have no sense of guilt or betrayal of her duty in imposing a $12m a year cost on the State's roads budget for each year up to and including the year 2016. That is $12m a year for the next 20 years that has been stripped from the roads budget to pay for her selfish decision to scrap the tolls on the Sunshine Motorway.

Queensland has proudly borne the mantle of the low-tax State for many years, yet Mrs Sheldon seems indifferent about increasing the rates of bank account debits tax and the tobacco licence fee so that they equal those of other States. In attempting to deflect criticism of these savage increases of over 30 per cent of the previous tax rate, the Treasurer has said in her typically arrogant way, "We are simply bringing the rates up to the levels of other States." She casually admits to bringing those tax rates into line with those in the other States as if it does not matter. The Treasurer should wake up to the fact that, if the tax levels in Queensland are the same as they are in other States, we are no longer the low-tax State and our competitive advantage will be severely eroded, as has happened over the past nine months. That is why unemployment is going through the roof; that is why there are now 12,200 additional unemployed people in this State.

The bank account debits tax increase is a case in point. Honourable members can put themselves in the position of an offshore financial institution, that is, an organisation wanting to invest in this State, wanting to establish a regional headquarters somewhere in Australia. One of the considerations of this potential investor would be the level of taxes imposed on its financial transactions. Had we not received the benefit of the Treasurer's short-sightedness, Queensland would have been leading the pack of other competitor States on the issue of transaction taxes. But we have now lost that clear advantage. Queensland becomes just another State seeking to host a regional headquarters. That is the legacy of this Treasurer.

If this Treasurer's attitude is that it is okay to increase taxes as long as they do not exceed the rates applying in other States, one has to wonder what is next. Which taxes will she raise next year to meet the rates of other States? During the Estimates committee process I asked the Treasurer to give a guarantee that there would not be a further increase in taxes and charges in next year's Budget.

Mr Hamill: What did she say?

Mr BEATTIE: The honourable member was there. She refused to give a guarantee. In other words, this is the first instalment of more new taxes and increases in existing taxes. What will happen next? Will it be motor vehicle stamp duty? That would cost a car buyer an extra $200. Will it be conveyance duty? That could cost Queensland home buyers an extra $2,000 or $3,000. Will the Treasurer follow the recommendations of her Commission of Audit and apply fuel tax rates currently charged in other States? If she did, she would add more than $200 to the annual cost of petrol for the average motorist.

The members of this coalition Government have attempted to blame everyone but themselves for their decision to increase taxes and introduce new taxes, but that simply does not stand up to scrutiny. Anyone who dares to attack the Government is then ridiculed by the Premier in the most vicious way, in a very personal way, in a way that is not going down well with the people of Queensland. Indeed, a businessman said to me only recently that it is like Mr Magoo trying to pretend that he is Sid Vicious. I think that is an appropriate description of the Premier's behaviour.

As I said, the Government has attempted to blame everyone else, However, the coalition did not inherit a deficit from the previous Government. Clearly, by any measure the State Budget was in surplus. The coalition Government inherited a sound budgetary position, a sound economy—the best in Australia. The Deputy Premier's own Budget papers showed that last year the State as a whole had an underlying surplus of $1.35 billion. Even the supposed accrual deficit estimated in the Commission of Audit report was revised in the Budget papers to become a surplus.

The coalition is simply not telling the truth when it claims that it received less funding from the Commonwealth. In fact, this year Commonwealth payments to the Consolidated Fund increased by 5 per cent. Although the Premier did agree to pay $114m back to the Commonwealth, he simply subtracted that amount from the Commonwealth's

contribution to the Housing Commission and reduced expenditure on Housing Commission services such as maintenance and construction by the same amount. The Budget did not suffer from Commonwealth funding cuts; the tenants of the Housing Commission did. That is what has happened. I am sure that the Prime Minister, who will be here on Friday, would be only too happy to confirm the additional funds that this State received from the Commonwealth.

The Borbidge/Sheldon Government is a high-taxing Government. It is leaving no stone unturned or untaxed. The Opposition is still discovering hidden tax increases, such as a 33 per cent increase in national park camping fees for families and a $22m annual revenue boost from the introduction of speed cameras. That is not a bad secret tax! Those new and increased taxes have been introduced uniformly in a callous, non-consultative and completely disorganised way. They are another series of secret taxes. The Government has made secret deals with the Police Union and it has imposed secret taxes. It is the way in which this Government behaves. It is an arrogant, out-of-touch Government.

The Treasurer has been caught out claiming that there was consultation and agreement when none had, in fact, occurred. Yesterday in this House, while trying to bluster her way through her embarrassment she gave us an insight into why many groups feel that they have not had an input into those decisions. I tabled those news releases in this House this morning. The Treasurer holds the view that she needs to consult only with those groups whom she represents. Presumably, the rest of the community—any other legitimate stakeholder—can forget about having their case heard or considered at all. Yesterday, the Treasurer said—

> "The fact of the matter is that this Government does consult widely with the groups that it represents."

What about the rest of the community?

Mr Ardill: They don't matter.

Mr BEATTIE: That is right, in her arrogant way they do not matter to the Treasurer. The Treasurer will not consult with all groups who may have a legitimate interest in any issue, such as the introduction of tyre and oil taxes. That is why many people in the National Party's country constituency have now given the coalition away as a dead loss. It seems that the Treasurer will consult only those groups whom she represents, such as the Tollbusters.

I simply say to Treasurer, "Why don't you govern for all of Queensland?" That is what most Queenslanders, whichever way they voted at the last election, would expect her to do. If the Treasurer consulted with all interested stakeholders, she would not have to make the embarrassing backdowns that are becoming the hallmark of the Government. This Government is becoming known as the "twisted inside out, backdown Government". It is a reputation that it well and truly deserves. I refer to backdowns such as the Scurr inquiry into subcontractors, the decision to leave retail trading hours as they are, the reversal of the increase in kangaroo shooters' fees and the exemption of island national parks from the ParkPass tax.

The ParkPass tax debacle is a case study in ineptitude and incompetence. It confirms that this Government is clearly not up to the task of being the Government of this proud State. There are 57 island national parks in the Great Barrier Reef. Many of those national parks are very popular and are visited by large numbers of tourists, particularly those from overseas. The Government was expecting to raise $1.1m this financial year from the ParkPass. It has just called tenders for a $300,000 advertising contract, which will presumably come out of that $1.1m. Now with island exemptions, even less money is going to be raised. When one factors in the costs of producing, selling, monitoring and enforcing the ParkPass and the likelihood of a high level of avoidance of this tax, one must query the financial worth of it. It should be scrapped totally—not partially scrapped, scrapped totally—because it is devastating to the tourist industry. It also means that families cannot even go for a family picnic in a national park without Mrs Sheldon having her tax hand in their pockets.

The Government has been all at sea over this ParkPass issue. In the Treasurer's Budget Speech, she said that the Great Barrier Reef parks would be exempt. In the Budget Estimates, Minister Littleproud contradicted the Treasurer and said that there would be no exemptions. Now the Government has backflipped yet again. Is it any wonder that the business community is calling for an election? It is any wonder that the business community has lost total faith and confidence in this Government?

The Director-General of the Environment Department also stated unequivocally that, if the ParkPass failed to produce the expected revenue, then the department's budget would be cut accordingly. That must mean that park management funds are to be cut further or

more staff will be sacked—something that this Government is very good at doing. Dropping the ParkPass for island national parks in the Great Barrier Reef means that well-heeled international visitors to the reef will not have to pay but ordinary mums and dads and families will have to pay. How fair is that? The decision to exempt island national parks but still charge mainland national parks may help the island tourist industry—which the Opposition fully supports because it agrees that they should not pay it—but it discriminates against other tourism operators, particularly our fledgling outback tourist industry.

So the Government is hitting all those outback tourist operators—the people at Barcaldine, where I was on the weekend, Mount Isa and in other places. I see the member for Charters Towers is in the Chamber. The Government is slugging his constituents. That is what it is doing. It is slugging those outback tourist operators as hard as it possibly can. As I said, the decision to exempt island national parks but still charge mainland national parks is hurting the country and the outback tourist industry.

Instead of providing incentives to encourage small business and business generally, this Government has imposed seven new or increased taxes. This Government is a high-taxing Government. When we go to the people at the next State election, the Opposition will be making it clearly understood that this Government is a high-taxing Government. This Government stands for high taxes. The Opposition will be opposing these new and increased taxes because Queensland needs an economic climate in which business can grow and not be hamstrung by seven new or increased taxes.

Mr Hamill: And certainty.

Mr BEATTIE: That is right, business needs some certainty. Out of that economic climate will come jobs. The new taxes and the increases are bad enough, but this Government cannot even implement them without experiencing problems. That is why there is a clear difference between this Government and the Opposition. The Opposition stands for economic growth and jobs, it stands for an accelerated capital works program, major projects, overseas trade, growth and jobs. The Government stands for high taxation, incompetent administration and an inability to deliver services. It is a Government of high taxation, which talks grandly about services—for example, the Minister for Health—but it does not deliver the services because of its incompetence.

All the senior Ministers in this Government have been responsible for putting a freeze on the Capital Works Program, taking $400m out of the economy and leaving Queensland with the highest rate of mainland unemployment in Australia. Since this Government took office in February, 12,200 extra people have become unemployed. The worst offender after the Treasurer is the Health Minister, who has contributed more than any other Minister to unemployment in this State by freezing the Capital Works Program on Health, which was on target when I was the Health Minister. I left that program in a sound position. I had dates for the completion of hospitals. Health had programs in place. What did Mr Horan do? He unravelled the program. He sacked the head of the Health Capital Works Program because he wanted someone in that position who was politically acceptable to him. What has happened to the Barcaldine Hospital? Six million dollars has not been not spent. What has happened at Longreach? Four hundred thousand dollars has not been spent.

Mr McGrady: Mornington Island.

Mr BEATTIE: Mornington Island, right across the State, the Health Capital Works Program is now nine months behind schedule.

Mr Dollin: Maryborough, too.

Mr BEATTIE: Maryborough—all the major hospitals are behind schedule, yet today the Health Minister had the audacity to come into this place and try to talk down the rebuilding of the PA Hospital. An architects' competition had solved the planning problems, which meant that the PA Hospital would now have been in the process of being built. What did the Minister do? He says it needs another 18 months! Talk about fiddle while Rome burns! I can tell the House that there are dates for the completion of every hospital in this State. Before the next State election, the relevant shadow Minister and I will go to every hospital in this State and I will produce the document for the completion date. I will say, "That is the legacy of this coalition Government. You have half a hospital or none at all as a result of its incompetence and the way it has behaved."

Mr Ardill interjected.

Mr BEATTIE: That is right. He is all bluster. He puts out news releases that sound good, but there is no service delivery. He is all puff and wind and there is no substance.

Mr Elder: He doesn't even know the difference between a hospital budget and a district budget.

Mr BEATTIE: That is exactly right. One day we will get the *Courier-Mail* to run stories about his level of incompetence, but I will not hold my breath.

Let us not forget the Government's $75 hike in car registration, the increase of 80c on a packet of cigarettes, the huge increase in bank account debits tax, the increase in TAFE fees, the oil tax, the tyre levy, the national park taxes—listen to them all. That is what the Government stands for.

Mr McGrady: And increases in electricity charges.

Mr BEATTIE: And increases in electricity charges. Every Government member needs to be put on notice that at the next State election we are going to go to their electorates and say, "This is what the coalition stood for: a $75 increase in car rego, an increase of 80c in a packet of cigarettes, a huge increase in bank account debits tax which is hitting pensioners, an increase in TAFE fees, the oil tax, the tyre levy, the national park taxes, and increases in electricity charges." That is what the Government stands for, and we are happy to say in this House today that we fought all the way along the line to stop it happening. We will be on the public record as opposing the Government's high-taxing policies. The coalition is the high-taxing Government that set back growth in this State and created unemployment. That is its legacy.

The tax increases in this Bill cannot be justified. They are simply the result of the Treasurer's inability to manage the State's finances. If we look at what is happening around the State, we find that there has been a threefold increase in the number of late payments of car registrations in the Townsville region this year. The people of Mundingburra gave the coalition Government and look at what is happening in Townsville! This trend has been duplicated around the State. That is a significant economic indicator that things are slowing down.

What else is the Government doing? Suncorp picks a New South Wales firm to do its printing—a contract worth $6m. The Government will not even have the printing done in Queensland. Government members talk about the super bank, but they go to New South Wales to get their printing done. What is wrong with Queensland firms? There is nothing wrong with Queensland firms! We will win the next State election because of our opposition to this high-taxing Government.

Time expired.

Dr WATSON (Moggill) (5.45 p.m.): I rise to speak on the Revenue Laws Amendment Bill. However, before making the comments that I wanted to make, I will refer to the disingenuous comments made by the previous speaker, the Leader of the Opposition, and the member for Ipswich. A couple of the issues that they raised are breathtaking in their degree of duplicity.

Firstly, the member for Ipswich said that the debits tax was a regressive tax which presumably hits low income earners harder than others. At the end of 1991 when the Commonwealth transferred that taxing power to the States, the Labor Party was in power. I did not hear anyone on that side of politics say, "No, we don't want that tax as part of the State's taxing powers because we believe it is a regressive tax." The members opposite grabbed it, because they thought it was a growth tax. There was none of the hypocrisy that I hear today—none whatsoever.

The shadow Treasurer and the Leader of the Opposition talked about what they did when they went to an election and promised to increase the tobacco tax and put the funds into health. How false was that? Before the election a sum of $75m was allocated in the Budget for the Capital Works Program for Health and another $150m was promised from that tax increase. They put $150m into Health all right, but they did not bother to leave the existing $75m. That $75m in consolidated revenue was put elsewhere. When the previous Government received more in tax collections than it anticipated, it did not come back and say, "Gee, we got more from the tobacco tax than we anticipated, so we will put it into health." That money was slid into consolidated revenue. That highlights the hypocrisy of what we have heard.

Lastly, the Leader of the Opposition talked about the increase in car registration. The Government increased the cost of registration because the previous Government squibbed on the decision in January. The Motor Accident Insurance Commission presented the issue to Cabinet just before the Labor Party lost in Mundingburra, but what did it say?

An Opposition member interjected.

Dr WATSON: I will come to that. The previous Government said, "We'll squib it. We'll let the next Government do it. We do not care about responsibility and the fact that the funds are there. We are going to do the same thing to the Motor Accident Insurance Commission and the insurance companies as we did with workers' compensation." The

former supposedly responsible Government said, "No, we will squib it. We will not make the decision. We'll let the new Government take care of it. We'll promote the same kind of responsibility in Government as we did with workers' compensation."

It is the absolute height of hypocrisy for the Leader of the Opposition and the shadow Treasurer to suddenly find themselves converted on the road to Damascus in terms of their care for low income earners, hospital patients and motorists. Their rhetoric does not stack up when one looks at what they did in Government.

I turn now to some of the other issues in this Bill that are important and some of the issues that the Leader of the Opposition and the shadow Treasurer spoke about, although not in sufficient detail. The Bill delivers on some measures that were contained in the Budget and it increases the debits tax and the tobacco licensing fee. It also reduces payroll tax. It does deliver that part of the Budget which necessitates the changing of some Acts.

As the Treasurer has pointed out on numerous occasions, the coalition did not want to increase taxes. We did not go into the Budget process with that in mind. However, we have come out of the process in this way because of the legacy of overspending left by the previous Government and its irresponsible attitude, which I have talked about, and the cut in funding to the States as a direct result of the irresponsibility of the previous Federal Labor Government. Those were two fundamental reasons for these increases in taxes. Without either one of those factors, there would not have been any necessity for tax increases.

Let me look in detail at the debits tax, because that particular issue has been raised by the Australian Society of Corporate Treasurers. It was from the submissions of that organisation that the shadow Treasurer and the Leader of the Opposition took some of their comments. I will go into those in a fair bit of detail.

Mr Hamill: They didn't talk about the impost on pensioners.

Dr WATSON: The honourable member was out of the Chamber when I talked about pensioners, because, as I said to the honourable member's colleagues, the previous Government's attitude was simply that, when it had the ability as a Government to reject getting the debits tax, it did not do that. When it got rid of the stamp duty on cheques, it put an extra 10c on every debit, knowing that it was going to hit exactly the people for whom Opposition members are now bleating. The Opposition's hypocrisy on that issue is manifest.

Mr Elder: Your BAD tax.

Dr WATSON: The former Government accepted it with its regresses and everything else, and it changed the taxes, too.

Queensland does not impose a financial institutions duty. If one talks about a tax which affects financial institutions, that affects it far greater than the debits tax. The financial institutions duty is something like 0.6 per cent on deposits to accounts. If that was applied in Queensland, as it is in other States, it would raise an extra $240m. The amount of debits tax payable is relatively modest. It is $4 at the maximum for debits exceeding $10,000 and, of course, it is significantly less for other transactions.

Mr Ardill interjected.

Dr WATSON: The former Government did exactly the same thing. The principle has not changed whatsoever. If the member was concerned about that issue, he should have done something about it when he was in Government. The former Government did nothing; it did not believe it then and it does not believe it now.

Queensland's commitment to not introducing an FID tax therefore means substantial savings to Queensland account holders and ensures that banking transaction costs in Queensland remain significantly lower than those in other States. In common with other members, on 4 October I received a letter from the Australian Society of Corporate Treasurers.

Mr Hamill: Yes, which I referred to. You know what they said.

Dr WATSON: I know what the letter said, and I will go through the issues it raised in detail. The letter from the Australian Society of Corporate Treasurers contained two sections. The first section outlined its concern about the impact on Queensland of the increase in debits tax. The second section outlined some other issues that Coopers and Lybrand raised as general criticism of debits tax and FID. I will go through in detail the first four points and then I will address the others. In respect of the four issues raised which addressed the general impact on Queensland, the letter stated—

> "There will be a narrowing of the credibility gap within Australia between Queensland and the rest of the country, particularly in the area of taxation of

> financial instruments and transactions. The ASCT applauds the lead Queensland has taken in not adopting the structurally inefficient Financial Institutions duty. The ASCT also congratulates Queensland on the reduction of Stamp duty rates on share transactions, which was quickly followed by other states. The 1995 reduction in stamp duty for share transactions illustrates Queensland's leadership in financial instrument taxation reform. Hence, recognising Queensland as a possible major headquarters for financial service providers in the Asia-Pacific Rim."

Secondly, the letter stated—

> "The potential for Queensland to be a regional headquarters for the Asian-Pacific Rim for non-resident corporates has been tarnished by the proposal"—

which is what the Leader of the Opposition quoted—

> "given the alternatives such as Singapore and Hong Kong which have become a very cost efficient centre for trade. Australia (all states and territories) is the only nation in the world to directly tax financial transactions."

Thirdly, the letter stated—

> "The potential for existing corporates to move regional headquarters from Queensland and Australia to Singapore and Hong Kong has been increased."

Fourthly, the letter stated—

> "All sectors of the economy will be burdened by the increase, as the tax is non-discriminatory."

Let me address each of those issues. In the absence of any clear supporting evidence—and it did not provide any—it is difficult to see how the small increases in debits tax will narrow the "credibility gap" within Australia between Queensland and the rest of the country. Despite the increase in debits tax rates, Queensland's financial taxes regime remains by far the most competitive of those in all Australian States. Financial institutions duty on deposits to accounts with financial institutions is not levied in Queensland as it is in other States and Territories, thereby saving Queenslanders about $240m per year.

Further, debits tax rates are low in comparison with FID, and Queensland's new rates will be no higher than those which apply in New South Wales, Victoria and South Australia. Consequently, it is difficult—in fact, it is impossible—to believe that there are significant incentives for business to exit Queensland or for individuals to change their behaviour based on these increases alone. The argument simply does not stack up.

Secondly, the increase will have no impact on whether non-resident corporations choose to locate their regional headquarters in Queensland, provided that they would qualify for a licence under the Offshore Banking Units and Regional Headquarters Act 1993. The shadow Minister should know that; it was his Government's Act. The shadow Minister should note that these corporations do not have to pay debits tax for debits made to an account if the debits are made, and the account used, wholly for its regional headquarters' activities and on the conditions prescribed by regulation.

Importantly, the revenue measures which are being debated today will not adversely affect Queensland's status as the low tax State. The growth and prosperity of business is best encouraged and fostered by the Government maintaining that status and keeping general business costs substantially below the national average. Not only that, concessions announced in the Budget will ensure that tax collections per capita continue to be significantly lower than the all-States average. Indeed, despite the revenue measures announced in the Budget, Queensland remains the lowest taxed jurisdiction on a per capita basis by a considerable margin. And, of course, as part of the Bill adjustments are being made to the payroll tax thresholds which will lower the incidence of payroll tax on business.

The second section of the letter was based upon the Coopers and Lybrand report, which I mentioned earlier. All jurisdictions in Australia are currently considering these issues. As the report rightly points out, some potentially longer term risks to future debits tax receipts are posed by advances in technology. I will identify very briefly the points raised by the ASCT, which include the following. Firstly, debits tax performs poorly in four out of five tax assessment criteria. It is inequitable, inefficient, the revenue base is unstable and it has poor public acceptance. Secondly, debits tax performs particularly poorly against the criterion of vertical equity. The tax scale favours large transactions and applies regressively to small business and low-income individuals.

Thirdly, debits tax also performs poorly in terms of horizontal equity, that is, only individuals who hold cheque accounts are subject to the tax. Fourthly, electronic banking

is allowing more financial transactions to become borderless, making the revenue bases of debit and FID unstable. Fifthly, as to banking using smart cards and the Internet—83 per cent of Australian banks consider that this will allow individuals to bank offshore. This will make revenues from debits tax even more unstable.

Sixthly, businesses are highly aware of FID and debits tax and will change their banking habits to minimise these costs. Seventhly, as the market for financial services becomes better integrated and more international, taxing financial transactions in Australia will become increasingly anti-competitive and inefficient. Finally, 77 per cent of all banks consider that FID and debits tax are major or decisive impediments to attracting non-resident business.

Two general points need to be made. Firstly, many of the significant points raised can be finally addressed only by a full overhaul of Australia's taxation system in a way which makes it efficient and equitable for taxpayers and addresses the fiscal imbalance between the Commonwealth and the States. Secondly, many of the issues raised by Coopers and Lybrand are ones which need to be addressed by the turn of the century but are not immediately relevant to the debate on this revenue laws legislation, which is designed to finance, in part, the 1996-97 expenditure.

The Coopers and Lybrand report has generated concern amongst heads of treasuries. They have commissioned a report by Price Waterhouse to investigate the risks identified by Coopers and Lybrand, and that report became available recently. I will make the following comments with that report in mind. Firstly, the Coopers and Lybrand report concludes that financial transactions taxes are not viable in a world characterised by borderless electronic banking. However, that view is not fully supported by the Price Waterhouse report, which reaches a somewhat different conclusion as to the implications of technology on financial taxes.

Price Waterhouse found that the commentary neglected to address the rate of introduction and usage of new technology and overstated the likely impact on collections. Cheques continue to be the preferred method of payment by business, representing 75 per cent of all business payments. Consequently, Price Waterhouse concluded that there will not be an imminent, rapid decline in the use of cheques and that debits tax revenue is most likely to remain stable—in real terms—in the short to medium term.

Secondly, the threat to debits tax posed by Internet banking and smart cards appears overstated. Price Waterhouse observe that there are a number of important issues, such as security and privacy, to be addressed before the Internet is widely adopted for electronic banking. The impact of smart cards on revenue will depend upon the way in which those cards are used, with certain patterns of use actually increasing collections.

Thirdly, the assertion that debits tax has poor public acceptance is at odds with the facts. While 84 per cent of account holders are aware that their accounts attract financial taxes—that is, both debits tax and FID—only 16 per cent had acted to reduce those taxes by, for example, writing fewer cheques. It would appear that minimising financial taxes is not a high priority for most people.

Price Waterhouse also conclude that minimisation of financial taxes is a less important motivation for Australian companies and residents moving accounts offshore than income tax evasion. This is because the potential savings on financial taxes are reduced by bank fees incurred in the process. Because Queensland does not impose an FID, any net saving would be far less than in other jurisdictions and would be unlikely to justify the administrative costs and inconvenience involved.

Debate, on motion of Dr Watson, adjourned.

ENVIRONMENT BUDGET

Mr WELFORD (Everton) (6 p.m.) I move—

> "That this Parliament condemns the Minister for Environment for his abject failure to manage and protect the Environment budget, resulting in numerous new taxes, more uncertainty for business and plummeting protection for Queensland's natural environment."

This morning in question time the Premier made a desperate attempt to defend the Government's record on the environment and bail out his beleaguered Environment Minister. The Premier challenged us on the question of the Government's environmental record, and tonight we are happy to take up that challenge to set the record straight so that the Premier and all members of the Government, including the back bench, are aware of just how pathetic and incompetent their Government's performance has been on the environment. Now is an appropriate time to take stock of the record of this Minister and this

Government—the Minister who never wanted to be Environment Minister and who is still having enormous difficulty filling the role.

Let us look at the abysmal history of broken promises, clumsy, ad hoc decision making, pathetic consultation and dunce-of-the-class performance by this Minister. We have a history of bungles, backdowns, turnarounds, backflips and reviews. We have a history of the Premier, the Treasurer and the Minister tripping over each other in their hopeless attempts to steer the Government through the murky waters of community politics after having dumped unceremoniously any pretence to a coherent environmental policy. I have only nine minutes left, so I had better get started because the chronicle of failure is long indeed.

Firstly, the Government delayed the operation of the Environmental Protection Act and appointed a stacked committee without equal environmental representation to review it. This was the first of many, many reviews—not just in the Environment Department but across this incompetent Government. In the meantime, there have been two dumpings of tyres on the south coast and a truckload of sewage has been dumped in the rainforest of the Daintree while the Minister does nothing. The waste tracking system has been put on the backburner, and the EPP for waste management is languishing within the bowels of his demoralised department. The EPP for air has been delayed. The Tully/Millstream power plant was pursued vigorously until the political and economic absurdity of it sunk into the Government's mind, and still the Energy Minister is running around north Queensland leading his betrayed constituents astray with nonsense assertions about dams going ahead for other purposes—now irrigation.

Power lines are proposed to be strung up through the Daintree into pristine areas of World Heritage value at enormous taxpayer-subsidised expense, with a make-believe environmental impact assessment process occurring only after the decision is made. That process is not designed to assess impacts but simply to find ways of selling the idea as environmentally tolerable while this Environment Minister stands idly by. He also stood idly by while 200 years of heritage buildings were bulldozed into dust right under his nose here in Brisbane. Tens of hectares of mahogany glider land was bulldozed before any action was taken to protect it from further degradation. Only recently the Minister got around—after nine months of fiddling—to actually acquiring the land from the person who was most disgracefully doing damage to that habitat.

The rare northern hairy-nosed wombat—one of them at least—has been sacrificed in the name of some harebrained artificial research project, even though there are only 65 of them left in the whole of Queensland. Cassowaries are being slaughtered by the week without so much as a cassowary conservation plan in sight. The lives of migrating humpback whales have been put at risk—along with the Hervey Bay whale-watching industry—with the premature issue of new boat permits in Moreton Bay, against departmental advice and before the management plan for humpback whales is finalised. The dugong protection policies have been delayed and no protection is in place, especially for dugongs in the Hinchinbrook Channel because the Minister has sabotaged the Hinchinbrook regional management plan to ensure that it is not finalised until after Keith Williams' Port Hinchinbrook development and its 250-boat marina are constructed.

Mr LITTLEPROUD: I rise to a point of order. I find the comment that I am doing things for Keith Williams offensive. I ask it to be withdrawn. It is untrue.

Mr WELFORD: I withdraw.

The Minister has closed down the Stradbroke Island dune research station, abandoning 20 years-plus of accumulated valuable research data. The Lake Eacham community nursery in northern Queensland has had its funding abolished in the budget, and there is now a review into that after public outcry. Fleay's Wildlife Park was threatened with privatisation, and again after public outcry that decision has been put under review.

The Naturesearch Community Conservation Program has been collapsed and combined into some other new whizzbang program with less resources to actually service, assist and educate Naturesearch volunteers. Tree-clearing guidelines have been junked and the issuing of permits has been accelerated to record levels, threatening to turn central and western Queensland into more of a desert than it already is. Woodchipping licences——

Mr Littleproud: I'm not responsible for that.

Mr WELFORD: The Minister is standing idly by. He says that he is not responsible. He denies responsibility, Mr Speaker. You heard him; there it is on the record. The Minister denies responsibility for woodchipping licences

and for land clearing that is turning central Queensland into a desert.

Mr Beattie: Who is making these decisions?

Mr WELFORD: Who is making these decisions? Woodchipping licences have been issued for the woodchipping of native forest hardwood timbers in direct breach of an election promise by this Government. Despite all that, I only now get to the Budget.

Then came the Budget—a Budget pretending to maintain environment funding but precariously dependent upon dozens of new tax imposts. There was a $5m net reduction in national parks funding and not a single extra park ranger provided for, despite the Minister repeatedly and deceitfully pretending in his press releases that he is giving greater attention or emphasis to park management. There are new national park taxes. First they were proposed not to be levied on national parks in marine parks; then the Minister said they were going to be imposed on every park in Queensland; then they were put under review; and then they were removed from all island national parks, including ones not in marine parks. This is decision making by chaos theory! But there are still national park taxes on every conservation park and every national park in which bushwalkers on the mainland want to go for a hike or a camp, even though there is not a single facility or convenience in them. There is a $300,000 contract to sell the national park tax and expected revenue of less than $100,000, if anything. That is going to be the net result of this Minister's folly. In the meantime the tourism industry in far-northern Queensland was sent into chaos over the combined effects of the Federal and State national parks taxes on the Barrier Reef.

Then the Minister proposed a 163 per cent increase in kangaroo shooters' licence fees. Then he denied it—falsely—and then he said, after intervention from the Premier, that it was going to be under review, and more recently he has backed down. There have been vicious cuts to the Wet Tropics Management Authority, scuttling its research program and stalling all capital works on facilities which would allow the area to be visited without environmental damage. Then came the oil and tyre taxes—the piece de resistance of this Minister's monumental incompetence in managing the Environment budget. They were announced without consultation with industry and without any semblance of rational thought to their implementation. They were then put under review after much public outcry. The fees were then changed, then re-announced this week, still without further appropriate consultation, and the Minister said in the Parliament this morning that they are still up for further review and further consultation. These new oil and tyre taxes were to raise $8m this year and $16m in a full year, according to the Budget Estimates. Now we are told they are going to raise $25m, with less than 25 per cent of that going to the department's environmental programs and not a single extra tyre likely to be actually recycled as a result, because most of the money goes into the pockets of large industrial players who already by and large have collection processes in place on a voluntary basis.

So this is the performance of the Environment Minister which the Premier defended this morning. This is the performance for which the Premier proudly took responsibility in the Parliament today in terms of his Government's record on the environment and its Environment budget. This Environment budget is a joke. It is in tatters. There is not a single element of the budget which this Minister can honestly say is secure, because all the elements of funding on which it fundamentally depends—the range of new taxes on which this Environment budget depends—have been scuttled one way or another by backdowns, turnarounds and reviews at the Premier's intervention or at this Minister's belated initiative. The Premier has been hoping to take the heat off his fumbling, stumbling, incompetent Environment Minister. It is time we had a Government that took the environment seriously, that allocated a real budget that was not full of smoke and mirrors, and that did not take business for granted and generate uncertainty. We need a Government that is not like the National Party of old——

Time expired.

Mr BEATTIE (Brisbane Central—Leader of the Opposition) (6.10 p.m.): I rise to second this motion and in doing so I wish to address the Premier's pathetic defence of his Environment Minister in this place earlier today because it is important to have this on the record. I should first applaud the Premier for his courageous attempt to undertake such a task. The subjects on which he chose to support the Minister were breathtaking in their audacity and leave him wide open to challenge.

Let us take the tree clearing issue, for example. Whoever would have thought a National Party Premier would stand up in this Parliament and beat his chest with pride over

resolving what is to the National Party their most enduring example of environmental vandalism? He somehow conveniently avoids the 98 per cent of the brigalow belt in this State that a National Party Government devastated in the seventies and eighties.

He conveniently avoids the fact that the conservation movement in this State has, in desperation, called for a moratorium on the issue of land clearing permits because of their alarm at the 100 per cent increase in permits issued this year alone. He conveniently avoids the fact that land degradation caused by overclearing is our number one environmental problem, and he conveniently avoids the fact that Labor had a tree clearing policy negotiated between all interested parties ready to go in February this year. Nine months later, all we have is more talk and more conflict and more of our native woodlands being mercilessly flattened while we speak. That is a very poor example for the Premier to pick.

Then he mentioned the decision on the Cooper Basin matter. I can only assume that he is referring to the madcap cotton growing issue. All his Government achieved there was to alienate a huge slice of Channel Country graziers who were dead set opposed to seeing the pollution that comes from cotton growing pouring through their waterways. That was an even worse example for the Premier to use.

The Premier then went to the Environment Protection Council, which his Environment Minister introduced. This was the supposed independent Environmental Protection Authority his Government waved in front of Drew Hutton and his Green friends, but when it was delivered, it turned into nothing but an advisory committee, and what a committee—20 strong. He made sure he gave everybody a guernsey. And what has it turned into—a gabfest! That is right, it is a huge gabfest. Not one decent recommendation has come forward, but what could we expect from a committee of 20? The Premier did not strike pay dirt with that one, either.

Then the Premier went to the Environmental Protection Act and he highlighted the fact that he let nearly 7,000 industries off the hook as far as licensing was concerned. Instead, those industries need only to get an authority because they promised the Premier's gullible Environment Minister that they would be good little boys and girls and they would not pollute. I would love to sell him the Sydney Harbour Bridge; he would buy it. What a joke! All he achieved was to reduce the funding available for monitoring and enforcement. How on earth will he know what these 7,000 businesses are doing? He does not have a clue and there are no future prospects of him finding out. These people are laughing their heads off while their businesses continue to pollute our environment.

To make an environmental song and dance out of scrapping the Tully/Millstream dam was the real doozy from the Premier. After running all over north Queensland promising anyone who would listen that he would build the dam once in Government, his Mines and Energy Minister finally had to admit that he just could not get away with it in the nineties. Those were his words. There was no mention of the environmental damage a dam flooding hundreds of hectares of World Heritage listed rainforest would cause. No, there was none of that, just a wimpish complaint that he could not get away with it.

The Premier held up the workings of the Brisbane River Management Group as some sort of achievement—he has to be kidding. Labor set that body up because his Government, after 32 years, had left it as little more than a sewer and a source of cheap sand and gravel. His securing of an end to dredging the river by 1997 was a commitment of the Labor Government back in July 1995 and had been fully negotiated with the dredge companies involved.

The Premier's mahogany glider package is nothing but a scaled down version of the $16m joint State/Federal package put in place by Labor, but delivered over nine months later with the result that more glider habitat was lost while the Premier dithered.

If the Premier was so worried about the effects that the south coast motorway was going to have on koalas, why has he not started to sell off the land purchased by Labor for the motorway? He has not because he knows his glorified "highway from hell" enlargement of the Pacific Highway will choke by 2001.

I close by again expressing both my astonishment at the Premier's attempts to defend the indefensible and my admiration that he would even attempt such a task. He should keep it up. The environmentalists will not believe him.

Time expired.

Ms WARWICK (Barron River) (6.15 p.m.): I move the following amendment—

> "Delete all words after 'this Parliament';

Insert—

'acknowledges the importance of effective environmental management for this State and to this end notes the increased Environment Budget, funded in part by:

- tyre and oil levies designed to address the dangerous tyre stockpiling and oil disposal problems;
- National Park fees for reallocation to further park improvements.' "

I am fed up with the meaningless rubbish that is perpetrated by the Opposition when talking about the environment. For some reason, they seem to think they have a God given right to manage the environment.

I would like to talk about some positive environmental initiatives that have been happening in north Queensland. Let me start by referring to an article which appears in today's edition of the *Cairns Post* headed "Coalition bridge policy may alter". Before the 1995 election, the coalition made a commitment to the people of my electorate that it would not build a bridge over Trinity Inlet. As I recall, at the time, we were seen as visionary by the Greens and, as I also recall, the then Labor Government came out half an hour after us and said the same thing, that it would not build a bridge, either.

The coalition has not changed its position. I would like to challenge the quote that was attributed to East Trinity project director, Jon Brannock, in today's *Cairns Post*, which states—

"Senior members of the Borbidge Government have told the developer behind the proposed $1.5 billion East Trinity project a bridge over Trinity Inlet could get the go-ahead in its next term of office."

The article goes on to say—

". . . 'very senior' members of the State Government had indicated the Coalition might reconsider its current no-bridge policy."

The article continued—

"The revelation was made after Local Government and Planning Minister Di McCauley yesterday reaffirmed the Government's opposition to a bridge over the inlet and suggested low density development or an ecotourism resort might be more suitable options for East Trinity."

The article reiterated the point—

"Mrs McCauley said there was no chance the Government would reconsider its no-bridge policy."

I make that point because it is very mischievous reporting by the *Cairns Post*. I challenge the developer to tell us from where he got that information. The coalition stands by its no-bridge policy. We made a commitment and we will stand by it.

The Government is committed to the environment. We are not the slash and burn merchants that Opposition members would have others believe. Our commitment to the mahogany glider is well documented. This Government has bought nearly 1,400 hectares of mahogany glider habitat near Tully at a cost of more than $3.8m. This financial year, we allocated $4.5m to continue funding our share of the Commonwealth/State Sugar Coast Environment Rescue Package. The funding will provide money for the purchase of more properties which include mahogany glider habitat, as well as for nature conservation agreements on other properties. Minister Littleproud has committed this State Government to this jointly funded package which will also include acquisition and conservation agreements for cassowary and Proserpine rock wallaby habitat.

I would like to take a moment to lament the loss of the last remaining cassowary close to the Cairns area. Unfortunately, last week a pair of dogs savaged and killed this cassowary which had become so tame that it would go into houses and take food from people. Unfortunately, because some dog owners are irresponsible, that cassowary is now dead. I ask dog owners to be responsible, especially if they live around native habitat areas.

In this year's Budget, the coalition provided funding for the Daintree Rescue Package, with an allocation of $4.4m, along with the $1.6m that the Commonwealth allocated. This will allow for further land acquisition between the Daintree River and Cape Tribulation. This funding will eventually total $23.162m.

Time expired.

Mr HEGARTY (Redlands) (6.20 p.m.): I second the amendment moved by the member for Barron River. In rising to support the amendment, I could not help noting the negativity of the Opposition's original motion—a motion that criticised an initiative to provide funding for Queensland's natural

assets to be properly maintained for the enjoyment of current and future generations of Australians and overseas visitors. That is-something which the former Labor Government forgot. It thought that, once a park was acquired, it would look after itself. So much for its far-sightedness! So much for its competence! It is no wonder that the score card which the Queensland Conservation Council gave it on its environmental record was only 16 per cent. As was highlighted this morning, only 16 per cent of its environmental commitments were completed. What a sorry record for a Government after six years in office. Yet, as an Opposition, it now dares to criticise our Government, which has achieved more for the environment in a little over six months.

What were some of the shortcomings that the now Opposition failed to deliver when in Government and which we now have to address? Firstly, industry had been calling out for years for Government to put in place a system to dispose of waste products, such as tyres and oil, to optimise recycling of valuable waste and to protect the environment from the inappropriate disposal of certain materials. The Government has now set about achieving this by implementing polluter and user charges and providing financial assistance to encourage industry to manage waste efficiently.

This Government is setting about achieving this commitment by the introduction of the Environmental Franchise Scheme—a levy to effectively and efficiently dispose of oil and tyres. I refer honourable members to the former Government's poorly conceived Environmental Protection Act, which was designed to regulate businesses to apply environmentally responsible and friendly practices. The concept is fine, but the former Labor Government failed to consult the business community fully, which would have resulted in some businesses being unable to comply in time. The fees prescribed did not reflect the size of the various businesses and their potential harm to the environment.

As its first initiative in addressing this issue, this Government allocated $3m in this year's Budget to assist those first-time licence holders. The new Minister set about addressing this and other environmental concerns, reflecting the concerns of the business community and the wider community. That ongoing consultation is reflected in the introduction of this new Environmental Franchise Scheme, which will address a couple of issues that all members would recognise have been a problem for business to contend with.

I wish to highlight the situation in regard to tyres. I cannot recall how many instances I have seen in the media over the years where piles of tyres have been dumped in creeks or set alight in storage yards as a means of disposal because it was beyond the capacity of some people to cope with them. Tyres and their disposal have affected the environment, especially from fires. As well, the water that accumulates in tyres when they are disposed of inappropriately leads to health problems such as Ross River fever and the like. They also provide a haven for snakes and vermin, which could cause health problems to surrounding areas.

In relation to the oil levy—the Government proposes to provide industry with the technology to commercialise oil recycling. This will provide some money, and that technology will give the industry the potential for export earnings. That technology and the money that will go back to the industry will provide an incentive to people who dispose of tyres and oil. As well, it will probably be an indirect income earner for the State when that technology is further enhanced. The money that will be derived from the levy will enable the prosecution of those polluters who are caught not complying with the Act. They will be prosecuted to the full extent of the law. So the carrot-and-stick approach with the franchise levy will be positive for the State.

Time expired.

Ms SPENCE (Mount Gravatt) (6.25 p.m.): Queenslanders are sick and tired of this coalition Government's pompous, pious rhetoric about the importance of families and about how this Government is going to look after the welfare of families when, at every opportunity, it hits families where it hurts the most, that is, the family budget. We have seen the first actions of this Government, which increased car registration by $66. It increased taxes on cigarettes and invented a new tax on cheque accounts. Now we have these latest new charges on people visiting national parks and buying tyres.

When this Government decides that it cannot put up its fees or taxes any more, what does it do? It invents new ones: "Let's put a tax on tyres. Let's put a tax on people visiting national parks." Tonight I want to talk about how these new environmental taxes will affect families in this State.

The new ParkPass entry fee will cost all adults over 18 $3 per person per day to enter a national park, or $10 per month, or $20 per

year. All visitors to a national park or conservation park—even for a Sunday afternoon barbecue, stroll or picnic—will have to have a ParkPass. For example, visitors to the Daisy Hill Park who wish to see the koala centre will have to pay for a $3 ParkPass. I challenge the member for Redlands or his colleague the member for Springwood to tell the residents on the south side of Brisbane that, in future, if they want to go for a Sunday afternoon picnic at Daisy Hill Park, each adult will be required to pay $3 for the privilege.

Visitors to the Noosa National Park will have to pay $3. If people want to have a swim at Granite Bay, every adult will have to pay $3, whether they are there for 10 minutes or all day. This Government is even putting charges on the beaches in this State. Visitors to any of the parks at Mount Nebo, Mount Glorious or Sheepstation Creek Conservation Park north of Brisbane will have to pay for a ParkPass. How will this work? This Government says that it will work on an honesty system, but random checks will be made. Miscreants will have to purchase a pass—if they have not done so—from the roving rangers. This Government is going to turn national park rangers into law enforcement officers—the new "green police"—who will be scouting through the parks checking people's passes instead of looking after the conservation values of the park, which they are employed to do.

Let me tell families exactly what this new ParkPass will do. If one is taking one's grandmother or grandfather for a Sunday afternoon picnic, it will cost a family anywhere between $12 and $20 before petrol, food and wear and tear on their vehicle. The people of the south-east corner will not go to Mount Nebo, Mount Glorious or Daisy Hill in the future; they will all be going to the Brisbane City Council parks. The J. C. Slaughter Falls park, which is already full on weekends, will have triple the crowd. One will not even be able to find a place to put a picnic blanket, because people will not go to those other parks and pay for the ParkPass that this Government requires of them.

I turn now to camping holidays. Camping holidays in a national park are no longer going to be a cheap, alternative holiday. People will have to pay $3 per person for the ParkPass and a camping fee for each person per night. The camping fee has been $7.50 per site for a family of six. This Government is now making it $3 per person, or a family rate of $12 per night. So if a family of four—two adults and two children—go to a national park for a long weekend, they will be up for $18 for the adults for the ParkPass for the three days and $36 for the family for the camping fee, making a total of $54 before food, transport or gas.

What is the Government giving people for their $54? In most national parks it is giving them nothing. Often those families will be camping in national parks where there are no toilet facilities and no shower facilities. The Government is giving them a bit of ground and charging them exorbitant fees—outrageous fees—which are higher than those charged in most private camping grounds that offer facilities. The days of the cheap camping holiday are no longer available to Queensland families thanks to this Government.

Hon. V. P. LESTER (Keppel) (6.30 p.m.): This Government has honoured an election commitment.

An Opposition member interjected.

Mr LESTER: That is right. We have moved to establish a ministerial advisory committee with representatives from major stakeholder groups including industry, State Government, local government and environment conservation groups. The conservation groups, however, declined the offer of membership and the Minister subsequently appointed an independent environmental management expert to represent their community interests.

An Opposition member interjected.

Mr LESTER: As the member has decided to take me on in relation to election promises, I think I am in a pretty good position to comment about that. Believe it or not, there was an election in 1989. In the run up to that election, the present Opposition, which then won Government, made ironclad promises. It distributed a special, beautiful brochure signed by the then Leader of the Opposition, Wayne Goss, stating that there would be no sandmining at Byfield. That was an absolutely outstanding presentation, which was beautifully done. Of course, it was so professionally done and so convinced were the people of the Capricorn Coast that the National Party candidate lost that seat.

Mr Pearce interjected.

Mr LESTER: I know that the honourable member is pretty good.

That is what happened. The Labor Party took office and, goodness me, what do honourable members think they did? They said that there would be sandmining at Byfield and they granted mining exploration leases. They kicked those people fair in the guts. There is no other way to describe it. Those people felt really let down. The present member for Fitzroy was very upset about it. To

give him his due, I point out that he said in the media that he was not happy about it.

I took on the Minister for Minerals and Energy and said how wrong he was to be aiding and abetting that broken promise. He referred to me in language that he must have learnt in some other part of the world, because it was fairly derogatory. I will not comment about where he came from. I can assure honourable members that the language that he used was every bit as good as the best he could have learned in Australia. So I do not think that the Labor Party is in a position to talk about broken promises. As late as today, we have heard the Premier say that under no circumstances will there be sandmining at Byfield. I now look forward to the buying back of those exploration leases in the not-too-distant future and the killing of that project once and for all. That is what the Government will do.

I was distracted from my speech notes by the irrelevant, holier-than-thou interjections of members of the Labor Party who were carrying on about election promises. I had to remind them about what election promises are all about and about commitment and the keeping of promises. To conclude that issue, I point out that it did help me win the seat of Keppel in the following election, which I won with the help of the Greens.

Mr Barton: You won't get it next time.

Mr LESTER: Don't you worry about that! They have been saying that for 23 years, but it has not helped them much.

Mr Barton: I wondered where Joh got it from.

Mr LESTER: He gives me pretty good advice from time to time.

The committee was established to review the more unwieldy and unworkable sections of the Act and to report on the effectiveness, fairness and practicalities of the Act. It has done that very well. It has recognised the community concern. This Government moved quickly to introduce a four-month moratorium. The committee received quite a number of submissions—in fact, 85—and 101 recommendations were made. The Government has now introduced legislation that is fair, gives business a go, gives the environment a go and, indeed, gives the community a go. Really, that is what it is all about.

Mrs ROSE (Currumbin) (6.35 p.m.): I am pleased to rise tonight and support the motion moved by the shadow Minister for Environment and to add to this debate my condemnation of this Government's record of environmental management. With the tragic drought that has gripped our State and the large falls in commodity prices, our economy has had to rely more and more on our tourist industry to take up the slack and keep the economy moving along. Tourism will become our No. 1 income generator and our No. 1 employer. But why do people come to our great State? When one considers the actions of this minority Government opposite, one would think that people came from interstate or overseas to look at a denuded landscape or polluted beaches. This Government has proved the old saying that leopards do not change their spots. Just as the discredited National and Liberal Parties of old did, the coalition has set out to please its mates in big business by turning a blind eye to environmental vandalism.

For instance, when visitors come to my electorate on the Gold Coast, they come to enjoy our natural resources such as the sun, surf and sand. The former Labor Government recognised that and took steps to protect our State's magnificent natural resources. Unfortunately, the Premier has ensured that his Government has not followed in the Labor Government's footsteps. If this Government is not careful, it will drive away tourists and Queensland will lose even more jobs interstate. About the only testament to their environmental record is their botched plan to introduce new taxes on tyres and oil, and let us not forget the national park passes that my Opposition colleagues have spoken about tonight. This Government sees the environment as a revenue-raising excuse. They are more concerned about paying for some of their silly election promises, such as the Treasurer's $200m toll road, than protecting our environment. It is a pity that they did not keep their promise to the Queensland voters that they would protect our environment. However, I think Queenslanders have woken up to this Government's disdain for the environment. Indeed, southern Gold Coasters have woken up to its lack of performance.

The Minister for Environment must take much of the blame for the Government's poor performance in management of the environment. He has been rolled by his colleagues around the Cabinet table and has been unable to properly defend the Environment Department. Indeed, this Government's lack of commitment to coastal protection as a whole can be seen by figures revealed during the Estimates committee hearings, which show that, of the $2.5m set

aside by the former Labor Government for coastal planning, Coastcare and marine conservation, only $1.635m was spent. Those so-called savings were then reallocated outside coastal management. Queensland's magnificent beaches and coastline have been deemed by this Government to be lacking in importance.

A further worry to residents and holiday makers on the southern Gold Coast is the Government's lack of commitment to continuing the former Government's monitoring of water quality in Tallebudgera and Currumbin Creeks. Those creeks empty into the ocean near popular surf and bathing beaches. Any pollution or contamination that may flow from those creeks would cause irreparable damage to southern Gold Coast beaches and the surrounding environment, not to mention the impact that that would have on the local economy because it would certainly drive tourists away. Recognising that, the Goss Government introduced regular testing of both Tallebudgera and Currumbin Creeks by the Department of Environment, together with the Gold Coast City Council. Some months ago, when I asked the Minister for Environment in a question on notice whether he could guarantee that that program would continue, he said that he could not. That means that he cannot give a guarantee to residents who live and work near those creeks that the quality of the water would be monitored. He cannot guarantee to the thousands of visitors who visit the southern Gold Coast each year that the run-off from those creeks will not affect the quality of water that they and their children are playing in.

This Government has deserted the ordinary people of Queensland. It has tried its best to wind back the clock and take Queensland's environmental future back to the bad old days. It does not deserve to occupy the Treasury benches. It is bad for the environment. Its actions—or should I say inaction—will certainly hurt our economy. Hundreds of thousands of jobs in the tourist industry are at risk and our international reputation is at stake. This Government has to realise that the environment should not be used as some money-making venture. It has to be nurtured and cared for.

Time expired.

Mr ROWELL (Hinchinbrook) (6.40 p.m.): In joining this debate, I support the amendment moved to this motion. I think that it is increasingly important that we recognise the effort of the previous Government in that it certainly acquired a lot of land for national parks. However, the problem was that, in acquiring that land for national parks, it did not really provide enough staff and funding to adequately manage it. Consequently, properties adjoining those national parks were inundated with sicklepod and wild pigs, which caused major problems.

If a Government is going to acquire an area of national park, it is very important that it makes every effort it possibly can to manage it well. However, the previous Government did not do that. Firebreaks around national parks is another issue. People whose properties neighbour national parks have experienced continuing problems with putting in firebreaks, particularly in the northern area, where trash blanketing is very important for the cane industry. The former Government managed those areas very poorly. I do not think that it gives Opposition members any credit to move this motion in relation to the use of national parks.

The better use of national parks is extremely important. I think that if we can have some commercial developments in them, there would be some possibility of job opportunities. However, the main thing is to make sure that they are managed well and that there are guidelines laid down that enable people to visit those areas and be offered the type of activities that allow them to come to grips with what nature is all about, which is extremely important.

There are prospects of employing people, for example, Aboriginal people, on the CDEP program. I know that currently a group named C4 at Mission Beach is very grateful for the work that is being done by a group of Aboriginal people at Clump Mountain. They have had some problems, but they are certainly receiving major support in relation to their walking tracks. That is the sort of thing that we have to do—get people back to nature. Those Aboriginal people are familiar with the type of work that is necessary to be done at Mission Beach, and they are doing it particularly well.

I would like to refer to the mahogany glider, because I think that it is a very important issue, certainly in my part of the world. It is great to see the former Minister for Environment in the Chamber. When he takes part in this debate, I am sure that he will talk about the mahogany glider. The former Government sold off about 1,000 hectares of land located very close to a Pomona property. As a matter of interest, despite placing interim conservation orders on some of those areas, the important issue was that on one of the

properties at Pomona no mahogany glider was found. I think that issue was just a smokescreen put up prior to the July election by the Opposition, which was then in Government.

Mr Welford: You don't believe they exist.

Mr ROWELL: They do exist. There is no question about that. There are areas in which the mahogany glider is found that are being preserved. However, I do not think that those people opposite, when they were in Government, provided the necessary funding that was required for the acquisition of properties. I know that coming to terms with this matter has caused the Minister for Environment quite a bit of angst. Yes, there are areas that have this particular species that definitely need protecting. There is no question about that. This Government, in a very thorough and thoughtful way, is providing security for that endangered species.

Other extremely important matters are sewerage and water. This Government has provided an increase of 20 per cent over the 20 per cent subsidy for the upgrading of sewerage works. The Mission Beach area is one area about which I am very familiar. Currently, it has very high E coli levels and it needs a decent sewerage plan. Hopefully, that will take place in the near future to enable a healthier environment in that area, which is growing very rapidly as a tourist destination.

Mr ROBERTSON (Sunnybank) (6.45 p.m.): I rise in support of the motion moved by the shadow Minister for Environment. This is a Government that is lurching from crisis to crisis. It is a Government that is more intent on attacking the CJC and defending its mates than on getting on with the job of governing Queensland. There is no greater proof of its inability to govern, its lack of direction and the state of confusion in which it and the rest of Queensland exists than in the Environment portfolio.

The shadow Minister for Environment has outlined the litany of backdowns, bumbles, cutbacks and crises that have been features of the administration of the Department of Environment under this Minister since he took office earlier this year. This Minister has failed to keep his eye on the main game. He has failed to understand the principles of ecologically sustainable development and the need for his department to be pro-active in its assessment of proposals from other areas of Government. This Minister has failed to meet the commitments given by his political masters in the lead-up to the 1995 State election.

Of the myriad issues about which I could speak, I will concentrate on just two. The first demonstration of inactivity by this Minister is the proposal by his colleague the Minister for Transport and Main Roads to build a rail freight line through Karawatha Forest in my electorate of Sunnybank. On a number of occasions I have spoken about the importance of Karawatha in this place. In so doing, I have highlighted that Karawatha is comprised of approximately 1,000 hectares of bushland. It is the largest area of remnant bushland left on the south side of Brisbane. It contains vegetation of regional significance and it is now listed on the National Estate Register by the Australian Heritage Commission. It forms an important habitat linkage with the Greenbank reserve area and along Bulimba Creek. State and local government investment in securing its future and expanding the protected area now reaches into millions of dollars.

As we heard in the House this morning during question time, the significance of Karawatha was recognised by the Local Government Commissioner in his report on the review of the Brisbane City and Logan City Council boundaries. Let me remind the Minister for Environment what the Local Government Commissioner had to say in his report. He expressed concern that preliminary proposals for a railway line through Karawatha Forest were an example of this Government not acting in the interests of the conservation of the forest. However, what is this Minister doing to protect Karawatha from further incursions by the Department of Transport? There is no evidence that he is doing anything. This Minister is prepared to sit back and do nothing as his colleague the Minister for Transport and Main Roads edges ever closer to his dream to build a dedicated freight rail line through this environmentally sensitive area. In 1986, after a huge outcry by residents in my electorate and others, former Premier Bjelke-Petersen abandoned that freight rail line.

Does the Minister for Environment agree with the statement made this morning by his colleague the Minister for Transport that the future of this freight rail line rests with what the majority have to say about the proposal? If so, I will organise the biggest protest he has ever seen to protect Karawatha and we will then see if the majority of people, when they speak, get what has been promised to them by the Minister for Transport, and that is no freight rail line.

However, I suggest that residents should not have to do such things. I suggest that the

Minister should be doing what he is paid to do, and that is to stand up to his voracious colleague and tell him to back off on this freight rail line. Karawatha Forest is too precious to have its heart cut out by a rail line, which residents were assured by a National Party Premier would never be built.

Those who care about the environment want one thing: they want the Minister to give a clear signal that he cares about the environment. They want to know that his voice is being heard by his ministerial colleagues. A good start would be for the Minister to come out in support of the people who understand the importance of the Karawatha Forest and want it protected for generations to come, and to support the National Estate listing of Karawatha Forest with the Australian Heritage Commission. Unless the Minister does that, he will forever be known around the place as a second-grade Minister, a Minister who was not prepared to stand up to his ministerial colleagues such as the Minister for Transport. Until he does so, important areas of bushland, such as Karawatha Forest, will forever be threatened.

I take this opportunity to ask the Minister to visit the area and to come out in strong support of the protection of Karawatha Forest.

Hon. B. G. LITTLEPROUD (Western Downs—Minister for Environment) (6.50 p.m.): I rise to support the amendment moved by the member for Barron River. However, firstly I wish to make some comments about the motion moved by the member for Everton. Because he has made some rather personal comments about me, I put on the record that in the past nine months I have received two questions on notice from the Opposition spokesman for Environment, which I find rather——

Mr Welford: Without notice.

Mr LITTLEPROUD: Questions without notice, I meant.

Mr Welford: There are dozens on notice.

Mr LITTLEPROUD: Yes, but the honourable member has asked only two questions without notice.

The amendment moved by the member for Everton raises four propositions. Firstly, he talked about protection of the Environment budget. What a spurious premise! The facts show that the budget for the Environment was increased by 5.7 per cent. This all goes back to the time when the Labor Party and its cronies throughout the State expected that there would be a terrific cut in the Environment budget. In reality we had an overall increase, and that has rankled them ever since. Members opposite stand in this place and make all sorts of allegations about the Government's failure to protect the environment, yet there is something like a 13 per cent increase in the Environment budget.

A while ago a comment was made about a slash in the budget for the Wet Tropics Management Authority, when, in reality, that budget is shared funding. The Federal Government's budget was presented first and it cut funding, which I had to match. I was not going to allocate more funding than the Federal Government did, because there are other things which I can use the funding for. Then, of course, the Opposition criticised the management of the Environment budget, which is another flawed premise.

I turn now to the conservation budget within the Department of Environment, because I have inherited something that will take a little while to fix up. Over the last six or seven years, there has been an enormous increase in the amount of land bought by the former Government and designated as national park. For a number of years, the amount of money allocated to park management ran parallel with that increase. However, a few years ago the previous Labor Government struck up an arrangement with the Commonwealth Government whereby it acquired some fairly valuable land. That seems to have been a good idea, but the flaw is that the Government did not allow enough money for the recurrent expenditure associated with the management of those parks. If one looks at a graph of that situation, for a time the line of funding runs parallel with that of land acquisition and then, all of a sudden, they part. When I adjusted the figures for this year's Budget, I found that between $4m and $6m had been committed to those programs that had merit. However, because of budgetary restraints, that cut the possibility of doing something special for the management of the parks.

It is interesting that, when these acquisitions were being made a number of years ago, organisations such as the UGA and the Cattlemen's Union criticised the previous Government for not doing the right thing. The previous Government was warned that it was buying too much land and was not allocating money for its proper management. That has resulted in the sort of situation that the member for Hinchinbrook spoke about, because vast areas of land are not being managed properly.

The Leader of the Opposition commented on Diamantina Lakes. I do not know where he got his facts from——

Mr Beattie: $500 you have allocated.

Mr LITTLEPROUD: The honourable member quoted $500; my department has said that the budget for Diamantina Lakes is $19,000.

Mr Beattie: That's not right.

Mr LITTLEPROUD: My department——

Mr Beattie: Your department gave me the figure.

Mr LITTLEPROUD: The honourable member got the wrong leak! The Leader of the Opposition then made the accusation that, out of that $500, they had to pay for fuel. The department figures show that the budget for fuel is $7,000.

When acquiring land, a budget can be blown very quickly. The previous Government bought large rural properties in north-western Queensland and central Queensland and designated them to be national parks. However, two houses have been condemned in two of those parks because of dieldrin, a chemical used to get rid of termites. In remote parts of Queensland it costs about $250,000 to $300,000 to build a house. With costs like that, the budget is quickly blown. The former Government bought land without checking properly on what was needed for recurrent expenditure, and I have had to carry the can.

The next issue raised up by the proposer of the original motion was uncertainty for business. I can talk about uncertainty for business all right!

Time expired.

Question—That the words proposed to be omitted stand part of the question—put; and the House divided—

AYES, 44—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

NOES, 44—Baumann, Beanland, Borbidge, Connor, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Laming, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

The numbers being equal, Mr Speaker cast his vote with the Noes.

Resolved in the **negative**.

Amendment agreed to.

Motion, as amended, agreed to.

Sitting suspended from 7.03 to 8.30 p.m.

Mr SPEAKER: Would the Clerk read the Order of the Day?

Mr PALASZCZUK: Mr Speaker, I would like to point out to you the state of the House.

Mr SPEAKER: I call the honourable member for Moggill.

REVENUE LAWS AMENDMENT BILL

Second Reading

Debate resumed (see p. 4042).

Dr WATSON (Moggill) (8.31 p.m.): When we adjourned the debate a couple of hours ago, I was just finishing off addressing some of the issues raised by the Australian Society of Corporate Treasurers which arose from the Coopers and Lybrand report. I was commenting upon some of those issues given the additional report made available to us from Price Waterhouse, after the heads of Treasury around Australia examined the Coopers and Lybrand report. Very briefly, let me finish off the last couple of points that I wanted to make. The fifth point was that the acceptance of a debits tax is largely due to the fact that the amount of tax payable on any one debit is relatively small, with the maximum rate proposed in these amendments being $4 for debits exceeding $10,000. Consequently, the tax burden is far less——

Mr LIVINGSTONE: I rise to a point of order. Mr Speaker, I draw your attention to the state of the House.

Mr SPEAKER: Order! I have counted the number of members in the Chamber. There is a quorum.

Dr WATSON: Obviously, members opposite do not wish to get on with their side of the debate. Before the dinner recess, they were anxious to do that; obviously, they do not want to listen to some of the facts.

I was saying that the tax burden is far less in Queensland because we do not apply a financial institutions duty, unlike other jurisdictions in Australia. Therefore, some of the arguments that have been advanced by Coopers and Lybrand and also repeated by the Opposition are simply incorrect. In a submission to the Prices Surveillance Authority, the National Australia Bank

estimated that the total of FID and debits tax on retail accounts was $1 per week, and Westpac's estimate was $1.50.

Finally, it should be noted that, despite what the shadow Treasurer and the Leader of the Opposition said earlier, cheques for small amounts are not necessarily written only by the less well off. A sizeable number of smaller cheques are written by larger corporations also. A major point made by the shadow Treasurer that this is a regressive tax is only partly correct. The full effect of that depends upon the exact distribution of less well-off people versus corporations and people who are better off.

Mr LIVINGSTONE: I rise to a point of order. Mr Speaker, I draw your attention to the state of the House.

Quorum formed.

Dr WATSON: As technology develops, many of our traditional notions of taxes and their collection will also need to change. It is imperative that Australia addresses this important topic sensibly and soon. In the meantime, this Bill represents a practical method of collecting the extra revenue——

Time expired.

Hon. J. P. ELDER (Capalaba—Deputy Leader of the Opposition) (8.35 p.m.): Tobacco and bank accounts debit taxes—or the BAD tax increases—in this legislation say so much about this Government. There have been so many broken promises. The coalition told the people of Queensland in its discredited contract with Queensland that there would be no new or increased taxes. The Treasurer put her hand over her heart and said, "Trust me. There will be no increases."

Let us look at some quotes from the Treasurer and the Premier in relation to tax increases. Let us look at what they said to the people of Queensland prior to the bringing down of this Budget. On 3 April, the Treasurer said—

> "The Premier and I have made a firm commitment that there are no plans for new taxes in the Budget and we stand by that commitment."

So much for that commitment!

On 28 March, the Premier said—

> "There is no consideration under way in respect of any new taxes and charges.
>
> I mean I think you'll always get a view that if you want to spend more money on health or law and order then you know raise taxes, but the reality is that there are substantial savings that can be made.
>
> It's a matter of getting the priorities right and if we get the priorities right there should be no need to consider any increases in taxes or charges."

Mr Nunn: He didn't say that, did he?

Mr ELDER: He certainly said that. He said—

> "It's a matter of getting the priorities right . . ."

He went on to say—

> "We'll be abiding by our stated policy of no increases in taxes and charges."

The next quote is a classic. In February, the Treasurer said—

> "When the price of drinks and smokes continues to rise in leaps and bounds, average workers are clearly not impressed by claims about whether or not we are debt free, or whether ours is a low-tax regime.
>
> Rather than just tax, tax and tax again, Treasury should look to areas where the removal or lowering of a tax, charge or fee could actually help the community."

Mr Nunn: Who said this?

Mr ELDER: For the information of the people of Queensland, I point out that the Treasurer said that. What did the Treasurer do in her Budget? What did she do when she had the responsibility for the taxing of Queenslanders? The Treasurer is leaving the Chamber. I will tell honourable members what she did. The Treasurer did just what she knocked Treasury for doing. Under the Treasurer's stewardship, the Treasury just taxed, taxed and taxed again. So much for the coalition's contract with Queensland! Like everything about that contract——

Mr Palaszczuk: There is no Minister in the House.

Mr FitzGerald: The Leader of the House is here.

Mr ELDER: I ask your indulgence, Mr Speaker. Normally a Minister would run the business of the House. At this time, there is no Minister in charge of this piece of legislation. With your indulgence, Mr Speaker, I ask whether or not it is the role of the Leader of the House to steer Bills through this House.

Mr FitzGerald: Yes, I can. Keep going.

Mr ELDER: No. I am asking for your indulgence, Mr Speaker. Is that the case? On a matter of privilege—does the Leader of the

House, not the Parliamentary Secretary—not the butcher's block; the butcher has just walked out—have that capacity?

Mr SPEAKER: Order! It is correct for the Parliamentary Secretary or the Leader of the House at the moment to be in charge of the House and the legislation.

Mr ELDER: I accept your ruling, Mr Speaker. I do not believe that that has happened in the past. However, if the Clerk says so, I accept the ruling. We will be raising the matter with you at a future date.

The contract with Queensland was nothing more than a stunt designed to gain political advantage. The coalition's philosophy was, "There's no need to worry about the truth, integrity or honesty. Just win at all costs. Say anything, do anything to win at all costs." That philosophy has hit Queenslanders with new and increased taxes. The Government has hit them with the taxes early. The Government's reason for doing that is that it hopes that, if it hangs around for the full term—and that is what members of the Government will do; there is no way that they will call an election——

Mr FitzGerald: You moved a motion that we don't do that.

Mr ELDER: I am pleased to see that for the first time the Government is actually going to stick with something that it signed up for.

Mr Hollis: The first promise they'll keep.

Mr ELDER: It is about the only promise that they will keep. They have seen the research, as I have. I am sure it is a promise that they will stick to. The Government will not be going to the polls until 1998. I will tell members the reason for that. The Government needs to hang around——

Dr Watson interjected.

Mr ELDER: Is the honourable member feeling comfortable sitting there? It is good to be the butcher for a little while and not the butcher's block. It is good to be the monkey for a while. Now that the member is the organ grinder, is he having a bit of fun? Is he getting comfortable with that? His time will come, but it will not come in this term and it will not come in our term; he might have to wait a little longer.

The reason is simply this: the Government has to go its full term because it believes that the people of Queensland will forget about the lies about there being no increases in taxes when in fact there have been substantial increases in taxes—there are seven new taxes in this Budget. This Government has made so many bungles since day one that some of its backbenchers are already saying that the strategy is working—that people are so horrified by all of the Government's other bungles that the tax increases and the lies about those increases will slip through unnoticed. Let me assure Government members that they could not be more wrong, because every time a person purchases a packet of cigarettes, that smoker knows that the Treasurer's hand is right in their pocket. Every time a Queenslander gets a bank statement, they can see just how much this despised Treasurer has ripped off them this time around. As the Leader of the Opposition said, we will reinforce that time and time again in the electorates of each and every Government member.

There is no need at all for this Bill; there is no need at all for these taxes and charges. Quite simply, had the Government not taken the toll off the Sunshine Motorway—a unilateral decision made by the Treasurer in her own electorate—and had it not set aside a slush fund of a quarter of a billion dollars——

Mr Hamill: A quarter of a billion.

Mr ELDER: Billion—my word. Had the Government not committed itself to spending $1.2 billion on the "highway from hell"—because that is what the Pacific Highway will be—it would have had plenty of money in this Budget to cater for its needs. We all remember the Government's crying poor due to an alleged cut in Federal funding. The Government's own Budget papers state quite clearly that there was no cut. The Queensland Government got more money, even after it met its commitment in terms of the agreement between the Prime Minister and the Premiers. The simple fact is that at the end of the day this little Bill covers a multitude of sins, and they are all the sins of this Government—increased taxes, broken promises and its inability to balance the Budget because of unilateral commitments made by the Treasurer.

Undoubtedly the most spectacular area of extra impost—and I recall what the member for Moggill said—is in motor vehicle registration. As soon as the Government came to office it rolled over on this issue. Its criticism was that we had not made a decision in relation to the increase in registration charges. The fact is that we sent it back and said to the insurance companies, "If business is so bad for you, then let us open it up to competition. If business is so bad and you do not want it, let us get competition in there." But this Government did not do that. It rolled over. It accepted what the insurance companies said

and it gave them a big boost. It jacked up compulsory third-party insurance by at least $66 for an ordinary vehicle. It had the choice——

Mr Hamill: $66.50 a go.

Mr ELDER: $66.50 a go for ordinary vehicles. The Government had the opportunity to do what we did: challenge the insurance companies to stack it up. Do members know where they go next?

Mr Hamill: The Budget—another go.

Mr ELDER: There will be another go in next year's Budget, because they were looking for an extra $30 on top.

Dr Watson interjected.

Mr ELDER: I have no doubt that the honourable member and the Treasurer will roll over again and grant them the other $30, so at the end of the day there will be a $100 slug in third-party compulsory insurance. The Government could have opened it up or it could have challenged the insurance companies—as we did—to open it up to competition.

What the Government then did—and this was a great little pea and thimble trick—was introduce a new administrative charge. As if it is not slugging the motorist enough with registration, in this Budget—out of the blue, on top of the increased taxes—we have a $3.60 administrative charge for vehicle registration. What for? There is no need for this charge. But the Government was looking around for an extra opportunity to slug the Queensland motorist, and out of the fertile mind of someone over there—probably the Treasurer if not the Transport Minister—up came an extra administrative charge of $3.60. More than that, though——

Mr Johnson: What was that again?

Mr ELDER: The Minister should have been listening. I am not going to repeat it. If he is going to sit in here, he should listen.

Mr Hamill: Seventy bucks for a vehicle.

Mr ELDER: Seventy bucks a vehicle—there you go. Isn't that great!

What about the other little sleeper in the Budget, that is, the promise to harmonise stamp duty charges on vehicle registrations with those in the rest of Australia. Isn't that a sleeper! It does not say much, but I will tell the House what the people of Queensland can expect from it: hundreds of dollars in extra stamp duty charges, particularly for second-hand vehicles. That is what it means. Consider what is paid in terms of stamp duty for second-hand vehicles around the rest of Australia. Harmonising these charges will slug Queenslanders again for hundreds of dollars—another secret tax, another hidden slug. On top of that, we have the normal CPI rises for registration.

One would have thought the motorist had been slugged enough. But no—"There's more", as the Demtel man would say. The latest classic is the oil and tyre tax—those taxes that the Government is out talking about.

Mr Hamill: The primary producers support it.

Mr ELDER: Is that according to the Treasurer or according to the Minister for Environment? I am not sure.

Mr Hamill: Her adviser.

Mr ELDER: I take the interjection. The poor embattled Minister for Environment might be able to tell us—then again, perhaps we should ask the Treasurer; she might be able to tell us—what is going to happen in relation to the oil and tyre tax. Neither of them knows. I will tell members about another sleeper for the people of Queensland, because I have seen it in a brief: what about a $15 charge on registration fees? If this tax cannot be collected, if the administrative arrangements are too difficult for the industry—and mind you, regardless of what the Environment Minister and the Treasurer might say, this measure does not have industry support—the Government will slug Queenslanders again through registration fees.

Mr J. H. Sullivan: Perhaps if the rural industries do support this as a means of doing their bit for society, they'd be prepared under this Government to give up their concessional registrations.

Mr ELDER: It would be interesting to take that point further, but we might leave that for another day.

Mr FitzGerald: They'll march on Parliament.

Mr ELDER: I am sure they will march on Parliament.

Mr Palaszczuk: Ian Macfarlane on the 3rd of October at Toowoomba stated, "The Government's failure to consult with rural industry prior to the introduction of an oil and tyre levy is very disappointing."

Mr ELDER: That was probably the mildest of the comments that have been made by Mr Macfarlane. So much for consultation and so much for acceptance of this by the industry—there has been none whatsoever!

Mr Palaszczuk: What are their collection fees in the rural towns for this oil and tyre levy?

Mr ELDER: As I said earlier, the Government has no idea about how this will be administered, and that is why I say to the people of Queensland: be ready, because you will see the charge come through your registration fees. That is still the plan: to add a one-fifth increase to registration fees. The Government probably thinks, "After four increases, it is only one more, so at the end of the day the public will never be able to tell one from another." But let me assure each and every Government member that time and time again as I travel around the State to each and every one of their electorates I will highlight their inconsistencies, highlight their broken promises and highlight where they have misled each and every one of those people. When those registration fees go through the roof, people will remember that it was the promise of this Government that there would not be any new or increased taxes or charges in this Budget.

We are also discussing the bank account debits tax and the tobacco tax. Are they targeting the right source of income? They are hitting ordinary Queenslanders right between the eyes. I will talk about the debits tax, that is, the bank tax. Every time people go to the bank, every time they write a cheque, every time they go to the ATM, they should remember that it was the Treasurer who introduced this tax and it was the Treasurer who broke her promise in relation to it. Every time they go to a petrol station or a shop and they use EFTPOS, they will remember that it was the Treasurer of this State who introduced the charge that is hitting them.

The sad aspect of that tax increase is that, in many respects, it hits those who do not have the capacity to pay. It hits those who are doing it tough. This tax, just like all the other tax increases, is targeted at ordinary Queenslanders. The national parks tax, the hike in registration fees, the increase in TAFE fees and the oil and tyre taxes hit ordinary Queenslanders. My advice to the Environment Minister when it comes to the tyre tax is to get out and quit while he is ahead. He should give it away because he does not have the support of the industry and he does not have the support of the broader community, including his own constituencies in western Queensland. The Government has lost the Cattlemen's Union, the UGA and the Graingrowers Association on that issue. The Government needs to rethink it. When the members opposite first went down this line we told them that they were heading down a path over which they had no control, and to top it all, a challenge to the tax is likely in the Federal Court because it is unconstitutional.

Mr Palaszczuk: The Ministers should get out of their offices in Brisbane and get in their cars and travel into the country.

Mr ELDER: I agree with the member for Inala. I do not think these Ministers do travel through regional Queensland as we have been doing. If they did, we would not have to amplify the views of those regional people because the Ministers would know them, and they would know that they are in trouble in their own consistencies. To put it mildly, the bush is burning. Government members might not believe it, but the bush is burning. If they spoke to regional Queensland, they would realise that and they would start making some fundamental changes.

Mr Pearce: Is it the Treasurer they're blaming?

Mr ELDER: My word it is the Treasurer they are blaming, and I will reinforce that every time I travel throughout regional Queensland.

Mr Hamill: They call it Nightmare on George Street.

Mr ELDER: That film would be a best seller. At the end of the day, there is very little of which the Environment Minister can be proud when it comes to his tyre tax. He criticised me for highlighting an increase in kangaroo shooters' licences and in dealers' licences. He criticised me for running through the bush, scaring the community, causing mounting concern that was not——

Mr Hamill interjected.

Mr ELDER: How right I was. Because time is limited I will not read into *Hansard* a letter from the Department of Environment under the hand of the Director of National Parks, but I will table it. However, I will say that that letter confirms that what I said about those fees was fact and that they were targeting those small rural communities where the kangaroo shooters drive the economy. Those kangaroo shooters rely on that industry. I challenge the Minister to actually say again in the House that I am wrong.

Mr Palaszczuk: In the town of Blackall they contributed $4m to the economy per year.

Mr ELDER: That is a fact, and that was not understood by the Environment Minister. I would have thought that, as a National Party Minister from Chinchilla, he would have known just how important the kangaroo shooting

industry is in those small centres. The increases that the Minister has outlined are whopping great increases.

At the end of the day, incompetence reigns supreme in this Government. The one thing in which all the Ministers of this Government are consistent is their incompetence. They are not up to the task. They introduce taxes and they walk away from them. They introduce legislation and they get it wrong. Time and time again, they introduce legislation which has to be corrected. There is ample evidence of the fact that we have an incompetent administration that is clearly not up to the task, an administration that has broken every promise that it made prior to July and prior to Mundingburra.

Mr CAMPBELL (Bundaberg) (8.55 p.m.): The Revenue Laws Amendment Bill is like all revenue Bills; they are the nasties of Budgets because they raise the revenue to enable expenditure, and we all like to see expenditure on services and capital works in our electorates. This is one of the nastiest Budgets I have seen in my 13 years in Parliament. This Bill shows the three aspects of revenue earning that we do not need. Firstly, through the bank account debits tax it shows inequity; secondly, through the payroll tax it shows unnecessary complications; and, thirdly, through the tobacco tax it shows deceit. Those three aspects demonstrate what this Government is all about.

The inequity in the debits tax is that those people who can least afford to pay the tax are those who are hit the hardest. Pensioners and low income earners make small cash withdrawals from their bank, but their transactions are frequent. A pensioner may pay his or her electricity bill, which may be $80 or $90, or a doctor's bill, maybe by credit card, which may only be $20 or $30, but those small transactions all add up, and they are a very high proportion of that person's expenditure. For example, the fee for an eligible debit of less than $100 is 30c. For a pensioner who has three $30 debits—that is, three times 30c—the fee is $1.20.

Mr J. H. Sullivan: That's 90c.

Mr CAMPBELL: Yes, it is 90c. I will get on to mathematics later on.

Mr Elliott: Don't give up your day job.

Mr CAMPBELL: I say to the honourable member for Cunningham that that is exactly the way many agents try to charge primary producers, but they usually get away with it. For one debit between $100 and $500, the fee is 70c. People who make many transactions involving only small amounts will be hit the hardest by this fee. On a proportional basis, they are the ones who really cop it.

It concerns me that every time we introduce these types of general taxes, in the long run it is the ordinary person who pays the most. If the elusive Skase—a friend of the Nationals—made a payment of, say, a couple of million dollars for one of his infamous Christmas parties, the fee for that transaction would be only $4. For any transaction over $10,000, the fee is $4. Meanwhile, the poor little pensioner who pays a little amount all the time pays a lot more in fees. My point is the inequity of these taxes. This sort of thing happens again and again.

Someone I really do not like to quote is the commentator Alan Jones. He is ultra conservative and bigoted.

An honourable member interjected.

Mr CAMPBELL: Yes, the Rugby Union bloke. He commented on taxation. He said——

Mr Johnson: Don't lose your train of thought.

Mr CAMPBELL: No. He said that companies are not paying the right amount of tax. He said that, on average, companies were paying 17 per cent or 18 per cent of the total tax bill and that the individual was paying the bulk. He says that there needs to be a change. What concerns me about this Bill is that the individual is being hit the hardest. I see that the Minister for Transport is listening very intently and I know that he will be interested in what I have to say because all of his constituents will have to pay this fee, whether they are paying payroll tax or not. I am talking about the business people and the shearers.

The second aspect that concerns me about this Revenue Laws Amendment Bill is the amendment to payroll tax. I know that the Minister is a great lover of mathematics, because I got into it a little bit before. What concerns me is that Treasury bean counters are making the decisions——

Mr Elliott: Don't talk about David like that.

Mr CAMPBELL: If the member wants to include the Parliamentary Secretary in that, he can. Those bean counters are the people who decide who gets jobs, where, when and why. They are also the very people who come up with this type of mathematics. I want all members to tell me that they really understand the proposed amendment to section

9—"Deduction from taxable wages". Can they tell me how this is going to affect our constituents? According to this proposed section, the allowable amount is: P equals FME over G minus one-third, then, in brackets, TW minus FME over G.

Mr Hamill: Off an alphabet soup tin.

Mr CAMPBELL: It could be.

Mr Pearce: It's a tax on galahs.

Mr CAMPBELL: If this is a tax on galahs, all I have to say is that it is the galahs over there who have caused this tax. Does anyone want to know what "E" stands for?

Mr Hamill: I think it's mc squared.

Mr CAMPBELL: It does not. "E" stands for—

". . . (maximum deduction per month) means—

(a) in the period starting on 1 July 1996 and ending on 31 December 1996—62 500; and"—

if one did not get the $62,500 in that period, get this—

"(b) in a period starting on or after 1 January 1997"—

"E" equals $66,667.

Members would realise why people have trouble understanding what taxes they are paying. If members thought that was good, let me move to the next page. Now we are going to amend section 11A—Interpretation. When we look at this clause, we are actually looking at proposed sections 11B(1) and 11C(1), and the financial year starting on 1 July 1996. This is what all the Treasury bean counters and all the people in their little businesses are working out in relation to what payroll tax they will pay. This is how much they pay. I ask members to remember this. Under section 11A(2)——

Mr Johnson: Can you read it, please?

Mr CAMPBELL: Yes. I want the Minister to interpret this for me. I ask members to listen to this: P equals TW over TW plus IW, then a square bracket, then JA plus KB over 365 minus one-third, then inside a bracket TW plus IW minus—and this is the key factor to this whole formula—JA plus KB over 365, then a bracket, and then a square bracket.

Mr Pearce: The mineworkers out in central Queensland are sitting down to work this out, you know.

Mr CAMPBELL: At the bottom at 2,000 feet, the miners are working out what they are paying in payroll tax.

Mr Palaszczuk: That is on the lips of every worker in Inala.

Mr CAMPBELL: Every worker in Inala? We are talking about making laws that are plain, basic English. We can all joke about this, but I have to ask: who can really understand that? We have to get the bean counters, whom we pay $200 an hour—or the small businesses pay $200 an hour—or else we do not know what we are paying. Do members know what usually happens? The poor little business person usually gets a "bluey" or a "reddy"—I do not know what they are called these days—asking, "Why haven't you paid your payroll tax that you should have paid?" I will tell members why those people did not pay it: because they did not understand that formula. But I have to say that honourable members should not worry about it because, from the financial year starting on 1 July 1997, throw out everything that I said before because this is what one will now pay: P equals TW over TW plus IW, then a square bracket, then 800 000C over 365 minus one-third, then a bracket, then TW plus IW minus 800 000C divided by 365, then a bracket, and then a square bracket, and that is the payroll tax that one will pay.

An honourable member interjected.

Mr CAMPBELL: That is right. We are going to divide on this.

Mr Palaszczuk: This is Mrs Sheldon's idea of lessening the burden on small business.

Mr CAMPBELL: Yes, it is.

Dr Watson: Will you do me a favour and compare the current formulas with the previous formulas under your Government?

Mr CAMPBELL: No.

Dr Watson: I want you to tell me what the exact difference is.

Mr CAMPBELL: I will tell you what. About six years ago——

Dr Watson: You made the same speech.

Mr CAMPBELL: I did make the same speech about the same formula. It is about time that we started to understand what legislation we are passing. I would rather forgo the $10 here, the 50c up here and the 2c down there to get a formula that ordinary people can understand, so that ordinary businesses can actually pay their own payroll tax instead of having to pay bean counters $250 or $350 an hour to work out that formula.

Mr J. H. Sullivan interjected.

Mr CAMPBELL: I have heard the best thing that has been said by the member for Caboolture: if we all had extra electorate staff, we might understand the formula. The second point that I am making about unnecessary complications in these Acts is that there are another couple of formulas, but I am not going to go through them.

Honourable members: Oh!

Mr CAMPBELL: I would love honourable members to hear them.

There is a third aspect of this legislation that concerns me. I have said that my first concern was inequity with the bank account debits tax. The second aspect was unnecessary complications because of these formulae, or formuli. The third aspect is the tobacco tax. I want to make a point about deceit. I know that the Honourable Minister for Mines and Energy——

Mr Hamill: "Formulae".

Mr CAMPBELL: "Formulae" is all right. I thank the member.

Mr Palaszczuk: He is a Rhodes scholar.

Mr CAMPBELL: It is interesting to have a Rhodes scholar correct me. I will accept that in good faith.

My third point relates to the deceit concerning the tobacco tax. Before the election, I was certain that there was no way in the world that there was going to be an increase in tobacco tax. This is one of the real difficulties when a party gets into Government when it does not expect to. It has now increased tobacco tax from 75 per cent to 100 per cent, representing a 25 per cent increase in tax. That is a massive increase. People may have voted for the Government on the basis that there was going to be no increase in tobacco tax. When the former Government increased the tobacco tax, we did it up front. We went to the people on it.

Mr J. H. Sullivan: Honestly.

Mr CAMPBELL: Yes, honestly, and we copped it. I remember going into that election. We had to cop it, and we copped it.

Those three aspects that I have outlined tonight are things that members should appreciate in relation to this legislation. I do not mind the tobacco tax. I do not smoke. I believe it is a shocking habit. People who have concerns about life—and it is usually in a stressful way, or because they have other problems which are usually related to money and finances—are the people who can least afford to smoke, yet they are the ones who usually do smoke. That tax is hitting people who can least afford to pay it. However, I can understand the reasons behind that tax, and I accept that we have it.

I hope that at some time we may tell Treasury to return to making laws that are easily understood. Let us have a payroll tax calculation that can be understood so people know what they are paying. Let us have none of this transferring it in and making allowances for certain periods. Let us return to simple taxes that people understand. This Bill only continues the current farce. Being a Rhodes scholar, David Hamill could probably work it out, but I guarantee that most people could not work out the formula. I think that is wrong.

Dr Watson: You'd be a supporter then of the GST, because that's nice and simple to understand.

Mr CAMPBELL: No, I do not believe in the GST. I am glad that the member brought that up. The GST is complicated because credits are involved. I have visited America and copped that tax. The Government might as well have a turnover tax, a retail tax, which is a simple 2 per cent or 3 per cent off the top. That way everyone would know what they are paying. But a GST is like any other tax: it has complications and the smart people get away with not paying it because of exemptions. No, I do not go with a GST. At least when a turnover tax or retail tax is charged, tourists pay their share. I find it very annoying that, when one visits other countries, one has to pay VATs, GSTs or retail taxes. Australians pay those taxes, but we do not get our fair share from tourists when they visit here. That really upsets me, because tourists are not paying for the infrastructure that we provide. Mr Deputy Speaker, you, I and everyone else pays for the infrastructure that tourists use and for which they do not make any real contribution.

Mr Gilmore: Would you advocate a bed tax for the tourism industry?

Mr CAMPBELL: I do not mind a bed tax—but none of my colleagues on this side of the Chamber say that—so long as it is simple and there is a contribution to infrastructure.

Mr J. H. Sullivan: Tom, the businessman.

Mr CAMPBELL: That is all right. I do not mind. People can say that. I believe there is a need for overseas visitors to contribute towards our infrastructure. That is not happening at present. It will not happen with complicated taxes such as the payroll tax.

Mr ROBERTSON (Sunnybank) (9.13 p.m.): I rise to oppose this legislation. I noticed the interjection by the private Treasury spokesperson——

An Opposition member interjected.

Mr ROBERTSON: Well, not quite the Minister——

Mr Elliott: Parliamentary Secretary.

Mr ROBERTSON: Parliamentary Secretary, thank you. He mentioned a GST. We have not heard the letters "GST" mentioned in this place for some time. It is interesting that we should hear those letters spoken tonight, particularly after the weekend's newspaper reports that, at the National Party's Federal conference, consideration was given to a GST as one of the options for taxation reform to be considered at the coming COAG meeting. It is instructive that the nature of the seven taxes that we are discussing are, by and large, a form of GST. They are regressive by nature, that is, they hit the poorest people in the community as hard as they hit the richest people. The $3 tyre levy applies as much to a Mini Minor as it does to a Rolls Royce. The oil levy——

Mr Bredhauer: There aren't too many of them left any more.

Mr ROBERTSON: In some of the working areas, particularly in Logan—and I know that not too many members opposite get down that way—one will see a few of those cars and a lot of other cars of that vintage. They are the battlers who will be hit most by these taxes. As I said, these taxes are regressive, and regressive taxes I will oppose in principle, because they are unfair. That is why I will always oppose the idea of a GST.

In speaking to this Bill, I am reminded of what I said only a couple of months ago in this place during the Budget debate. If there is one thing that I do not like, it is hypocrisy. In the short time that the Treasurer has been in charge of the chequebook in Queensland, she has taken perhaps the most hypocritical approach that I have ever seen in the time that I have been in this place. During the Budget debate I reminded members what the Treasurer had said only 18 months ago in an earlier Budget debate when she was the Opposition spokesperson on Treasury matters. She stated—

> "The people of Queensland are not as easily conned as this Treasurer would like to think. The people of Queensland know that, even if the Premier and the Treasurer stand before the cameras and say that there will be no new taxes, every day they are paying more for basic Government services. That is where the rat taxes come in. That is where the secret taxes hit average Queensland families and small businesses—the secret taxes, charges, fees and fines which hit every Queenslander through the back door and every Queensland small business."

The person who said that only 18 months ago is now the Treasurer of this State. In relation to the now Treasurer's statement, I could not agree with her more. About the Budget brought down in this place only a couple of months ago and the legislation that we debating in this place tonight, never a truer word was spoken. Yes, I believe that the people of Queensland are not easily conned. Yes, I believe that the people of Queensland know that, even if the Premier of Queensland and the Treasurer stand before the cameras and say that there will be no taxes, every day they are paying more for basic Government services. Yes, the people of Queensland know where the rat taxes come in—the secret taxes, charges, fees and fines which hit every Queenslander through the back door and hit every Queensland small business—the seven rat taxes, the seven regressive taxes.

I suggest that the condemnation of this legislation is in the Treasurer's own words, albeit uttered some 20 months ago. The Treasurer has been hoist on the petard of her own condemnation of secret rat taxes. As she has stated previously in this House during the same Budget debate, what the Treasurer gives with one hand she takes with the other.

How does this Treasurer take with the one hand? Of course, it is through her seven deadly rat taxes. In spite of the obvious hypocrisy of this Treasurer bringing down a Budget and introducing this legislation based on introducing new rat taxes and increasing existing ones, the Treasurer would have Queensland believe that her stewardship will return Queensland to its position as the Leading State in Australia. However, the economic figures are simply not stacking up in the Treasurer's favour. Mr Deputy Speaker, consider that most important economic indicator of all, the unemployment rate. Queensland's unemployment rate shows no sign of declining over the next 12 months. Worse still, as the figures released last week show, not only will unemployment remain at unacceptably high levels but also it is actually deteriorating. It is getting worse.

Mr Bredhauer: Month after month.

Mr ROBERTSON: Month after month—the member is quite right. In spite of the use of new and increased secret rat taxes—to use Mrs Sheldon's own words—to fund her alleged expanded Capital Works Program, unemployment in Queensland is increasing and will continue to do so for one simple reason: this Government is simply not up to it. Therefore, far from ensuring that Queensland remains the Leading State, the Budget brought down a couple of months ago and this legislation will do nothing to arrest the State's decline in relation to the rest of Australia. We can only wonder whether the Treasurer will agree with her Federal colleague Senator Amanda Vanstone, who said only a couple of months ago that if unemployment continues to increase the Government could be voted out at the next election.

For the sake of the unemployed in this State and this country, we can only hope so. Previously in this place I have highlighted the fact that, since the change of Government in Queensland earlier this year, unemployment on Brisbane's south side where my electorate is located has continued to rise. I have pointed to figures produced by the Australian Bureau of Statistics which show that in June the rate of unemployment on Brisbane's south side had increased from a low of 8.9 per cent—which was at the time of the change of Government—to a new high of 11.8 per cent. Of course, as this month's unemployment figures show, the situation has deteriorated yet again.

I also pointed out that the most distressing part of the June unemployment figures was that the rate of youth unemployment on Brisbane's south side had ballooned to 17.6 per cent. Unfortunately, there is still no good news on that front because unemployment on Brisbane's south side has increased further to around 20 per cent, that is, one young person in every five does not have a job. When was the last time that unemployment on Brisbane's south side reached such proportions? Interestingly enough, it was when the National Party was last in power in this State—1989.

I remind members opposite of another quote by the now Treasurer of this State which she made during last year's Budget debate. In relation to the Labor Government's Capital Works Program, the now Treasurer had this to say—

> "In this Budget, the State Labor Government announced capital works or infrastructure spending for 1995-96 of $3.6 billion, which is about 5 per cent of gross State product. Over the 20 years before Labor came to power in 1989, State Government spending on capital works consistently averaged 7 per cent of gross State product.
>
> Yet for the first five years of the State Labor Government, capital works spending has averaged 5 per cent and will do so again in 1995-96. Labor is falling behind in providing basic infrastructure in Queensland and that is evident in every suburb, town and city across the State. Labor is just not keeping up with growth."

So we come to this year. One would expect that, after such a strong statement condemning the former Labor Government with respect to its capital works spending, in this year's Budget we would have seen a return to what the then Opposition Treasury spokesperson suggested were the halcyon days of the previous Government when capital works spending was around about 7 per cent of gross State product. However, what did we see in this, the Treasurer's first Budget? Because of the health of the books she inherited from the Labor Government, she had the opportunity to do what she said she would do only 18 months before with respect to the Capital Works Program. However, what does one find when one strips away the smoke and mirror tricks behind this Government's Capital Works Program, which it announced with such enthusiasm would fix the unemployment problem and would provide a new direction for Queensland? What percentage of gross State product was this Government's Capital Works Program? Was it 7 per cent, as the now Treasurer said represented the halcyon days of the previous National Party Government? The answer is simply: no. What percentage was it? It was 5 per cent—the same percentage of GSP that the previous Government had allocated in its Capital Works Program.

Worse still, the evidence started backing up that that Capital Works Program was a real smoke and mirrors trick. We now know about the famous capital works freeze that occurred when the conservative forces took power in this State. We know that a large percentage of that Capital Works Program was work previously announced by the former Government and was rolled over into this year's Capital Works Program.

The reality is that this Government has no direction. It has no direction in terms of the needs of the economy and it has no idea how

to address the unemployment problem in this State. Yet its spin doctors would have us believe that all is well in the ship of State.

I want to finish my contribution to this debate in opposing this Bill by stating one statistic, and that is that since this Government took office there are now 12,200 more unemployed Queenslanders. That is not a bad record—nearly 2,000 Queenslanders for every month that this Government has been in office! The Budget papers forecast employment growth of around 2.5 per cent, exceeding the national level of 1.5 per cent. The Budget papers also state that the Government expects that over the 1996-97 financial year unemployment will average at 9.3 per cent. It is not very difficult to see that the Government, in respect of its economic forecasting, is in deep trouble. It has an unemployment rate that is continuing to balloon and will be far in excess of its Budget predictions. It has a growth rate that is less than predicted in its Budget. Although inflation remains low, the impact of those seven rat taxes on the business community will provide absolutely no relief and no circuit-breaker to the spiralling unemployment rate in this State. For all of those reasons and for many others——

Mr Grice: Come on. That'll do. Wind it up.

Mr ROBERTSON: I am pleased that the member for Broadwater interjects. When a member starts to talk about unemployment, Government members always want that member to sit down because they do not want to know about it—particularly the member for Broadwater. Over the last four years, his contribution in this place could be summed up in three letters: CJC. That is the only contribution that that member has made in this place. I challenge him to make one positive speech about how to solve the unemployment problem in this State. He should give us a sign that he actually cares about the unemployed. I doubt that he would be able to manage it.

Mr GRICE: I rise to a point of order. I find that offensive and ask for it to be withdrawn.

Mr DEPUTY SPEAKER (Mr Stephan): The member finds the comments offensive.

Mr ROBERTSON: What does the member find offensive—that he has not spoken about unemployment in this State? I withdraw. However, I will let the record show and challenge any member in this place to go back through four years of speeches made by the member opposite and find one word uttered about unemployment in this State and what should be done to solve the most distressing problem that this State faces. It is about time that the member opposite——

Mr GRICE: I rise to a point of order. I find that offensive and I ask that it be withdrawn. I refer the member to my maiden speech.

Mr ROBERTSON: I accept that, and I apologise. Let the record show that in four years the member made one reference to unemployment, and that was four years ago.

Mr NUNN: I rise to a point of order. I remember the member's maiden speech. I was deeply offended by it and I ask that the member for Broadwater withdraw it.

Mr ROBERTSON: Having highlighted the disgraceful record of the member for Broadwater in caring about the unemployment rate, I say that I oppose the legislation before the House.

Mr GRICE: I rise to a point of order. I find that offensive and ask for it to be withdrawn.

Mr DEPUTY SPEAKER: I call the member for Hervey Bay.

Mr NUNN (Hervey Bay) (9.29 p.m.): I am looking at the Revenue Laws Amendment Bill. It should be called the battlers basher Bill. If there is a Bill that is more designed to bash a battler, I have yet to see it. The thing was conceived in ignorance and delivered in desperation in the dying days of the little red hen—mind you, I am not sure who Henny Penny is, but I suspect that he sits there controlling the House at this stage. He may be encouraged by my statements; I really think that he should be the Minister—he deserves to be, the same as Mr Rowell should have been the Minister for Environment and Heritage. However, this Bill does not deliver anything to Mr and Mrs Queensland. It again raises the spectre of higher unemployment. The unemployment rate in Queensland is 10.1 per cent and it is about to be increased. As soon as the Government calls an election, the gang of fellows opposite will be cast out onto the street. They will be shuffling their way up to the dole queues and looking for soup kitchens. I can tell them that if they pass me I will throw them a threepence or a sixpence.

The objective of the Bill is to amend the Debits Tax Act. That will do a lot for battling Queensland which is in the throes of the greatest unemployment rate it has seen for years! Why in the name of heaven does the Government want to amend the Debits Tax Act? The Government is staggering around

with an economy that is out of control and it does not know what it is doing, yet it is going to amend the Debits Tax Act 1990 to relieve us all! If the battlers, the widows and the unemployed do manage to get a couple of bob in the bank, they will have to pay this lot opposite every time they want to withdraw any. Fair dinkum, you would not feed them! The rich do not care one bit about this tax.

Let us move to the you-beaut Tobacco Products (Licensing) Act 1988 and the amendments to that which are designed——

Mr Hamill: Another piece of National Party legislation.

Mr NUNN: Did the honourable member say "good" National Party legislation?

Mr Hamill: No, another piece of National Party legislation.

Mr NUNN: Another piece of anything will do them. The Government is amending the Tobacco Products (Licensing) Act 1988 to increase the tobacco licensing fee. Again, the bloke who wanders down the street smoking a Havana does not care about this tax. He will throw in a few bob. He does not care whether the Government increases this tax or not. If he owns a business, he can pass the cost on or he can write it off. However, the ordinary battler—the bloke with a packet of Fine Cut and Zigzags—does care because it is one of the few comforts remaining to him.

I can hear Luke Woolmer, the member for Springwood, who at lunch time was boasting that he was going to pop over to the Queensland Club. For Christ's sake, what did he get? A contract to scrub the steps?

Mr Palaszczuk: I will read about that in the *Courier-Mail* tomorrow morning.

Mr NUNN: I bet the honourable member will, because the *Courier-Mail* is very much interested in what Mr Woolmer is doing at the Queensland Club.

Mr Woolmer: They'd be more interested in that than they've been in you for the last 10 years.

Mr NUNN: I will bet they would be, because the prospect of seeing the honourable member scrubbing the steps of the Queensland Club and kissing somebody's ring over there—and it might be an archbishop—will interest the *Courier-Mail* greatly.

A Government member: That's unparliamentary, Mr Speaker.

Mr NUNN: I consider it to be most parliamentary. Archbishops are welcome to listen to this speech at any time, and they should.

We have to look at the taxing policy of this Government. One of the most iniquitous taxes, of course, is the 5 per cent capital works tax on health projects. I do hate to bring the words "Hervey Bay" into play, because I know it upsets the people on the other side of the House. However, if it had not been for the fact that we managed to get the new Hervey Bay Hospital built and equipped through funding provided by the Labor Government, the $42m hospital would have been subject to a 5 per cent capital works tax under this Government. That would have amounted to $2.2m, which would have come out of recurrent funding. Recurrent funding is the funding used for patient care. A sum of $2.2m would have slipped straight out from underneath the hospital. Patients would have been confronted by somebody at the front door saying, "Listen, if you've got a couple of bob to chuck in for the 5 per cent capital works tax, we can let you in."

However, the Government has not done too badly. It has been scheming, conniving and trying to find a way of doing something to this hospital which might not be quite kosher. I have protested against the privatisation of the pharmaceutical and pathology areas, I have protested against cuts to hospital staffing and I have won the battle all along the way. However, the other day I toured the hospital. I asked the administration staff about medical imaging. They replied, "Yes, there is a medical imaging department." I said, "I know that, but what about the CAT scan?" They said, "The CAT scan? She's right. It'll be there, but we have approached the private sector and asked them to provide the CAT scan and charge us a fee for looking after public patients." And this is a public hospital! We are going to let these people put a CAT scan into a public hospital and charge us market rates.

Beside me sits the poor old member for Maryborough. He needs an X-ray now and again and is privately insured. The other day he went along and had a simple X-ray, not a CAT scan. Despite Medicare coverage and his own private insurance, the honourable member still had to pay $70. Imagine the extra cost for somebody getting a CAT scan! It troubles me that these fellows will learn from what the specialists did to us over a period. Honourable members might remember that, when the free hospital scheme was proposed, the specialists were told, "We'll supply the hospital, the nurses and the equipment; you provide the expertise and education, but you will do 60 per cent public, 40 per cent private."

Along the line, that was forgotten. My worry is that, if this high-taxing Government gives away control of the CAT scan in the Hervey Bay Hospital, there will be a list a mile long of people waiting to have a CAT scan. They will be herded in behind the private patients. The "If you can pay, we will do it now" syndrome will reign supreme in the hospital, and that is not what that hospital is about. I did not fight like hell for a hospital that was going to serve the health needs of the people of Hervey Bay to have it taken over by private industry which will make public patients wait in line. Like hell we will do that!

This is all a part of the fact that the Government is consumed by a desire to tax the ordinary people. The Government knows that it can tax those people because they have no way of dodging taxes and they cannot refuse to pay taxes, because if they do refuse to pay then they are told that they are not "funding their own welfare". The Government taxes those people to the hilt.

This is one of the worst things that the Government could have done. I know that Government members will say, "But you increased the tobacco tax", and we did. However, we put it to the people, fair and square. We told them, "We are going to an election and you can vote on it. We will put this money into health care." We put that to the people, they voted on it and they re-elected us.

Dr Watson: Then you didn't put it all there, either.

Mr NUNN: Yes, we did.

Dr Watson: You didn't put all the money there in any case. You took $150m-plus and you only put in $75m. That is the reality.

Mr NUNN: The member wants to talk money. When we took over in 1989, we inherited a $700m debt in Health, and we had to pay it off at $70m a year. That is one of the reasons why the member's old aunty had to remain on a waiting list at the general hospital in Brisbane. We were paying off $70m a year on the debt left by the National Party. That was the debt created by Government members, not us. Do honourable members want to know why every so often we could not come up with something for their aunty, uncle, nephew or friend from Malta who might have been out here on holidays? We could not do anything because we inherited a $700m debt from members opposite, and we had to pay it off at $70m a year. And we were still doing it.

I will tell honourable members something. Government members are not making any effort to pay off that debt. When we take over from Government members in 1998, that debt will still remain. It all comes back to Health. But Government members will not put the tobacco tax into Health, they will use it to fund the unfunded promises that they made in the run-up to the 1995 election.

The only thing left to talk about is the Pay-roll Tax Act. For God's sake! Government members are going to give a remission: they are going to raise the threshold from $750,000 to $800,000! That will save a lot of money! But if honourable members think that the Government will create more jobs because of that, I can tell them something different. Employers are going to stick the money in their kick; they are going to stick it in their pocket and take it home with them. They are not going to say to a couple of down and out workers, "Come on, mate, I'll give you a job. The Government has been good to us." They are not going to say that at all.

Mr Pearce: Are you saying that about small business?

Mr NUNN: No. I will tell the member something about small business. There is a mistaken belief that small business is a mum and dad shop. It is not. Small business happens to be a business of some substance which employs a number of people.

Mr Pearce: Do you think small business will become the mass employer that this Government says it will?

Mr NUNN: It will not under this Government. If that is what the member thinks, later on I will see that he has a cold shower, I will buy him a drink and we will talk about this issue.

If Government members think that this measure will stimulate business in Queensland, they might as well put a tax on those people who, having taken advantage of the technological revolution, proceed to lay off 1,000 or 1,500 people. Perhaps we should tax employers for every employee they put off. Let us reverse the principle of the tax and tax them for sacking people!

Mr Elliott interjected.

Mr NUNN: The other day, I read in *Hansard* that when the member for Cunningham was making a speech, somebody on the then Opposition side said, "Hang on. It is a bit hard to read a speech that somebody else has written." Do members know what the member for Cunningham said? He said, "I'm having a lot of trouble thinking and reading aloud at the same time." That is in *Hansard*. If I was the member for

Cunningham, I would sit quietly for a bit. I will show that passage to the honourable member. He will not believe that he said it, but he did.

Mr Pearce: After the belting you just gave me, don't ever ask me to interject to help you with your speech again.

Mr NUNN: I ask the member for Fitzroy to move closer so that he can give me a bit of a hand. I know that he is a man of great intellect, and he has a real appreciation of what the poor people are about. This Bill has nothing to offer the ordinary people of Queensland. I oppose the Bill, and I do so on very good grounds.

Mr BREDHAUER (Cook) (9.44 p.m.): I will speak fairly briefly on the Bill. It gives me the opportunity to put on the record the concerns of some of my constituents about the savage way in which they have been treated by this Government through the Budget process and, in particular, by the trail of broken election promises epitomised by the seven new or increased taxes embraced in the Budget.

One of my concerns is that the tax increases have not stopped at just the ones that the Government was prepared to openly declare in the context of the Budget. We have seen a whole raft of new taxes and charges or increased taxes and charges emerge since the Budget, and I will address some of those.

Firstly, I wish to refer to the national parks tax. Apart from the fact that the national parks tax is a dog's breakfast and that no-one, from the Minister for Environment to the Treasurer and to people out on the street, knows whom it applies to or how it will be policed, I wish to speak about the impact it has had on the tourism industry in my electorate and particularly on reef tourism operators. The reef tourism operators in places such as Port Douglas in particular were reeling from the announcement by the Federal Government that there would be a 500 per cent increase in the reef tax, which was dumped on them with no notice.

The member for Leichhardt, Warren Entsch, has not won any friends amongst the tourism industry in far-north Queensland, many of whom supported his election campaign prior to the March Federal election. The first they knew about the 500 per cent increase in the reef tax was the announcement made on Budget night. There was no consultation from the Government or from the Great Barrier Reef Marine Park Authority—GBRMPA. They had that tax dumped on them. They were very angry, and rightly so.

However, worse was to come. After the Federal Budget introduced the reef tax, this Government announced that it was going to introduce the national parks tax. I know that this week the Premier has added to the confusion by saying that 50 island national parks would not be included in the national parks tax. But what members on the other side of the House do not understand is the extent to which the confidence of tourism operators in far-north Queensland has been knocked about by these stupid decisions of the Government and the stupid way it has gone about doing this without canvassing the issues.

The tourism industry, particularly some of the smaller tourism operators, were not travelling all that well this season. They did not have as good a season as they would have liked. The combination of State and Federal taxes on the tourism industry, particularly on the reef tourism operators, has sapped the confidence of many of them. It was no coincidence that a real estate advertisement appeared in the *Cairns Post* and other newspapers advertising 20 previously profitable tourism businesses for sale.

Ms Warwick: That's a load of rubbish and you know it.

Mr BREDHAUER: I will take the interjection from the member for Barron River, who clearly wants to defend her Government and the imposition of national parks taxes on the tourism industry in north Queensland and particularly on the reef tour operators. Not one word have we heard from the honourable member in opposition to the increase in taxes on reef tourism operators and people who visit national parks in far-north Queensland. The member does not give a hoot about it.

Ms WARWICK: I rise to a point of order. I find that remark offensive and I ask that it be withdrawn. Via the *Cairns Post*, I did make my protest against the reef tax.

Mr SPEAKER: The honourable member said that she found the remark offensive.

Mr BREDHAUER: I withdraw. I note that she said that she had made a protest about the reef tax. I am talking about her Government's national parks tax. We have not heard a peep from the member about that. The member is going to get a chance to indicate whether she supports those taxes. The member will get a chance to vote in here. The tourism operators in her electorate will

know whether the member supports them or whether she is prepared to stick up for the Government, which has its hand in their pockets.

Mr Hamill: The vote here will be more important than the letter to the editor of the *Cairns Post*.

Mr BREDHAUER: That is exactly right. The member will have the chance to put her money where her mouth is. I will bet my bottom dollar that the member votes with the Government to stick the Treasurer's hand in the pockets of the tourism operators. The advertisement that appeared in the *Cairns Post* and in other newspapers was a genuine expression of concern from those people who felt that the viability of their businesses had been placed under threat by both the Federal and State Governments, and they were right to voice that protest in the way they did.

I want to comment specifically on the rise in registration charges and the oil and tyre taxes. As a number of speakers have said, they are regressive taxes; they apply to everybody at the same rate irrespective of their income or their capacity to pay. But the more important point in respect of rises in registration charges and oil and tyre taxes—and the member for Gregory, the Minister for Transport, will know this—is that these things impact harder on people in the country than they do on people in the city. People living in country areas have to drive further distances and on poorer quality roads. They are therefore likely to suffer more from the impost of tyre taxes and are likely to pay more in oil taxes than people who live in the city. They are likely to have vehicles that attract the highest registration rates. All of those things are compounded because of the freight costs added onto all basic consumer items and everything purchased in regional Queensland. So the poor coots out there in the bush not only have to pay the taxes themselves but also have the impost of the tax increased progressively as it goes through the freight system and is added on in freight charges.

I could talk about a lot of other things in relation to these issues, but I want to raise briefly a couple of other specific points. I refer first to the charge that the Ports Corporation was going to put on the live cattle exported out of Karumba. This is a fledgling industry and will be very important to the future of the grazing industry in the gulf. There was an outcry at the level of the charge that was imposed on the cattle industry by the Ports Corporation. I know that the member for Inala was one of the voices that was raised in protest at that decision. Subsequently, there has been some backdown by the——

Mr Johnson: Who dredged the port of Karumba? You procrastinated over that for six years.

Mr BREDHAUER: We were in the process of dredging the port of Karumba, as the Minister knows. This Government just came in and took it over and took the credit for it.

Mr Hamill: Why are they trying to kill off Karumba?

Mr BREDHAUER: Why does this Government not care about the people in Karumba and the people in the cattle industry in the gulf? They have reduced the fee, but I caution members opposite that the current level of the fee is still a danger to the future of live cattle exports out of the gulf. People are still concerned about the level of the fee.

Mr Palaszczuk: Industry wants the fee down to about $1.43 to make it viable to export.

Mr BREDHAUER: I am aware of the industry's view, but the point I am making is that the level which is currently anticipated is still regarded by many people as a threat to the potential future of live cattle exports out of the gulf.

Mr Johnson: At least there are cattle going out of there. They weren't going out under your Government. It is 30,000 head a year now.

Mr BREDHAUER: I am glad that the Minister has come in here and shown his absolute ignorance of live cattle exports in the gulf. He just said that no cattle were exported live out of Karumba under our Government. That is an absolute and utter untruth. I am surprised that the Minister would actually come in here and make such a goose of himself and sit there and suggest——

Mr Hamill: Just a load of bull.

Mr BREDHAUER: Maybe it is. I cannot believe that the Minister would sit there and suggest that there were no live cattle exported through Karumba under our Government. I suggest that he go and check his facts.

I turn now to some of the additional charges that have come out since the Budget. The Minister for Education has tabled in this place new regulations dealing with the Board of Senior Secondary School Studies. It is proposed to change the fee structures for a whole host of services provided under that body. Many of those are fees that were not

changed during our term in Government. This Government proposes to increase a range of those fees. Teacher registrations are also going up.

Just yesterday, the member for Ferny Grove brought to my attention a letter from Bob Rasmussen, the principal of the Brisbane School of Distance Education in West End. I recently visited the Brisbane School of Distance Education and met Bob Rasmussen while I was at a meeting of the Queensland Institute of Educational Administrators. I enjoyed the hospitality and I enjoyed meeting Bob. I told him that I would go back and have another look at the school. The letter from Bob states—

> "The first change relates to the cost of undertaking a course of study through the Brisbane School of Distance Education. You will see on page 2 of the Handbook that students are required to pay a $20 resource payment."

This is a new payment that has never before been applied. Bob goes on to explain——

Mr T. B. Sullivan: A new tax.

Mr BREDHAUER: A new tax. Bob goes on to explain the circumstances which have led them to have to impose that fee. I understand the financial difficulties at the School of Distance Education caused by dramatically increasing subject enrolments, but the reality is that this fee has never had to be charged before and that there are people out there who will have to pay it now who would not have had to pay it previously. This concern has been raised with me by the member for Ferny Grove, and I think there would be others who share this concern.

The bottom line is that this Government has broken its election promises. It said that it would not increase taxes or charges. Even since the Budget this Treasurer has got up and claimed untruthfully that there were no increases in taxes and charges in her Budget. The Bill before the House is tangible evidence of the falsehoods which this Treasurer has perpetrated, and I have no doubt that the people of Queensland, including the people in Cook, will pass harsh judgment on this Government when they get the opportunity.

Hon. J. M. SHELDON (Caloundra—Deputy Premier, Treasurer and Minister for The Arts) (9.56 p.m.), in reply: I thank all honourable members for their contributions to this debate. I am amazed that the shadow Treasurer and the Leader of the Opposition had the effrontery to stand up in this House and tell the concocted mess of untruths that they did.

Let me outline the real economic position that this Government inherited. Firstly, there was the secret and hidden deficit—the deficit that we as a Government had to face this year of $240m. Next we had the Walter Mitty fantasies of the present Leader of the Opposition, who blew out his Health budget to the extent of about $75m and was prepared in his wonderful economic wisdom to use his capital money for recurrent expenditure, which in anyone's book is an economic no-no. Thank heavens he was not able to stay as the Health Minister for long, because the whole budget would have been blown by him alone! Then this State had to face the fact that Paul Keating, the disgraced former Federal Labor Leader, had left a very large deficit hole in the Federal Budget—to the tune of about $8 billion to $10 billion. At the Premiers Conference and at COAG in June it became very obvious that all States would have to make a contribution to the deficit to overcome the legacy that the coalition and the people of this nation inherited from Paul Keating. That contribution was to the tune of $250m.

Mr Beattie: This has got a lot of relevance to the Bill.

Mrs SHELDON: As he does not seem to understand, I point out to the Leader of the Opposition that the relevance is that we are discussing the need for revenue laws amendments and the increases in some taxes that were mainly imposed by the former Government that were vital to meet the deficit and the shortfall that we inherited. We were determined to deliver on our promises of extra services to the people for the infrastructure that this State so vitally needs, and to do that we had to rein in the misspent six years under Labor and we had to account for the fact that we had to give $250m to the Federal Government. Despite all this, we intended to balance our Budget and have no deficit—and we achieved that—and we intended to maintain the strong economic position left to this State after 32 years of previous coalition Governments.

Because of that strong economic position, which we were able to maintain, the Queensland Treasury Corporation has the lowest borrowing rate of any State Treasury Corporation in Australia. When I was in Asia last week it became quite obvious that people in Asian countries and elsewhere—the chairman of the QTC is going to New York next week—are prepared to invest in our State because they recognise our very strong

economic position and the fact that if a certain State has a strong economic record—which we do—it is a good State in which to invest. They are willing and ready to buy our bonds and because of this we get a very good rate. By the Queensland Treasury Corporation being able to do this, we have more money to put in our Budget to provide the important, basic, essential services that are necessary for our people, which Labor did not supply whatsoever.

I would like to mention the promises on which this Government delivered in its Budget and the decreases in taxation which we were able to put into the Budget. The first one I would like to mention is stamp duty. In June this year, as honourable members opposite would know, we passed legislation implementing our election promise to help home buyers with purchasing and refinancing their homes. To some of the wealthy members opposite—including the Leader of the Opposition—this probably does not mean much, but to the battlers in the community, being able to save money on the stamp duty on their principal place of residence and on refinancing their principal place of residence is very important. We increased the mortgage duty exemption for first home buyers from $70,000 to $100,000 of the loan and we introduced a new mortgage duty exemption for home owners who were refinancing their mortgages. That exemption applies to the first loan of $100,000.

Then we delivered on land tax, which was another promise that we had made. Under the previous Government, land tax had never been touched. The Labor Government was quite happy to leave this impediment on all forms of business investment and the people of this State. There was no incentive whatsoever for business, investment and growth in the economy of this State from those opposite. For the first time ever in this State, average land values are calculated over three years, which is what a lot of landowners wanted to happen. We delivered on it. As I move around corporate Brisbane, I find that it has been accepted in a very positive light. This will cost our Budget a considerable amount—millions of dollars—and then we will move on to reduce the rate and in due course we will abolish land tax completely. We could have done it a lot quicker had we not inherited the economic mess that this lot opposite left us. Do Opposition members remember the $240m deficit and the $75m blowout in health? Indeed, that would have taken up the land tax, it could have fixed it in one year.

I would also like to mention the promise we delivered on payroll tax. We delivered a $50,000 increase in the threshold level from $750,000 to $800,000. The best the Labor Government could ever increase it by was $25,000 a year. In the tight economic situation we were in, we managed to be able to increase that threshold by $50,000.

Mrs Edmond interjected.

Mrs SHELDON: I thank the member for Mount Coot-tha for saying that it was the best Budget in Australia because all the media outlets say the same thing. I thank the member for endorsing both the Budget of this Government and the media comments that followed.

Mrs EDMOND: I rise to a point of order. The Treasurer is misleading the House. I definitely said that they inherited the best Budget from us.

Mrs SHELDON: I heard what the member said and she did not say "inherited" at all.

Mr T. B. Sullivan: Yes, she did. You're telling fibs again.

Mrs SHELDON: I would like the member for Chermside to take a lie detector test. I would pit myself against him any day.

The legislation implementing this promise is contained in the Bill which is presently being debated. Of course, this increase ensures that Queensland continues to have the most favourable payroll tax arrangement of any State or Territory. Significantly, we have maintained the maximum payroll tax rate of 5 per cent, and I think this needs to be compared to other jurisdictions where higher rates apply—7 per cent in Victoria, Tasmania and the Northern Territory, 6.85 per cent in New South Wales and the ACT and 6 per cent in South Australia and Western Australia. Maintaining the 5 per cent rate saved Queensland business $420m in 1995-96 compared with other States which imposed a 7 per cent rate. The effect of these arrangements is that 95 per cent of Queensland employers do not pay payroll tax. With the threshold at $800,000, Queensland has the highest exemption threshold of all States and Territories.

Today I was at an Australiawide Chamber of Commerce luncheon with very many prominent business people from around the State and nation. They were speaking to me of the improved investments that they and their businesses are making in our State and how some of them had opened offices in our State during the past few months.

Opposition members interjected.

Mr SPEAKER: Order! Some of the Opposition members will have an early supper.

Mr Gibbs: As long as it's not the last supper.

Mr SPEAKER: Order! For some Opposition members it could well be the last supper for the night.

Mrs SHELDON: I think the member for Bundamba has already had his last supper. What was said today was that, because of the low tax rate of our State, these people found it an attractive place to invest. The liked our low tax rate, the incentives the Government gave business and investment, our positive economic outlook, the economic indices which are improving for our State, our wonderful climate, the tourism base and the fact that we have a growing population, which can be a drain on the State but which can also creates opportunities. That shows why we have this increased and maximum investment of business occurring in our State. The indices are showing that that is improving, and in no lesser part is this attributable to the Government and its policies.

The honourable member for Moggill has addressed in detail and very well the issues raised by the Leader of the Opposition and the shadow Treasurer on the impact of debits tax increases on Queensland's competitive tax regime. Queensland does not impose a financial institutions duty and it does not impose a fuel tax. It has generally lower conveyance duty and land tax rates and the most favourable payroll tax regime of all States and Territories. The Commonwealth Grants Commission has indicated that Queensland could have raised an additional $841m if it imposed the range and level of taxes of the other States and Territories. That figure is based on 1994-95 data. Concessions announced in the Budget ensure that the Queensland tax collections per capita continue to be significantly lower than all State averages and the Queensland tax levied per capita in this State had absolutely no increase whatsoever this year, which was quite an incredible achievement.

The Leader of the Opposition's assertion that increasing Queensland's debit tax rates to the same level of those in New South Wales, Victoria and South Australia would mean that Queensland was no longer the low tax State is absolutely false and he knows it. The debits tax applies only to cheques and to chequebook access, and indeed a former Labor Treasurer increased that tax himself, and that was at a time when they were supposed to be sound economic managers.

Consequently, the tax does not apply to ATM and EFTPOS cash withdrawals on saving accounts not linked to a cheque account. It is a matter of choice for the account holder. They can choose to structure their accounts so that the tax is limited and that they do not have to pay that tax. They can operate on a cash account and, indeed, many people do. It needs to be restated that Queensland is the only Australian jurisdiction which does not impose a FID—a financial institutions duty—and we continue to lead the country in having the most competitive tax regime of any State.

I would like to comment briefly on the increase in tobacco tax. As we all know, the former Premier, Mr Goss, increased the tobacco tax the day after he brought down the Budget and called an election.

Mr Hamill: No, not true.

Mrs SHELDON: Yes, he did. The member should ask Mr Goss himself.

Mr HAMILL: I rise to a point of order. The Treasurer is misleading the House. The former Labor Government increased tobacco tax after it had been to the people at a general election and they had supported the return of the Labor Government.

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

Mrs SHELDON: That is not correct. The member should go back and see what really happened. The Budget was delivered and there was no increase in tobacco tax in it. The Premier of the day, Mr Goss, called an election and the next day he announced an increase in the tobacco tax. That is exactly what happened. The member should ask Mr Goss himself.

Mr HAMILL: I rise to a point of order. The Treasurer, as she did yesterday, seeks to continue to mislead the House. That increase in the tobacco tax occurred after the election on the basis of an election promise of the former Labor Government that, if returned, legislation would be brought in to increase the tobacco tax. Unlike the Treasurer's dishonesty, when she breaks her election promises——

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

Mrs SHELDON: The former Premier said that, after he brought in the Budget, the tobacco tax would be increased and, indeed, it was. That was before the election. History speaks for itself.

A component of the increased revenue will be allocated to a tobacco industry assistance package designed to assist Queensland tobacco farmers who are facing significant hardship. Many tobacco farmers have been facing a lot of hardship over the last few years. The Department of Health estimates that, each year, more than 3,000 Queenslanders die from smoking-related diseases. The cost of this to the Queensland economy is $1.6 billion, which vastly exceeds Queensland's annual tobacco licence fee receipts. Also, studies indicate that young people are sensitive to price movements in cigarettes, and a price increase is a deterrent to young people who may be considering taking up smoking.

Realising that tobacco farmers have been having a very difficult time and that half-hearted measures put in place by the previous Government did not work and did not help them, the Minister for Mines and Energy, Tom Gilmore, the Minister for Primary Industries and Treasury are currently working on a package of relief for tobacco farmers, with input from the tobacco farmers themselves as to what they think is the best way that they can achieve assistance. Some of the funds coming in from the tobacco tax are going to be used on education programs for the young and, indeed, for everyone to discourage them from smoking and to show them the ill-effects that it has on health. Not only will this improve the health of our community and our young people in particular, but it will also decrease the burden on our health system, which is very stretched from the number of requests for health-care services that it receives.

The honourable member for Capalaba claimed that the Budget proposal to harmonise stamp duties would mean substantial increases in the cost of transferring motor vehicles. I am not quite sure what he was talking about. I assume that he may have been referring to the rewrite of the Stamp Act. His assertion that motor vehicles are part of that exercise is patently wrong. In any event, harmonisation does not mean adopting uniform tax policies, rates or exemptions, it is about modernising and simplifying the law to reduce business compliance costs by making the law clearer and more certain. If the State does decide to go the way of joining other States in the national stamp duty rewrite, there will be a base uniform law, but the rates applied will be very much determined by the individual State. I assure the House that we will make sure that we maintain our position as the lowest taxed State in our nation and give the incentives to business and investment that are currently in place.

Without doubt the people of Queensland have supported the Budget. The media comments were all favourable, regardless of what media outlet one read, looked at or heard. There was a great recognition that this Government had done the hard yards and had really put the State back into a sound economic position, that it had provided the services and help that were needed in the community in the form of extra police, doctors, nurses and teachers. A total of 1,000 more teachers in one year is a huge number to be able to provide. Today, members heard the Police Minister talking about the extra police who are going into various regions around this State. He is delivering on his promises. We have opened the Police Academy in Townsville, so we will be able to recruit more police to create better law and order for our people. We are delivering 620 new jobs for nurses and doctors. There has been a very big infrastructure package—$4 billion. It is the biggest infrastructure package ever in our State. That is really kick-starting our economy and helping it. The $1.6 billion rejuvenation infrastructure package is for very special projects. Prior to this, the largest infrastructure package in this State was worth $3.4 billion. We have certainly far exceeded that and delivered to the people of this State in the way that we said we would.

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

AYES, 44—Baumann, Beanland, Borbidge, Connor, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Laming, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 44—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

The numbers being equal, Mr Speaker cast his vote with the Ayes.

Resolved in the **affirmative**.

Committee

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

Clauses 1 to 3, as read, agreed to.

Clause 4—

Mr HAMILL (10.22 p.m.): In my comments during the debate on the second reading of the Bill, I drew attention to the fact that this Bill has three particular elements, all of which represented breaches of election promises by this coalition. In clause 4 we see the first of these breaches. We have here a barefaced attempt by the Liberal and National Parties to betray the trust that was placed in them by the people of Queensland when they said to the people of Queensland that there would be no increased taxes under a coalition Government.

Clause 4 of this Bill provides a schedule which increases the rates of bank account debits tax. As I pointed out earlier in this debate, this is a most insidious tax and one which is highly regressive. If one looks at the rates which are set out in clause 4, one sees that, in the case of a debit between $1 and $100, 30c goes into the pocket of the Treasurer. In the case where a person actions his or her cheque account, whether it be for the purchase of fuel or the family groceries, whether it is because that person has gone to the automatic teller and used a card that is linked to the cheque account, that person will pay 30c for each of those small transactions. It may not be in the ken of the Treasurer, but the people whom I represent certainly make many transactions in the range between $1 and $100. Every time they make those transactions on their chequing account, the Treasurer receives 30c. If they are drawing out $20, there is 30c for the Treasurer. If they draw out $40, there is 30c for the Treasurer. It adds up to a severe impost, particularly for people who have a small income from which to draw. The vast majority of pensioners have their pension paid into their bank account, which is often a cheque account, which they access through the automatic teller daytime or night-time for convenience. Every time they do so, the Treasurer hits them with a 30c tax.

Mrs Edmond: Children and students, too.

Mr HAMILL: The member for Mount Coot-tha is quite correct. The people who will make the greatest number of transactions will tend to be the people with the least means. They are the people who will rely most particularly upon drawing small amounts from their meagre balance. They do it frequently and every time the Treasurer gets the cut.

Mr Elder: They do it for safety concerns as well.

Mr HAMILL: The honourable member for Capalaba is quite correct: people do not like carrying large amounts of cash. There are not too many pensioners in my electorate who will be drawing $10,000 and paying only the $4 fee on that $10,000 transaction and carrying that money around until the next pension day. They will draw small amounts. Every time they draw an amount in that way, they will pay. The rate is 30c for transactions up to $100 and 70c for transactions up to $500. Of course, when one is making transactions involving larger amounts, the contribution is far less significant. The tax is $1.50 on amounts between $500 and $5,000; it is $3 on amounts up to $10,000; and whether it is $10,000, $20,000, $1m or $50m, the princely sum of $4 will be paid. Four dollars will not mean much to a person drawing a large sum of money, but the 30c every time for the person who is drawing lots of $20, $30 and $40 adds up to a very considerable sum indeed. As I said, the BAD tax is an insidious tax.

Ms Spence: It's a tax on the poor.

Mr HAMILL: It is a tax on the poor; it does not recognise people's means. It is highly regressive. This schedule is testimony to the treachery of this Government, the Government that betrayed the trust of Queenslanders. Within weeks of coming to office in this State, the Government was actively canvassing tax increases such as this for a whole range of bogus reasons. We have canvassed that extensively in the debate today. This schedule deserves to be defeated. This Government deserves to be defeated for betraying the trust of ordinary Queenslanders.

Mrs SHELDON: That is blatant hypocrisy. We have already dealt with this issue. I remind the shadow Treasurer that it was his former Treasurer when in Government who accepted the tax from the Federal Government and applied it as a State tax, increased that tax by 10c and applied that 10c across-the-board to EFTPOS and other transactions. Let us be a little truthful about what the former Government did in relation to the debits tax. It increased that tax more than we have: we have increased it by 5c, from 25c cents to 30c on the lowest level; the former Government increased it by 10c. It might be good if some truth came from the opposite side of the Chamber instead of the blatant untruth that we hear all the time.

Mr HAMILL: It would appear that the concepts of integrity and honesty are concepts that are totally alien to the Treasurer. Indeed, they are totally alien to this Treasurer and to this Government. The members opposite are the very people who went to the polls in July last year and said to the people of Queensland, "We have a contract with you, which says that we will promise only the things that we can deliver." One of those solemn, hand-over-the-heart promises that they made was a promise to not increase taxes and to not introduce new taxes. In February they went up to Mundingburra and reiterated those solemn promises; yet within one month those promises meant nothing to them. They have no integrity, no honesty, no trust.

Mrs Woodgate: Indeed!

Mr HAMILL: Indeed! As the member for Kurwongbah correctly points out, this provision needs to be rejected because it represents the betrayal of the trust of the people of Queensland.

Mrs SHELDON: The betrayal of the trust of the people of Queensland was by the former Labor Government when it left this State in deficit. If that was not a betrayal, what was? If the former Health Minister lying to the people of this State and blowing out his Health budget was not betrayal, what was? It was because we inherited that economic mess that, unfortunately, we had to increase those taxes. Had there been no deficit, had there been no blow-out in the Health budget, and there would not have been any increases in taxes.

Mr HAMILL: It would be remiss of me if I allowed those comments by the Treasurer to go without comment or debate. The Treasurer has made an art form of distorting economic data since she assumed the office of Treasurer in this State. Back in March, she stated that there was an underlying deficit in cash terms in the Queensland Budget. Her own department proved that, when she made that claim, she was peddling falsehoods. Her own department has demonstrated that, under a GFS basis of accounting, there was a $1 billion underlying surplus in the Budget which she inherited as Treasurer. As the person who then claimed that there was a deficit in accrual terms, and citing her own hired guns, the Commission of Audit, to make that point, she was the very person who reared up on her hind legs during the Budget debate and said that, in fact, the Budget was in surplus on an accrual accounting basis. On each count, the Treasurer's claims have been found wanting. It does not matter upon which basis the Treasurer does the accounts, the Budget that she inherited was in surplus.

Furthermore, the Treasurer she cannot go out of this place and claim that her alleged budgetary problems were attributable to a reduction in Commonwealth funding when she knows, when the Opposition knows and everyone else who reads the Budget papers knows only too well that she has received, and will receive, more dollars from the Commonwealth this year than was received by Queensland last year. That is notwithstanding the fact that the Treasurer gave back $114m of funds that should have gone into public housing in this State. That in itself is a scandal. The fact that the Treasurer acquiesced and had the moneys taken from public housing is an absolute and total disgrace. However, that is consistent with the economic mismanagement which has become a hallmark of the Treasurer's administration. At a time when economic growth is faltering and when unemployment is escalating, the Treasurer believes that the way in which she should run the State economy under those circumstances is to withdraw funds from capital works, abandon accelerated capital works programs, fail to expend the capital works Budget and then have the audacity to claim that she is going to bring in a record capital works Budget this year. As the Opposition knows, she is doing that only on the back of the Budget of the former Government—the Budget that the Treasurer failed to expend. We can see from that sort of approach to economic management that the Treasurer is found absolutely and totally wanting.

The Treasurer's economic management is a disgrace. This measure is a disgrace. It is a disgrace because it demonstrates quite clearly that this coalition Government—this arrogant Government—holds the people who put it into office in total contempt.

Mrs SHELDON: I think that a couple of points need to be clarified once and for all. This nonsense about the GFS statement makes us realise the total economic ineptitude of the member opposite. Indeed, as the member should well know, the fact that that surplus was in GFS meant that most of that money was for superannuation. Again, the member has reiterated the fact that the Opposition is very, very happy not to have the super fund fully funded. I know that the former Government blew out the Workers Compensation Fund, yet it did not bother about it. It had an unfunded State liability, and it did not care. That was really cutting into the economic trilogy about which the former Treasurer spoke so much.

The fact of the matter is that the Opposition does not care if the public servants do not have their super money to be paid out to them. It does not care that Queensland's sound financial position is enhanced because this Government has fully funded its liabilities. I can assure the member opposite that this Government will continue to do that.

The member also referred to Dr Vince FitzGerald, who headed our Commission of Audit, as a "hired gun". I take it that he was also Paul Keating's hired gun. The member probably has no idea about this, but Dr FitzGerald had actually been hired by Mr Keating to do a report for him. Of course, I have to say that, because Mr Keating did not agree with the findings in the report, he rejected it. The member has also cast aspersions on three very prominent business leaders in our community.

Mr HAMILL: I rise to a point of order. I cast no aspersions upon the integrity of Dr FitzGerald. I simply made the point that the FitzGerald Commission of Audit acted upon the terms of reference of the Treasurer, and the Treasurer and the Government paid the bill.

Mrs SHELDON: I would think that if the member referred to anyone as "hired guns", he was certainly reflecting great discredit on those gentlemen—which the member did, and which they know he has done.

May I add that the front page of the Commission of Audit showed an increasing downward slide in the economic position of this State unless radical measures were taken. Indeed, this Government took those radical measures. It halted that downward slide, and it did a lot of hard work to achieve it. The Government found half a billion dollars in savings in departments, cut out the fat of those departments, restructured them and focused on outcomes rather than processes. In the six years that the former Government sat on this side of the Chamber, it never even bothered to attack those issues.

May I add that, because the Government did that, for the first time it will present an accrual accounting Budget in 1998. Through the policies that the Government put in place to try to stop that economic slide, in comparative accrual accounting terms it had a surplus of around $40m. If the member understood the economic policy behind that process, he would realise exactly the job that was done.

Finally, I will make a comment about capital works. Today, the Premier outlined a list of capital works that this Government has undertaken in this State. May I add that the overruns that the former Government had amounted to exactly the same scene that was presented in the 1995-96 figures. So let us have a little bit of truth and a little bit of economic credibility and not the untruths that the member opposite continues to tell.

Question—That clause 4, as read, stand part of the Bill—put; and the Committee divided—

AYES, 44—Baumann, Beanland, Borbidge, Connor, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Turner, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 44—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

The numbers being equal, the Chairman cast his vote with the Ayes.

Resolved in the **affirmative**.

Clause 5—

Mr HAMILL (10.43 p.m.): In speaking to clause 5, I make it clear that the Opposition does not oppose the measures in the Bill that relate to the revision of the payroll tax exemption rate. However, we are disappointed that the Government has again failed to deliver on its election commitments. At the last election the Liberal and National Parties committed themselves to payroll tax rebates for those who would employ unemployed youth, but no such measure has been included in this legislation. That promise has been broken as well.

Is the Treasurer suggesting that something in this provision implements the Government's election promise to provide payroll tax rebates for those employers who engage unemployed youth? If she can find that in this provision, I am happy to apologise for having misread the provision.

These measures fail to implement that which the Treasurer promised when she went to the people of Queensland last year. Given the great store that the Treasurer placed upon the work of the FitzGerald Commission of Audit but a few minutes ago, it is quite instructive to read the FitzGerald Commission

of Audit report. I suggest that if the Treasurer were so keen to implement the letter of the FitzGerald Commission of Audit report, she probably would have also abandoned the part of the promise that she is seeking to implement by changing the payroll tax exemption rates. Upon my reading of the FitzGerald Commission of Audit report, Commissioner FitzGerald and his colleagues actually suggest that the continued raising of the exemption level on payroll tax is contributing to the obsolescence of payroll tax as a major source of revenue for State Governments.

The Government is very selective in the way in which it wishes to deal with its own reports. The Government seems to want to embrace the parts of the FitzGerald Commission of Audit report that are about privatising public assets. However, when it finds that other parts of the FitzGerald Commission of Audit report fly in the face of other of its promises, the Government seems to be less enthusiastic about their implementation. Nevertheless, the Opposition will not be voting against these changes to the exemption level for payroll tax. After all, at least this was promised and we believe that Governments should have the intestinal fortitude to implement their election promises.

Clause 5, as read, agreed to.

Clauses 6 to 10, as read, agreed to.

Clause 11—

Mr HAMILL (10.47 p.m.): This clause represents the other blatant breach of an election undertaking. The clause will increase the tobacco licensing fee to the level which applies in New South Wales, and that again flies in the face of the solemn undertakings of the Treasurer and the Premier. In fact, the Premier reiterated his undertakings not to increase tobacco licensing fees when he was visiting the Atherton Tableland only a few weeks before the delivery of the Budget.

However, upon assuming office, one of the highest priorities for the Treasurer and her Government was to look at ways in which she could generate additional revenue. We know that as early as April this year the Treasurer was actively canvassing this hike in tobacco tax. She was actively canvassing the increase which she and the member for Gladstone have endorsed with respect to BAD tax. She was actively considering propositions for fuel taxes and for financial institutions duty. She was also looking at the introduction of speed cameras, not for road safety purposes but as a revenue raising measure.

A Government member: Rubbish!

Mr HAMILL: I did not see which person interjected by saying, "Rubbish!" Own up please, because I will be more than happy to demonstrate the veracity of what I am saying.

An Opposition member: The member for Redlands.

Mr HAMILL: Well, perhaps the member for Redlands is part of the coalition's "mushroom club", because I suspect that Government members up the back are not told too much. I assure the member for Redlands and those of his ilk—and the member for Noosa will confirm this—that Cabinet and the Cabinet Budget Committee considered a range of additional revenue raising measures, including this tobacco licensing fee.

The CHAIRMAN: Order! The honourable member will confine himself to the clause.

Mr HAMILL: I am, Mr Chairman. The increase in the tobacco licensing fee was being actively considered by the Cabinet Budget Committee and the Cabinet itself in the context of a whole range of other revenue raising measures.

Mr Davidson interjected.

Mr HAMILL: I can reiterate, as the Honourable Minister needs to have his memory refreshed. They included FID—financial institutions duty—fuel taxes, welshing on promises in relation to land tax relief and so on. I am more than happy to produce the documents which the Honourable the Minister perhaps chooses to forget. However, this is another clear breach of the coalition's election policy that there would be no increased taxes and that no new taxes would be introduced under a coalition Government. However, through this measure we know that the increased revenue that will be generated by this legislation will not be commensurate with the increased rate that is being applied by way of a tobacco licensing fee. Part of the reason is that, by achieving parity with New South Wales, the cross-border trade, which has significantly benefited the State coffers in the past, will be cut off.

Unfortunately, the Bill and this provision show quite clearly that the intent of the Government is not to pursue this measure as a public health measure; it is to pursue it as a public revenue raising measure. As such, it breaches the Government's election promises and it breaches the trust that the people of Queensland placed in the Government. Again, this measure deserves to be defeated tonight.

Question—That clause 11, as read, stand part of the Bill—put; and the Committee divided—

AYES, 44—Baumann, Beanland, Borbidge, Connor, Cooper, Cunningham, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Turner, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 44—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

The numbers being equal, the Chairman cast his vote with the Ayes.

Resolved in the **affirmative**.

Clauses 12 to 14, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

CARRUTHERS INQUIRY ENABLING BILL

Suspension of Standing and Sessional Orders; Remaining Stages; Abridgment of Time

Mr FITZGERALD (Lockyer—Leader of Government Business) (10.58 p.m.), by leave: I move—

> "That so much of the Standing and Sessional Orders and the resolution agreed to by the House earlier this day be suspended so as to allow the Carruthers Inquiry Enabling Bill to pass through all its remaining stages at this day's sitting."

Motion agreed to.

Second Reading

Debate resumed from 12 November (see p. 3881).

Hon. D. E. BEANLAND (Indooroopilly—Attorney-General and Minister for Justice) (10.59 p.m.): I want to make it abundantly clear at the outset that the Government's position on this matter is that Mr Carruthers' capacity to continue the inquiry is fatally compromised. The legal advice from Mr Roger Gyles, QC, a former president of the Australian Bar Association, a former vice-president of the New South Wales Bar Association, Special Prosecutor for the Commonwealth, and in recent times Carmen Lawrence's legal representative before the Easton royal commission, states quite clearly that the fair-minded observer might entertain a reasonable apprehension that Mr Carruthers might not bring an impartial and unprejudiced mind to the resolution of issues involving Messrs Borbidge and Cooper and that Mr Carruthers would in that sense be regarded as biased.

As Mr Gyles concluded—

> "Too much water has flowed under the bridge to enable Mr Carruthers to make a report which would not be tainted by the perception of bias."

Even as Mr Carruthers himself acknowledged—

> "It is my judgment that it is impossible for me to carry on with the work of the preparation of the reports impartially."

We have both Mr Carruthers himself, Mr Carruthers' own legal advisers and the Government's independent legal advice from Mr Gyles, QC, confirming the position that there is no way that Mr Carruthers can continue this inquiry impartially and without a legal perception of bias. Mr Carruthers' own legal advisers—Mr Sofronoff, QC, and Mr Newton—have also pointed out clearly that Mr Carruthers' position is fatally compromised. Let me quote from their advice dated 25 October to Mr Carruthers, which states—

> "Our view is that the actual independence of the Carruthers inquiry, which hitherto could not reasonably have been questioned, has now been fatally compromised; the perception of independence, which has been critical, has been irretrievably lost; and Mr Carruthers' own position has become untenable. We do not believe that it is now possible for him to deliver a report which, in accordance with the Act, and in conformity with accepted convention and the public's justified expectation, will be seen to be necessarily free of political interference."

So what we have is the unanimous legal advice from a wide variety of sources all fundamentally undermining the righteous principles that the Leader of the Opposition seemed to espouse when he introduced this Bill. The Bill has nothing to do with Mr

Carruthers but everything to do with the desperate tactics of a desperate Opposition which will clutch at any straw. Indeed, Mr Carruthers himself has indicated publicly that no matter whatever happens he will not return to Queensland.

An article in the *Courier-Mail* of 5 November in respect of Mr Carruthers stated—

"Inquiry boss: 'I will not return'."

Those were his words. Therefore, this Bill will solve nothing if one believes the words of Mr Carruthers in relation to this matter. It is perfectly plain in the circumstances that any party likely to be adversely affected by any opinion of Mr Carruthers, should he return, would probably seek immediate relief from the Supreme Court, which, on the legal advice available, would almost certainly be guaranteed. Perhaps the member for Logan or the State Secretary of the Labor Party, Mr Kaiser, might wish to bring legal action. Many other people have been adversely implicated over the eight months the Carruthers inquiry has already dragged out. Any return of Mr Carruthers would be an open invitation to drag this whole sorry saga out even longer. Mr Carruthers himself has already acknowledged that he cannot return, and the whole debate this evening is nothing more than a continuation of the attempts by the Labor Party lawyers—led by the member for Yeronga, the member for Murrumba and the Leader of the Opposition—to use shady legal tactics to have a cheap political shot, which is typical of their whole attitude to the law.

However, why is it that this legislation does not seek to answer the fundamental complaint that led to Mr Carruthers throwing in the towel and departing for southern climes? The fundamental issue that Mr Carruthers objected to was his refusal to give the undertaking that the Chairman of the CJC, Mr Clair, was happily prepared to give—that no documents would be destroyed so that, if required by the Connolly/Ryan inquiry into the Criminal Justice Commission, these documents would be available. Mr Carruthers' whole course of action is hinged on this fundamental issue, yet the Labor Party in this Bill has obviously and deliberately avoided considering it.

The failure by the ALP to consider this issue raises fundamental questions as to why it is adopting this course of action. It is seeking to have Mr Carruthers return, but by this deliberate omission of provisions to deal with the destruction of documents the Opposition leaves open the possibility that documents could be destroyed. This House should very seriously consider this issue in the light of my previous comments and the various legal advice quoted in relation to the real perceptions of bias. The Government is not going to get the Labor Party off the hook with this Bill. We are not going to use sleight of hand to avoid the real issue that caused Mr Carruthers to resign in the first instance.

In the Committee stage of this Bill I will be moving amendments that relate to the non-destruction of documents. These amendments do nothing more than ensure that, should Mr Carruthers return, notwithstanding his public declarations to the contrary, all the documents connected with the Carruthers inquiry will be preserved for potential future examination. I challenge the Labor Opposition to say here and now whether it will accept these amendments.

Mr Hampson, the President of the Queensland Bar Association and counsel assisting Mr Carruthers, has expressed great difficulty in considering the issue of Mr Carruthers' actions. As the *Sunday Mail* of 3 November stated—

> ". . . Mr Hampson has more difficulty rationalising how Mr Carruthers can one day pronounce his inquiry 'fatally compromised' and 'irretrievably lost', yet now believe he could return and complete his reports.
>
> Mr Hampson said Mr Carruthers did believe his inquiry was fatally flawed—at least at the time he made his statement.
>
> . . .
>
> Mr Hampson said the Carruthers inquiry's documents would be available for later scrutiny anyway.
>
> 'Everybody knows that at a royal commission all the transcripts and exhibits and the whole lot are safeguarded and archived.'"

So what is this issue really about? Why did Labor not indicate this in the Bill? Why in the end did Mr Carruthers leave? What was the nature of the undertaking sought by Mr Ian Hanger, QC, on behalf of the commission of inquiry into the effectiveness of the Criminal Justice Commission? It was merely an undertaking not to destroy documents. Why does Labor continually assert that Mr Hanger demanded the handing over of documents? There is nothing in Mr Hanger's correspondence to suggest that this is the case. Mr Hanger, QC, simply asked Mr Carruthers not to destroy documents. What is there to hide? This is the same undertaking demanded by the CJC of the public on any

one of a number of occasions when conducting its inquiries, including during this particular inquiry. So there was nothing new in relation to it. I want to quote from a letter written to Mr Carruthers by Mr Hanger from the commission of inquiry. It states—

> "Please advise whether you are prepared to give an undertaking that neither you nor any person engaged in assisting you in the preparation of your reports will destroy any document which comes into or has come into your or their possession or has been produced in the course of the Inquiries conducted by you or the preparation of your reports. I include drafts of your reports in the category of documents which should not be destroyed."

So what is this issue really all about? Why did Labor not indicate this in the Bill? Why does Labor not acknowledge the reality of where we are now? Bleatings by the Leader of the Opposition about integrity and honesty in Government ring hollow when considered against his half-smart attempt to use this Bill to embarrass the Government. Mr Hampson, QC, indicates that the preservation of documents is completely orthodox and appropriate. So what does Labor have to hide, and what is Labor suggesting there is to hide?

I noticed yesterday that, in introducing the Bill, the Leader of the Opposition attacked the advice of Mr Gyles, QC, on the basis that the Bill he intended was different from the Bill he had previously produced. Let us see what the changes really were. Firstly, there was an addition of the words "into the Criminal Justice Commission" in clause 3 of the Bill. Secondly, there was the addition of a new clause 5 which is merely declaratory of an obvious legal interpretation. Thirdly, there was the deletion of the words "that is impartial and seen to be impartial" from the proposed section 132C(2). Fourthly, in the proposed section 132C(4) there was the addition of the words "if the person would not be so liable if this section had not commenced". Fifthly, there was the introduction of a paragraph in section 132C(5) designed to attempt to extend the Bill to someone appointed by the CJC to continue the Carruthers inquiry.

None of these changes is of any particular substance; nor do they alter the structure and thrust of the Bill upon which Mr Gyles provided his advice. So much for the attack by Labor upon the advice of Mr Roger Gyles, QC! This is another example of the Labor Party attacking anyone who gives advice that does not suit its purposes. This is a typical view of the Labor Party. They want lawyers to acquiesce and reflect only Labor views. We have already seen this displayed in their attack upon Connolly, QC, Ryan, QC, Hanger, QC, and anyone who does not follow religiously the Labor Party line. Honourable members should remember that this is the same Mr Gyles whom the Labor Party were quite happy to have defend "Saint" Carmen, whom they were trying to promote as the first female Prime Minister of this country. Is this a further sign of how they want Carruthers to be: only pushing the Labor Party line? What hypocrisy we get from the Opposition in this place.

Let us turn to the speech by the Leader of the Opposition when he introduced this Bill. Mr Beattie said—

> "This Bill provides for the resumption of the inquiry whether Mr Carruthers returns on not."

When we look at the Bill that was actually introduced, it reveals that clause 4 seeks to declare and remove all impediments to Mr Carruthers completing his inquiry. It expresses the earnest wish that Mr Carruthers resume his inquiry and complete his report and authorises Mr Carruthers to immediately resume on withdrawal of his resignation.

The whole Bill is quite contrary to the stated purposes of the Leader of the Opposition. It is specifically designed to ensure the return of Mr Carruthers, not to establish a new inquiry. The Leader of the Opposition added clause 5 in an attempt to ensure that the Bill did not interfere with the decision of the CJC following Mr Carruthers' resignation to take advice from Mr Gotterson, QC, and Mr Butler, SC. However, the chairman of the CJC points out in his press release of 31 October—

> "The Vice President of the Bar Association, Mr R. Gotterson QC, has been briefed to review and appraise the evidence accumulated by Mr Carruthers, including the transcripts of the hearings, exhibits, and submissions made by all parties to the hearings, with a view to advising whether the CJC should refer matters under section 33 of the Act to the Director of Prosecutions, a Misconduct Tribunal or for disciplinary action."

Nowhere does Mr Clair's statement say that Mr Gotterson or Mr Butler are going to continue with the inquiry. Far from it; if one looks at what Mr Clair is saying, they are merely providing legal advice. Is the Leader of the Opposition suggesting that we should have a rehearing of all the evidence? Is he going to waste another $3.5m of taxpayers' money? Is

this the accountability that the Leader of the Opposition demands?

It should be remembered that, at the end of the day, if Mr Carruthers feared that there was in fact outside interference, Mr Carruthers could have resolved this position himself by initiating legal action. This option was raised by Mr Sofronoff and Mr Newton, his own legal advisers, in their advice to him of 25 October. Why did Mr Carruthers refuse to take this course of action? Their advice was—

> "Arguably, the letter to Mr Carruthers from senior counsel assisting the Connolly-Ryan Commission itself constitutes a contempt under s.106(j) of the Act and foreshadows the commission of further contempts:
>
> > 'Any Interference with the course of the administration of justice is a contempt of the Court and is unlawful. If, therefore, any person, purporting to do an act under the authority of a Royal Commission, were to do an act amounting to an interference with the course of justice, he could not claim any protection on the plea that he was acting for the Crown . . .
>
> The statutory safeguard provided for the CJC, to protect itself against interference, is the same safeguard enjoyed by the Courts, because s.106 of the Act provides relevantly:
>
> > 'A person who—
> >
> > (j) does any other thing that, if the Commission were a court of law with authority to commit for contempt, would be a contempt of that court;
> >
> > is guilty of a contempt of the Commission.' "

It is quite clear that Mr Carruthers for his own reasons decided not to take that course of action—a very legitimate course of action open to him—if he felt so aggrieved. It is quite clear from the Leader of the Opposition that the Bill before the Parliament is another political exercise, another piece of Labor Party hypocrisy that seeks to take a cheap political shot at the Government. However, it will not bring back Mr Carruthers. He has said quite categorically that he will not return. Three separate pieces of legal advice have made it quite clear that Mr Carruthers' position is now biased and that he would certainly be subject to legal challenge before the courts from any number of people who have in fact appeared before Mr Carruthers' inquiry if he were to return. It therefore shows what a cheap political exercise the Labor Party is on this evening.

At the end of the day, this legislation does nothing about the real issue involved in this matter. What is there to hide? Why are they not prepared to put it in the legislation in the first instance and to ensure that there will be no destruction of documents? That is an orthodox and completely aboveboard course of action for any matter of this nature. It has been agreed to and acknowledged by Mr Hampson, QC, who is not only President of the Bar but also in this case senior legal counsel assisting the Carruthers commission of inquiry.

Clearly, this is a cheap piece of political propaganda by the Labor Party. It is something we have come to expect from this Leader of the Opposition. Time after time we hear his shallow attacks on this Government, but he puts up nothing of substance. The true position in relation to this legislation is quite clear to the House and I believe that any reasonable person will see that there is very strong legal arguments indeed why Mr Carruthers, QC—because of his own actions, not anybody else's—cannot return to continue this inquiry because of the biased situation in which he is now. I believe the situation speaks for itself.

Hon. D. M. WELLS (Murrumba) (11.17 p.m.): The rule of law can only survive while it is respected by those who actually have the power to subvert it. When the accused in the dock can and do put the judge on trial, they subvert the rule of law. Their action creates two classes of citizens, those who must submit themselves to legal processes and those who can avoid them by using the power of Executive decree. Yet, in a democracy there is supposed to be only one class of citizen, at least in one respect—all are equal before the law. In Queensland, since the Connolly inquiry sank the Carruthers inquiry, no-one is quite the equal before the law of the Ministers sitting opposite.

I ask honourable members to consider that thousands of people have been investigated by the CJC. Very few of them have the power to go off to a Cabinet meeting and support the establishment of a commission of inquiry to investigate the CJC, including that branch of the CJC that was investigating them. Yet, on the opposite side of the House, we have a group of men and women who themselves were witnesses before an inquiry which was investigating the propriety of their actions trooping off to a

Cabinet meeting to set up an inquiry into an inquiry. John and Jane Doe cannot do that; Bill and Mary Bloggs cannot do that. The Ministers in this Government can do that; the Ministers in this Government did do that. That is how far we have slipped away from equality before the law in Queensland; that is how far we have slipped away from democracy.

There is, therefore, very much more at stake here than whether the Premier and the Police Minister have committed an offence. The offences, if they were offences, were minor in comparison to the grievous damage that has been done to our democratic system by the destruction of the Carruthers inquiry. It is not, however, too late to repair the damage. This Parliament can do it now. This Bill does two things. The most important thing that it does is to restore the status quo that existed before the Connolly inquiry interfered in the Carruthers inquiry. The second thing it does is to make it possible for Carruthers, QC, to return to complete the inquiry if he should choose to do so.

I will deal with the first matter first because it is by far the most important. It re-creates the situation in which the Carruthers inquiry, whether it is headed by Carruthers, QC, or not, is able to complete its deliberations and bring down its report without being interfered with in its deliberations by the Connolly inquiry. The Bill carefully does this without causing any legal consequences for the Connolly inquiry as a result of its intervention. As a result of this Bill being passed, the CJC would be able to continue the Carruthers inquiry whether Carruthers, QC, was prepared to return or not. It would be able to ensure that the whole job was done, not just a part of it. The Criminal Justice Commission would be able to ensure that an appropriate report was brought to this Parliament detailing the findings of the inquiry as regards all that has occurred, and it would be able to send to this Parliament recommendations for law reform that would ensure that we do not again get into this kind of mess.

We understand from reports that the Criminal Justice Commission has appointed two barristers to provide the Director of Public Prosecutions with the information that he will need to enable him to determine whether anyone should be prosecuted for any offence arising out of any of the matters heard before the Carruthers inquiry. However, that is only a fraction of the work that the inquiry was set up to perform. That material would not have been part of the inquiry's report, anyway. Recommendations for prosecution were not part of the report of the Fitzgerald inquiry which was laid on the table of this House. They would not have been part of the report of this inquiry. Prosecutions are not the business of this Parliament. The findings of the Carruthers inquiry as to the sequence of events and the recommendations of the Carruthers inquiry regarding law reform are very much the business of this Parliament. They bear very much on the peace, order and good government of Queensland. If we in this Parliament neglected an opportunity to ensure that those things can be provided to us, then we would be failing in our duty to the people of this State.

This Bill does not compel the CJC to complete the inquiry that Carruthers began, either with Carruthers, QC, or some other person. Clause 5 of the Bill spells out very clearly that the Bill does not affect the capacity of the CJC Chairman to appoint or not to appoint. What it does is to make it possible for the Criminal Justice Commission to make such an appointment, if it chooses to do so, in the knowledge that the person so appointed will not be chairing an inquiry whose deliberations can be interfered with by the Connolly inquiry. In doing that, this Parliament respects the independence of the CJC but, at the same time, creates the circumstances in which the CJC can complete the job which, at great expense to the public, it set out to do. It makes it possible for the CJC to give the taxpayers value for the money which has been expended on this inquiry.

Of course, it may be objected that the CJC could even now appoint someone to continue the work that Carruthers, QC, began. Alternatively, it could, within its existing charter, prepare recommendations for law reform. The point about this is that it could not do so with any guarantee that it would be left alone to do it. If somebody else was appointed to do Carruthers' work, that person could be knocked off by the Connolly inquiry by exactly the same manoeuvre. Anyone who started work as a new commissioner would do so in the knowledge that Big Brother, in the form of the Connolly inquiry, was watching that commissioner and might at any time ring up and tell that person, in those famous words, to do what he or she was told. Once that happened, the new commissioner would have to take legal advice and if, as is likely, that commissioner got the same legal advice as his or her predecessor, then that commissioner, too, would have to resign. It is up to this Parliament to ensure that a legal environment is created in which those who are duly appointed by the CJC to undertake work essential to the probity of the Government of

this State are able to complete it without interference. This Bill does that.

A little while ago, I said that this Bill does two things. The first was to ensure that the Carruthers inquiry—whether or not it was headed by Carruthers—could complete its work. The second was to make it possible for Carruthers, QC, to return to complete that work. As I said, the first thing was the more important, not because I meant any disrespect to the retired judge who, until recently, headed the Carruthers inquiry, but because the public interest demands that the inquiry be completed, whether or not it is completed by Carruthers, QC.

The other aspect of the Bill, however, is also important. It makes it possible for Carruthers, QC, to return by removing the conflict with which he was previously faced. His problem was that he was being inquired into by an inquiry set up by the very people into whom he was inquiring. In those circumstances, if he found in favour of those people, he might seem to have been influenced by them to come to a favourable conclusion whereas, if he found against them, he might seem to be overreacting against their intervention in his inquiry. An expression by the Parliament of its wish that he should return and complete the job he began, coupled with the assurance that the kind of intervention that he previously experienced would not recur, would cure the problem.

Every member of this House is aware of the fact that Carruthers, QC, has said that he would not return. But if one reads the press release which his lawyers issued, it is clear that the reason he would not return is simply because he did not have an expression from this Parliament of its wish that he should do so. In any case, what the solicitors for Mr Carruthers say in a press release, or what the Premier says in a press release, is one thing. A solemn declaration by this Parliament that it wished Carruthers, QC, to return and complete the job is another thing entirely. What any of the parties say by way of press release is part of legitimate public discussion. However, what this Parliament solemnly declares is part of the history of this State. Whether to come back and complete his inquiry in the light of critical remarks being made in the media by the Premier or Connolly, QC, is one decision. Whether to come back in the light of an expression by the Parliament of Queensland that he should do so is another decision entirely.

However, this Bill is not being brought to the Parliament with any guarantee that Carruthers, QC, would return to complete his inquiry even if the Bill was passed. This, however, does not matter. The important thing about this Bill is that it makes possible the completion of the Carruthers inquiry whether or not Carruthers, QC, returns. Undoubtedly, the most efficient way of completing the inquiry would be to ensure that the report could be signed off by the person who presided over all of the evidence. We have a duty to those we represent to ensure that no stone is left unturned in making it possible for that most efficient of outcomes, and most just of outcomes, to occur. Whether it is likely that Carruthers, QC, will respond positively to this declaration by the Parliament now that he has said that he will not come back is not the point. The point is that this Parliament has an obligation to ensure that the most efficient and the most just outcome is at least possible. It is an obligation which rests on the shoulders of honourable members opposite, just as it rests on the shoulders of honourable members on this side of the House.

The Attorney-General has been pushing a legal opinion by a southern barrister, who said that his views were tentative and that they were formed without a brief from a solicitor. The opinion of that barrister said that this Bill would not be effective to prevent the Government from taking the legal point before a court that Carruthers, QC, could not proceed because the Premier and others had been attacking him publicly to the point that they could not get a fair hearing. But any judge or any tribunal can have that point taken against them. This Bill was not meant to limit anyone's legal rights. That the Bill does not do something it was never intended to do is all that the opinion which the Attorney-General is pushing around proves.

The honourable and learned member for Yeronga will deal with this point in more detail later, but let us simply note that never was it any part of the Bill's intention to prevent any parties from following the normal recourse that they have to the law of the land. If any party before any tribunal wishes to take the point that, because of things they have said about that tribunal, they cannot get a fair hearing, then they are free to do it. But the law of this land does not say that anybody can blow out of the water any court of competent jurisdiction before which that person is called simply by lacerating in public that court or the people who comprise it.

There are some small but important points to note about this Bill. It applies only to the deliberations of the Carruthers inquiry. It does not protect the Carruthers inquiry from

the Connolly inquiry in respect of any other matters; it is only in respect of the Carruthers inquiry's capacity to make a decision that is judicial in the sense of being uninfluenced by outside considerations with respect to the matters about which it is deliberating. Additionally, the Bill only protects the Carruthers inquiry from interference by the Connolly inquiry during the course of the Carruthers inquiry. After the Carruthers inquiry reports, this Bill ceases to be applicable. It will have served its purposes. The rights of the parties involved will then become whatever rights they have under the existing law of Queensland without any reference to this Bill at all.

This is a Bill about the inviolability of legal processes, about ensuring that all men and women in this State, even members of Cabinet, are equal before the law. This is a Bill about ensuring that legal processes cannot be torpedoed by the arbitrary decree of a group of Cabinet Ministers who decide to set up an inquiry into an inquiry. This is a Bill about ensuring that we are all governed by the processes of law and that no exceptions are made for the great and powerful who can, on a whim, take action, which, whether they intend it or not, has the effect of protecting them from investigation and judgment.

To oppose this Bill is to oppose the settled rule of law and the principle that all are equal before the law. To oppose this Bill is to tolerate, indeed to be complicit, in Government by arbitrary decree, which is the antithesis of democracy. To oppose this Bill is to oppose so many democratic principles that to oppose this Bill is to betray those who sent us here. I urge honourable members to keep faith with those they represent, who have a right to expect that the legal processes that their representatives set up will apply to their representatives just as they apply to them. I urge honourable members to support the democratic principle of equality before the law. I urge honourable members to support this Bill.

Mr FITZGERALD (Lockyer—Leader of Government Business) (11.32 p.m.): While the Government has indicated clearly that it will not oppose the Bill, it must be said that this is a Bill that gives a whole new meaning to the phrase "flogging a dead horse". As the Attorney has established so clearly tonight, even if the horse struggles yet again to get up to its shaky old feet, it will not and it cannot ever really stand up. It, in the form of Mr Carruthers, does not even want to stand up unless, of course, it has changed its mind yet again. There are a variety of compelling reasons for the fact that Mr Carruthers cannot return, cannot again change his mind.

The Attorney has outlined in some detail the learned opinion that establishes why it is so obvious at law that he cannot come back. But the fact is that one does not need to be a QC to determine why it is that this Bill represents the flogging of a very dead horse. All one has to be is capable of understanding plain English. When Mr Carruthers spat the dummy for the first time, he did so in language and based on advice that was so plain that one would have thought that even the Leader of the Opposition would have not had any trouble understanding it. I will quote several passages from the extraordinary statement that Mr Carruthers made on 29 October in order to establish the fact that his language was so unambiguous as to make positively outrageous any suggestion that he might now resume his duties. He quoted the advice of lawyers Messrs Sofronoff and Newton, who advised him in these terms, in the language of Mr Carruthers—

> "Mr Sofronoff and Mr Newton concluded that the actual independence of my inquiry which could not hitherto be questioned had been fatally compromised; the perception of independence which had been critical had been irretrievably lost; and my own position had become untenable. They do not believe (nor do I) that it is now possible for me to deliver reports which, in accordance with the Criminal Justice Act, and the public's expectation, would be seen to be necessarily free of political interference."

The understanding of any fair-minded and reasonable person would be, I would suggest, to interpret the word "fatal" as being dead, finished, at an end, kaput! I would suggest that any fair-minded and reasonable person would regard the reference to "irretrievably lost" as meaning that something had gone, never to return, lost, finished, at an end, kaput—whatever language one likes to use. The word "untenable", I would submit, has a similar element of finality to it in the interpretation of any fair-minded and reasonable person. So I would suggest that one does need to be a QC to form an opinion that the words of Mr Carruthers' legal advisers, clearly and explicitly totally accepted by him, were meant to indicate that he had, in his and their perception, been fatally compromised, that his independence had been irretrievably lost, that his position was untenable and that he knew what he was saying.

Of course, Mr Carruthers underscored the finality of his decision as expressed so clearly in that language time and again throughout his 28 October statement. He did so perhaps never more convincingly than when he said—

"That"—

that is, the fatally compromised, irretrievably lost position—

> "would remain the position even if it were determined that the conduct of the Connolly-Ryan Commission, in making their demands of me was unlawful."

Frankly, it simply beggars comprehension that anybody, including Mr Carruthers, could suggest subsequent to that statement that he could return. That was the point, clearly, at which the horse had died once and for all.

If "fatally compromised" means fatally compromised in the common acceptance of the language, then that phrase in itself is enough to ensure that any effort for Mr Carruthers to now return is fatally compromised. If "irretrievably lost" means irretrievably lost, then any effort for Mr Carruthers to now return is irretrievably lost. If "untenable" means untenable, then Mr Carruthers cannot return under any circumstances. For better or for worse, he unqualifiedly and absolutely took himself out of consideration on 29 October—full stop, end of section.

However, that is not the only level at which the ordinary, fair-minded and reasonable person would have to reach the conclusion that, for better or for worse, Mr Carruthers' association with the memorandum of understanding and sporting shooters inquiry was irrevocably at an end as of 29 October. Another level that begs that same conclusion just as compellingly revolves around the reason that Mr Carruthers gave for reaching the conclusion that he had been fatally compromised, etc., that is, his perception and the perception of his lawyers that the establishment of the Connolly/Ryan inquiry, as well as some of the subsequent actions of the inquiry, constituted a combination of political and actual interference. Whether that interference was real or imagined—it is certainly vigorously and widely disputed—the crucial point is that Mr Carruthers believed that public knowledge of that alleged political interference might create the perception in the minds of some fair-minded and reasonable people that, if he were to make adverse findings against the current or the former Premier or the Police Minister or whomever, that could be seen to be an act of retribution for the alleged interference. Mr Carruthers said that, on the other hand, if he were to absolve people, then that could be perceived by some fair-minded and reasonable people as an indication that he had been overborne, effectively intimidated by the alleged political and alleged actual interference.

The central point that Mr Carruthers made in supporting his view that he had been fatally compromised, in forming the view that his independence was irretrievably lost, that his position was untenable, was the potential impact on the fair-minded and reasonable people of the alleged political interference in his inquiry.

Let us make no bones about it: the real target of Mr Carruthers' spleen was not Mr Hanger, it was the politicians. Therefore, it is utterly incredible that Mr Carruthers could then suggest, as he effectively did, that by dealing exclusively with the Australian Labor Party in a plot to engineer his return from the self-confessed dead he could somehow wipe from the minds of the fair and reasonably minded people that this behaviour in turn would not massively extend the perception that decisions that he might subsequently make could be tainted by retribution or by alleged intimidation. The extraordinary, idiotic proposition of Mr Carruthers is that alleged interference by conservative politicians could engender this concern, but doing a deal with the Labor Party could not. Of course, to any fair-minded or reasonable person, that simply has to be a nonsense.

That was not the whole story on this point by a long shot. One of the people with whom Mr Carruthers, or at least his lawyers, was actively engaging in the secret dealing with the Labor Party was the member for Logan, who is a subject of Mr Carruthers' investigation of the Sporting Shooters party. That position is so totally flaky that I would suggest that not some but the great majority of fair and reasonable-minded people could well form the view that Mr Carruthers was off his rocker—around the bend. To Mr Carruthers and his supporters, "fatal" does not mean fatal; it means reincarnation. To Mr Carruthers, "irretrievable" does not mean lost; it means found. To Mr Carruthers, "untenable" seems to actually mean tenable—the exact opposite. To Mr Carruthers and his supporters, "political interference" is only "sort of" fatal when it is conducted by conservatives. When it is conducted by the Labor Party, it is the kiss of life. So the man is, at the very best, dippy. At the worst, he is in bed with the Labor Party and with those others who have simply allowed their lust to see the coalition undone, by hook or by crook, curdle all their cognitive

powers. I include in that number the Leader of the Opposition because I do not believe that the member for Brisbane Central is so dumb as to not be capable of understanding either Mr Carruthers' language or his addled reasoning in suggesting that if the Labor Party could engineer it, he would happily undergo reincarnation.

As I have indicated, Mr Carruthers has simply come back as a dead horse. Extraordinarily, after seeking resurrection, once again Mr Carruthers took the leap—having declared himself irrevocably out of the picture on 29 October and then deciding in early November that he might return if the Labor Party could organise it—and on 5 November he declared that he had again ruled out any chance of returning to finish his inquiry, blaming the attitude of the Borbidge Government. Again, that is very revealing of the petulance, naivety and arrogance of the man.

As Mr Gyles, QC, pointed out in his advice to the Government, the fact is that in his statement of 29 October, Mr Carruthers had made a direct attack on the Premier and the Government. In the opinion of the learned counsel, the Premier and his Government had every right to respond in kind. Those counterattacks of the Premier and the Government were clearly even more appropriate in the wake of Mr Carruthers' bid at the Labor-inspired resurrection.

Once again, in the light of this Bill, I believe that the important words of Mr Carruthers' second dummy spit were those that implied finality. He ruled out any chance of returning to finish his inquiry. Now, of course, the hints from the Opposition are that in the mind of Mr Carruthers there is yet some chance of a third bite at the resurrection—a third bite at the cherry. Let me say that there can be no chance of a third bite. The Carruthers inquiry is not some lawyer's magic pudding. Commonsense dictates that. I suggest that, if necessary, the law will dictate that.

Clearly, not only has the man disqualified himself at least twice but also he has shown in other ways that he simply does not have what it takes. I refer in particular to the comment made by Mr Carruthers in his 29 October statement that he was advised by Messrs Sofronoff and Newton that—

> ". . . an interference by Mr Hanger in the conduct of my inquiry would be a contempt of my inquiry and consequently, a contempt of the CJC contrary to the CJC Act."

That comment was made in the certain belief of Mr Carruthers and his legal advisers that there had been such an interference by Mr Hanger. Surely the appropriate response would have been for Mr Carruthers not to call his inquiry back into session to spit the dummy but to call the inquiry back into session to haul in Mr Hanger, haul in Mr Borbidge and haul in Mr Cooper and cite them for contempt of the inquiry, if they be the alleged culprits, and refer the matter to the Supreme Court. I would have thought that, if Mr Carruthers accepted the advice of Mr Sofronoff and Mr Newton on this point, it was not just an option but his responsibility. Instead, he spat the dummy, packed up his bat and ball and went home for keeps—well, sort of.

What of the CJC in relation to the alleged contempt of it? Did it seek the reopening of the inquiry so that it could make submissions, so that it could defend itself and so that it could defend the expenditure of some $3.5m? No! The CJC accepted Mr Carruthers' resignation and then appointed two lawyers to finish the job, apparently not to furnish a report—although we have had no clear and definitive statement from the CJC as to what Messrs Gotterson and Butler will do—but simply to report on whether they believe that any matters should be referred to the Director of Public Prosecutions.

Clearly, at least in the first instance and with plenty of time for due consideration, the CJC accepted the resignation of Mr Carruthers and went on to appoint others to finish some, if not all, of his work. That was clearly an indication that the CJC thought that the Carruthers appointment was at an end. Now, perhaps via discussions between the Opposition and the CJC, it seems that it is suggested that there is some basis for believing that the CJC might welcome Mr Carruthers back to finish the job. So he is apparently contemplating yet another resurrection. If that is the case—and it is an obligation on the Leader of the Opposition to enlighten us on this point—I can only say that the behaviour of the CJC is as bizarre as that of Mr Carruthers.

I must also record another element which casts doubt on the very premise of Mr Carruthers' decision making. I refer to the fact that all of his allegations are vigorously contested. The first proposition is that simply because the inquiry was announced by the Government at the time that it was and it had terms of reference capable of relating to the Carruthers inquiry, the Connolly/Ryan inquiry amounted to political interference. It should be recognised that the Government rejects

categorically any suggestion whatsoever that the Connolly/Ryan inquiry was established to interfere with the work of the Carruthers inquiry.

The second proposition of Mr Carruthers was that approaches by Mr Ian Hanger, QC, as counsel assisting the Connolly/Ryan inquiry constituted actual interference in Mr Carruthers' inquiry. It should also be recorded that Mr Connolly has rejected, and rejected outright, any suggestion that Mr Hanger's actions constituted interference.

Mr Connolly has maintained that all that his inquiries sought of the Carruthers inquiry was an undertaking that no documents be destroyed. It is to ensure that no documents are destroyed that the Government will tonight move an amendment to this legislation. With that amendment the matter is settled, except for the extraordinary proposition—the unsustainable proposition—that Mr Carruthers should return.

Finally, I simply make the point that the Government wishes that Mr Carruthers was still quietly, if very slowly, working away in Sydney on his final report. That is what he was hired to do by the CJC after the Police Minister referred the matter of the MOU to the commission. It was what the public expected, even if it did not expect that the matter would be extended into the *Ben Hur* of inquiries. It is what Mr Carruthers should have decided to do. Instead, on a premise that has been attacked by many legal experts, he decided to spit the dummy. He spat the dummy in terms that were so final and so binding that most of what has transpired since has been a farce and redundant. Of all of those events, none is more farcical and more redundant than this Bill. It really does constitute the flogging of a very, very dead horse. The fact that it is before this House tonight at all is really only a measure of the blind desperation of the Opposition Leader to score a point that passed him by weeks ago. The horse has ridden by.

Hon. M. J. FOLEY (Yeronga) (11.50 p.m.): There is a public interest in the Carruthers inquiry being completed which arises from the fact that much time and effort and a great deal of public money have been expended in undertaking the inquiry. It is in the interests of all concerned, particularly the public, that the inquiry be completed. For that reason, the House should support the Bill.

However, there is a second and more compelling reason why the House should support the Bill, which goes to the very foundation of the rule of law itself—be you ever so high, the law is above you. If the Premier, Mr Borbidge, and the Police Minister, Mr Cooper, get away with the destruction of the Carruthers inquiry, it will set a very bad precedent indeed. If persons are allowed to sit in Cabinet and approve the creation of a commission of inquiry—in this case, the Connolly commission—which is designed to collide with an independent inquiry into the conduct of those persons who happen to be sitting in Cabinet, and if those persons are allowed to destroy that independent inquiry, what hope is there for the rule of law? The rule of law prevails over the Government of the day. That is the difference between a Government that is subjected to rules commonly agreed to and a Government that simply acts in accordance with its whim and caprice.

The arguments that have been advanced on behalf of the Government in its resisting of the Bill may be summarised in two points. Firstly, the Attorney-General, Mr Beanland, argued that, to use the phrase of Mr Gyles, QC, too much water has gone under the bridge for there to be impartiality and the perception of impartiality on the part of Mr Carruthers. Secondly, it was argued that there is an absence of express provision in the private member's Bill in respect of the destruction of documents.

On the issue of impartiality or bias, effectively what is being argued on behalf of the Government is that Mr Borbidge and Mr Cooper, being persons appearing before an inquiry who may be adversely affected by its outcome, have a right to natural justice. The Government is arguing that Premier Borbidge and Police Minister Cooper have rights to an inquiry which is free from bias and which is seen to be free from bias. That is the burden of the opinion of Mr Gyles, QC. However, the argument of the Government does not deal with the causes and circumstances which have given rise to the claim of a loss of impartiality. Those causes and circumstances are the actions of Premier Borbidge and Police Minister Cooper and their Cabinet colleagues. In other words, the very persons who have attacked the Carruthers inquiry in word and in deed now rely upon the damage caused by that attack to plead that the damage gives rise to a loss of impartiality.

There is a very basic legal principle of public policy that no person should profit from his or her misconduct. This principle applies, for example, in that a murderer is forbidden from inheriting under the will of the murder victim. However, it has been argued on behalf of Premier Borbidge and Police Minister

Cooper that their own misconduct, corrupt behaviour, deeds and words and the damage that they have caused in setting up a commission of inquiry and attacking, through their public office, the good standing of an independent inquiry should be relied upon to give rise to a loss of impartiality on the part of the inquiry itself.

It has been said before that this is the first time in legal history that the prisoners in the dock have been able to get rid of the judge who is trying their case. Now that the judge is seeking to come back, the prisoners in the dock are seeking to prevent him from doing so because of the damage that they have caused to his reputation by defaming him all over town. It ill behoves the member for Lockyer to complain in this Chamber tonight about the tenderness of the reputations of those who sit in this place and those in the community after the scandalous attack that he has made upon Mr Carruthers, QC, who has had a distinguished reputation as a judge of the Supreme Court of New South Wales.

A fundamental role of this Parliament is that it should observe good public policy in the making of laws. It is a fundamental principle for all law makers that they should not allow persons engaging in misconduct to profit from that misconduct; they should not allow those who have sabotaged and defamed the Carruthers inquiry to rely upon the damage that they themselves have done to complain of a breach of impartiality. It is a grotesque argument advanced by the Government. With a richness of irony that only this Government would be capable of, it seeks to appeal to the Parliament on the grounds of natural justice and on the grounds that it should be entitled to a fair hearing free from bias. The Government does so breathlessly, the very day after the Public Service Bill has passed through this Parliament—a Bill which denies all statutory office holders in Queensland that very right. The Public Service Bill denies those people the right that members of the Government now urge upon this Chamber, namely, that they should have the right to go to court to complain about a breach of natural justice, for example, in their dismissal and that they should have the right to call into question the lawfulness of their sacking.

What we are seeing is breathtaking hypocrisy on the part of the Government. We are seeing also a very sad night for the Queensland legal system in that the Attorney-General, far from standing up for the public interest and good, is simply allowing himself to be used as a mouthpiece for the private interests of Premier Borbidge and Police Minister Cooper. He comes into this Chamber not seeking to argue the public interest and public importance of inquiries being completed and the public importance of the rule of law prevailing over the wishes of the Government of the day. No. What is his principal and opening argument? It is bias, that is, the right of those persons appearing before the inquiry to natural justice—to a hearing free from bias. That is the argument advanced by Premier Borbidge and Police Minister Cooper.

Sadly, perhaps the curse of Mundingburra has struck him. It is ironic, is it not, that this was the Attorney-General who in Government has responsibility for the Criminal Justice Act, the Act which is sought to be amended by the Bill before the House tonight? Yet, of course, we now know that as a result of the Carruthers inquiry that Mr Beanland was not even consulted when Mr Borbidge and Mr Cooper signed the infamous memorandum of understanding with the Police Union designed to sabotage the Criminal Justice Act and to erode the powers of the Criminal Justice Commission and, in particular, designed to open the door for crooked police by removing from the CJC the power to investigate complaints of misconduct and official misconduct.

How else can corruption flourish in this State unless Government members can get rid of the CJC in its role of investigating police misconduct and official misconduct? That is so important to anyone who wishes to see the return of corruption in this State. And that was the very agreement that was signed between the Police Union, Mr Borbidge and Mr Cooper.

The National Party was confident that the Liberal Party would roll over and accept it. It was happy to consult the then shadow Treasurer and the then shadow Industrial Relations Minister about matters of industrial relations and funding, but it did not even bother to consult the shadow Minister responsible for the Criminal Justice Act. No doubt the National Party was fondly confident that the Liberal Party would just roll over; that the Liberal Party would not stand up for principle; that the Liberal Party would do anything to get into bed with the Nationals and get back onto the Treasury benches. And how their confidence has been fulfilled!

Not only was Mr Beanland the person who could be relied upon just to implement the deal without having to be consulted, but he will faithfully come into this Parliament and run the arguments that neither Premier Borbidge nor Police Minister Cooper could be shamefaced enough to raise in this debate,

for this Chamber would see only too plainly that they were arguing out of the depths of self-interest, and so it was necessary for them to put forward someone else to argue self-interest rather than the public interest.

Mr Ardill: Wouldn't the role of the Attorney-General be to tell members of Cabinet that they should not vote when there is a conflict of interest?

Mr FOLEY: That is quite so. Indeed, it is another sad aspect of this matter that the Attorney-General was willing to turn a blind eye to the fact that Premier Borbidge and Police Minister Cooper sat in the Cabinet which set up the Connolly commission, which was designed to collide with the Carruthers inquiry into their own conduct—and which did collide.

Perhaps I should deal with this point. It has been suggested that some aspect of bias or loss of impartiality arises from the meeting between Mr Carruthers' lawyers and members of the Opposition. Let me state again what has been said before. It was the Opposition that drafted the private member's Bill and drew it to the attention of Carruthers' lawyers to see whether it could overcome the impediments. They met with the member for Gladstone, the Leader of the Opposition, the member for Murrumba and me, and not, as the member for Lockyer seemed to suggest, with the member for Logan. I do not know where he got that suggestion from at all.

The second limb of the argument advanced by the Attorney-General was in relation to the absence from this Bill of any provision with respect to the preservation or destruction of documents. The Attorney-General asked rhetorically, "Why isn't it in the Bill?" If the Attorney-General looked in section 55 of the Libraries and Archives Act, he might find the answer. That is because the Libraries and Archives Act already forbids the destruction of public records. I might say in passing that I can understand it——

Mr Elliott: It already says that. Why would someone complain about being asked not to destroy them?

Mr FOLEY: I thank the honourable member for his interjection. What was being asked by Mr Hanger, QC, on behalf of the Connolly commission, and what is being urged in the wording of this proposed amendment, goes far beyond public records and involves an intrusion into the personal notes and documents and into the drafts, that is, into the very arena of the deliberations of the Carruthers inquiry. It was for that reason that it threatened the independence of the Carruthers inquiry. It was for that reason that Mr Sofronoff, QC, and his colleague Mr Newton advised at page 5 of their opinions as follows—

> "We are of the view that an attempt to interfere with the proper discharge by Mr Carruthers of his duties under the Act, by requiring him to preserve even his personal documents and notes, with a view to a later examination of them and of him, is an interference in the discharge of the functions of the CJC such that, if these requirements had been directed towards a judge of a Court, they would constitute a contempt of Court."

We can understand that Government members have a blind spot about the Libraries and Archives Act. After all, they keep forgetting about it. Honourable members will remember that the Treasurer forgot about section 13 of the Libraries and Archives Act when she appointed Mr Allen Callaghan to the Library Board. They have a big problem. I suggest that, if all Government members read the Libraries and Archives Act, they would not find themselves in as much trouble as they seem to find themselves.

Let me return to the two fundamental principles at issue here. One is that all members should vote for this legislation, because there is a strong public interest in completing the inquiry and in ensuring that the Queensland people get value for money out of the time, effort and energy that has gone into it. Secondly, and more importantly, this is a challenge to this Parliament as to whether or not we will stand up for the rule of law or whether we are to have a State in which the Premier and the Police Minister of the day may do as they please and may bring down a lawfully constituted inquiry into their own conduct and get off scot-free.

The question before this Parliament is whether or not these men are above the law or whether they should, like all the citizens of Queensland, be subject to the rule of law. That is the issue. It is a question of equality under the law and whether or not they will be permitted to get away with this gross abuse of their office which has resulted in the destruction of the Carruthers inquiry. This Bill will return the Carruthers inquiry. It will also prevent any hindering of the deliberations of the barristers appointed by the CJC.

Time expired.

Mr CARROLL (Mansfield) (12.10 a.m.): Tonight we see another example of the Labor Opposition wasting the time of this Parliament. We see yet another example of the mediocre Labor Opposition attempting to create political

uncertainty, attempting to undermine the important work being done by this Government. All along, the Labor Opposition has been using this Parliament for political stunts. Both the honourable member for Gladstone and I have justifiably criticised that in recent speeches in this place. Electors do not want us tied up here playing games. That is what we have here tonight—a political stunt.

The sensational departure of Mr Carruthers surprised all of us. I am not going to pass judgment on his actions in that regard, but I want us to look back at the simple fact that there were two Executive Government commissions of inquiry: one was the Carruthers inquiry and the following one was the Connolly/Ryan commission. There was no interference in any judicial inquiry. Carruthers was not leading a judicial inquiry, and implications or statements to that effect by Opposition members are misleading. The speech by the member for Murrumba echoed the wimps' excuses which have been bandied about in regard to Carruthers, in other words, that he was not going to be open and accountable; he took his bat and ball and left the State. The Opposition has a hide to suggest that it is the Government which is wanting things to be not open and accountable, and I will have more to say about that shortly.

The big picture is this: preoccupation with the CJC seems to be a Labor Party fetish. The TV screen should not be filled with the CJC. People are sick and tired of hearing about it. It is only there because of Labor tactics. We have a publicity-hungry Opposition Leader who is just cross-ploughing the dung heap. It is about time he realised that the steamy odour is getting up the nostrils of Queenslanders. They want to see a delivery of the commitment upon which we went to the election in July 1995, that is, a review of the CJC. Enough questions have been asked about that to see the inquiry continue. The Legal, Constitutional and Administrative Review Committee, along with the Parliamentary Criminal Justice Committee, has been ignored by the CJC. The Connolly/Ryan commission of inquiry should be left to complete its assignment. Instead, we have heard Opposition speakers criticising it again tonight.

I want to refer to a couple of very interesting comments reported in the press recently by a fellow named Adrian Cardell, a very learned teacher in the law at Griffith University. In fact, he was teaching law when I was an undergraduate. He made the following points, which are well worth repeating in this House—

> "If, however, the CJC has accepted the resignation (of Mr Carruthers) based on its own legal opinion, supporting Mr Carruthers' own reasons for resignation, we must ask how the CJC can continue with the inquiry by substituting two eminent barristers for Mr Carruthers. One would have thought that if Mr Carruthers' reasons for resignation were soundly based, CJC Chairman Mr Frank Clair would have been necessarily driven to the conclusion that any other report which subsequently emerges from the CJC in this matter would be perceived to be similarly 'tainted'."

The comment continues—

> "The CJC cannot have it both ways. If Mr Carruthers has resigned without a legally acceptable reason, the CJC should be putting in train action to recover, not as Mr Borbidge has suggested, only the fee paid to Mr Carruthers, but the entire cost of the inquiry thrown away by his resignation."

The comment goes on—

> "It is submitted that the Director of Public Prosecutions should now alone determine the matter of whether charges should be laid against any person, and that the Auditor-General should be called in to examine the matter of financial accountability for the cost of the Carruthers inquiry, and, if appropriate, to make recommendations for recovery of the wasted taxpayers' funds."

I agree entirely.

The bringing on of this Bill is a cynical attempt by the ALP to prevent an inquiry into the effectiveness and accountability of the Criminal Justice Commission itself. The Opposition is trying again to scare off the Connolly/Ryan inquiry using the all-too-common scare tactics practised by the CJC. That is what Queenslanders do not like. That is why they know that the Connolly/Ryan inquiry is essential. It must proceed. This Bill is an act of hypocrisy coming from the Leader of the Opposition because in his three years as Chairman of the PCJC he was a vocal supporter for maximum accountability of the CJC. I quote from one of his reports—

> "In order to ensure that the Commission does not abuse the extensive powers and trust given to it by the people of Queensland, the Commission must be monitored by a real

system of accountability rather than a perceived one or on trust alone."

Further down, the report states—

"However, public bodies must be accountable, fair and open. If fairness, openness and accountability mean greater expense, then this is the cost that society must bear."

I call this Bill a political stunt because there is no chance whatever of Mr Carruthers ever returning to Queensland to complete the job that he has been handsomely paid to do. In the words of Mr Carruthers as quoted in the *Courier-Mail*, "I will not return." Let me read from that article, which quotes at length from a statement released by Mr Carruthers—

"Kenneth Carruthers QC, last night ruled out any chance of returning to finish his controversial CJC inquiry, blaming the attitude of the Borbidge Government."

Further down, it continues—

"Last night the Sydney based former judge released a statement saying the State Government's continued opposition to the planned private member's Bill meant there was no purpose in withdrawing his resignation."

Mr Carruthers said—

"I regret that I will be unable to present my reports to the people of Queensland but my inability to do so is due to matters beyond my control."

Tonight the Attorney-General has again quoted from the advice provided to this Government by the honourable Roger Gyles, QC. That is squeaky clean, independent advice. It is advice provided to the Crown Solicitor for the purpose of examining the legal basis of this Bill. It is absolutely clear in its findings. It comes from outside this State, from a legal mind of unquestioned credibility—a man even the questioning, abusive and muckraking minds of members opposite could not challenge. He recently served as legal counsel for the Labor Party's former Federal Minister, Carmen Lawrence. Mr Gyles was asked to advise on two clear questions. The first one was this—

(a) assuming that this private member's Bill in its present form is passed and becomes part of the statute law of Queensland; and

(b) Mr Carruthers agrees to return and continue his investigations; and

(c) Mr Carruthers indicates an intention to finalise his investigation reports, would Mr Carruthers as a matter of law, on the ground of bias or otherwise, be precluded from proceeding in the manner contemplated in paragraphs (b) and (c) above?

The second question was this—

Is there anything in the private member's Bill as it is presently drafted which would prevent any legal challenge being made to Mr Carruthers acting in the manner contemplated in paragraphs 1(b) and (c) above?

Mr Gyles' response to both these questions is clear. In respect of the first question, he says—

"I would therefore answer the first question asked of me, in my opinion yes."

In other words, yes, Mr Carruthers would be precluded, on the ground of bias or otherwise, from returning to proceed with his deliberations. In arriving at that determination, Gyles, QC, referred to the negotiations between the parliamentary Opposition and lawyers representing Mr Carruthers in relation to this draft Bill. He said—

"This factor together with the criticisms of Mr Carruthers to which I have referred, would provide further evidence to support my basic conclusion that too much water has flowed under the bridge to enable Mr Carruthers to make a report that would not be tainted by a perception of bias."

In respect of the second question, Gyles, QC, concludes that in fact, no, there would not be anything in the draft Bill which would prevent any legal challenge being made to Mr Carruthers acting in the manner contemplated in paragraphs 1(b) and (c) above.

So Gyles has expressed his thoughts on the substantial nature of this Bill. It points to a sloppily prepared, unrealistic piece of proposed legislation which was cobbled together at the eleventh hour as the wreckage of the Carruthers inquiry appeared through the fog that seems to surround the CJC too often and became apparent to the Labor Party. It also came after the CJC itself had appointed two persons to carry on the job from which Carruthers himself had walked away. Earlier in the day on which the Leader of the Opposition tabled this Bill in its draft form, the CJC issued a statement detailing the means by which it would be proceeding with the inquiry. That is where the issue should have rested. That is the appropriate means by which the matter should have progressed. If the CJC is as capable as its chairman wanted us to believe

at the recent Estimates committee hearing, then it should not be propped up by Mr Beattie's feeble attempts at drafting that we are debating tonight.

That is why this Bill, under the insistence of the Labor Opposition to take up the valuable time of this Parliament debating it, points to nothing more than a political stunt. It seems clear that Carruthers cannot return to Queensland. If he were to do so, it would be inevitable that there would be a legal challenge to his position, and that, we remember, was part of the reason for the Gyles advice. If he were to do so, there is nothing more certain than that the events of the Carruthers inquiry would further degenerate to high farce.

I ask the honourable members here tonight: how could a man sit in fair and impartial judgment of people he has trenchantly criticised not once but twice? How could a man sit in fair and impartial judgment on people he has accused of undermining his independence? How could a man come back to Queensland after spitting the dummy not once but twice? How could Queenslanders have faith in the judgment of a man who says: yes, no, maybe, perhaps; and finally: no?

It is not this Government that has ruled Mr Carruthers out of further participation in the inquiry. He did it himself. He has no-one to blame but himself. It is clear that there were other avenues open to him if he honestly thought, deep in his heart of hearts, that his independence had been compromised. He had a number of legal avenues open to him; he did not take them. Why he did not remains a mystery to us.

It seems that the soiled and stained Carruthers ball is now firmly back in the CJC court. It is up to the CJC now to outline the course of action that it intends to take. This Bill will not kiss better the damage that Mr Carruthers has caused when he acted in resigning his commission. Already, members of this House have pointed out that if Mr Carruthers really believed that letters he received from Mr Hanger, QC, represented interference in his inquiry, he could still have continued to complete his report. By proceeding in that way, he could have addressed his concerns about interference in the body of his report. At least the substance of his inquiry would have been addressed and this additional controversy and cost would have been avoided.

Members would recall that, in the recent hearings of the Budget Estimates committee, the Chairman of the CJC, Frank Clair, complained that although he had evidence of serious corruption amongst senior police, he could not proceed with an inquiry because he had insufficient funds. These events in regard to the Carruthers inquiry show clearly the way in which a further $3.5m could have been directed towards the serious problem of police corruption without compromising the performance of the CJC in 1996-97.

The facts are these: the whole Carruthers commission exercise involving allegations against everyone from the former Labor Premier Wayne Goss down to Matthew Heery is shaping up as a complete waste of money. Tonight, the Labor Party is trying its best to ensure that it works out that way. I appreciate that the allegations concerning Mr Carruthers were important, but surely the CJC's charter is not to waste money on expensive wild goose chases in which the only likely outcome is a handful of recommendations for legislative change. Let us remember those words that I read earlier, which I submit are very wise, of Mr Cardell.

The CJC's charter is all about corruption and organised crime. Matters such as those raised in the Estimates committee by Mr Clair require priority, and it is a scandal that while we engage in this fruitless debate the matters raised by Mr Clair are taking a back seat. We should go back to Estimates Committee B on 18 September this year when I questioned Deputy Police Commissioner Aldrich about the claims by CJC Chairman, Frank Clair, that there was high level corruption in the police force. Let me quote from Deputy Commissioner Aldrich's response on that day. He said—

> "I am not aware and nor is the commissioner of any specific issues to which Mr Clair may have had in mind when he made his statement . . . and certainly no-one has been able to clarify with me the definition of 'high level.' "

He went on to say—

> "Without some explanation or clarification, I am somewhat suspicious of the context in which his statement is being taken at this time."

These comments by the Deputy Commissioner of Police put into question the entire credibility of the CJC led by spectacular personalities such as Mr Clair and Mr Le Grand. Mr Clair's claims that there is high level corruption within the Queensland police force have now been backed away from at a rapid rate by Mr Clair and the CJC. It is this sort of effort by the CJC which brings the entire system into doubt, and that is what

Queenslanders knew. That is why the Connolly/Ryan commission of inquiry was established. Surely claims such as those serious claims from Mr Clair should not be used in some spurious way to argue against Budget cuts. I thought it was a disgrace that embarrassed the police force. The whole way Mr Clair and the CJC handled that affair highlighted just how important it was to have a review of the CJC's operations.

The Bill before us is a farce which will serve no purpose whatsoever. Until a few minutes ago, the Opposition Leader was battling to convince the Independent member for Gladstone that this shonky Bill is worthy of support. The shonky suggestion by the member for Murrumba that the Carruthers inquiry was a court is just outrageously ridiculous. It is not a court. It is not a judicial inquiry; it was an Executive inquiry.

Mr WELLS: I rise to a point of order. I said nothing of the kind. The honourable member should know that.

Mr CARROLL: It is a stunt which proves once again that the Leader of the Opposition is out of touch with the strong view of the community that this Government should be allowed to get on with the job it was elected to do. The Leader of the Opposition should be very careful with his current strategy of seeking to create political uncertainty. The people of Queensland at their first opportunity will view that strategy sceptically and will rightly punish the Leader of the Opposition and the Labor Party if they continue. Queenslanders have had enough of such wasteful and time consuming games in the 13 painful years of Federal Labor Government that ended in March this year with that great Federal victory. They do not want that sort of shenanigans to continue with this Opposition. I urge honourable members to support the rejection of the Bill.

Mrs CUNNINGHAM (Gladstone) (12.27 a.m.): This is a very important Bill before the House not because it is controversial but because it remedies a problem that is at least in perception if not in reality. The community of Queensland expected, and I believe justifiably, that Mr Carruthers accepted an obligation to finish what was always going to be a fairly controversial and intrusive investigation. This Parliament passed legislation validly establishing the CJC commission of inquiry, that is, the inquiry that is affectionately called the Connolly/Ryan inquiry, to investigate powers and the exercise of the powers of the CJC. Those powers are extensive; they are intrusive. I supported the establishment of that inquiry, and I continue to support it.

Subsequent to the setting up of that inquiry, Mr Carruthers, when he was approached by letter to preserve the documents—that approach was sent to quite a number of people; I do not know how many—was concerned by that. He felt that his impartiality had been placed in significant doubt—in fact, stronger than that—and he did not respond to Mr Hanger's request for an explanation as to why he could not give an undertaking as to whether he was going to destroy documents. Thirdly, presumably, if he was going to destroy documents, he did not respond as to whether he would allow access by the Connolly/Ryan commission to view and copy, if necessary, documents in his possession. Rather than choose the option to argue that point or defend his position, Mr Carruthers resigned. In his statement of resignation he stated that his inquiry was fatally flawed.

I continue with the view that Mr Carruthers has an obligation to finish that inquiry. As I said, it was never going to be non-controversial and it was never going to be easy. A lot of politics has been passed backwards and forwards in this House and I do not pretend to have the experience to be able to follow all of the accusations and counter-accusations through to their climax, but I still remain of the opinion that Mr Carruthers has an obligation to this community. Since Mr Carruthers' resignation, a lot has been said and done that could prejudice or inhibit that occurring. However, this Bill was intended to provide the most amenable environment for him to resume his responsibilities.

There is some concern on my part that Mr Carruthers, in his resignation and his perspective, wishes to put himself outside the normal level of scrutiny that everybody else in the community must, by law, accept. Indeed, for the last eight months or so, Mr Carruthers has been closely scrutinising a large number of people in the community, both publicly and confidentially. Those people's rights and liberties were significantly impounded, and they had no recourse but to submit to Mr Carruthers' requirements. As soon as a similar requirement was placed on him, with the prospect of future review, Mr Carruthers objected. I find that set of values unacceptable.

As I said, the inquiry is intrusive and it would, of its very nature, come under close scrutiny once the report was handed down. However, Mr Carruthers does need the

freedom to finish his report unimpeded. That is the basis for my support of this enabling Bill. He needs to feel—even though I believe it is only his perception—that he is not hindered in handing down an objective and an impartial report. The impartiality, or lack thereof, is a perception of Mr Carruthers and anyone else who has observed the proceedings and subsequently reads the report. I do not believe it can be legislated that his is an impartial report. That is up to the readers and the observers and, indeed, it is up to Mr Carruthers to ensure its impartiality.

The matter of whether or not his documents should be reviewable and the extent to which they should be reviewable is, I suppose, going to be a matter of debate at the Committee stage. I remain of the view that his documents are not removed from scrutiny; that he owns the same obligation to retain, unaltered and undamaged, any document that was used as a basis for reaching his conclusions.

It appears that the amendments that the Attorney-General is proposing return to Mr Carruthers' spectre a threat of inhibition. I do not share that view. However, my primary purpose in debating the matter tonight is to remove any perceived or real inhibitions to his returning and fulfilling what is, I believe, his own obligation. He accepted it when he accepted the commission.

I believe that there needs to be something in the Bill to protect the documentation—the form of words perhaps yet to be finalised. I agree again with the sentiments of these amendments, but I would hate to see that, in the process of ensuring protection of the documentation used, Mr Carruthers can restate a created inhibition. I do not believe it is there. I say it again. However, he continues to be of the view that it would create a barrier.

It has already been mentioned today that Mr Hampson, QC, said—

> ". . . the Carruthers inquiry's documents would be available for later scrutiny, anyway. Everybody knows that at royal commissions all the transcripts and exhibits and the whole lot are safeguarded and archived."

I would hope that that was enough to secure the documentation. It appears that there is a risk that it will not be.

I will finish by saying that, in his statement to the House, the member for Murrumba said that all are equal before the law. I hold that view. A lot of statements and counter statements are made in this House to reinforce that statement that all are equal before the law. Mr Carruthers is no different. He was engaged to compile a very sensitive report. He should come back and finish that report as an obligation not to the politics of this State but to the people of this State. If the Bill will remove that impediment, then I think we should support it; but there still should be within that document the requirement that he maintain his paperwork for later scrutiny. It is an important piece of work that he is doing for this State. It has far-reaching implications. He must be open to scrutiny and answerable for his findings in any way that any other citizen is. I support the Bill, and I support a form of words that will require Mr Carruthers to maintain his documentation, as with anybody else.

Mr BEATTIE (Brisbane Central—Leader of the Opposition) (12.35 a.m.), in reply: I thank all honourable members who contributed to the Bill and, in particular, I thank the members for Yeronga, Murrumba and Gladstone for their contributions. There are a number of matters raised by other members that I will need to address in this reply. It is important that the record be set very clearly on these. I do not intend to repeat the statements that I made in my second-reading speech. However, I think it is important to mention a point that was made by the Attorney-General in relation to Mr Carruthers being fatally compromised.

It has to be said that that is an extraordinary argument from the Attorney-General. He says that Mr Carruthers is fatally compromised because there was criticism from Mr Borbidge, the Premier, and from Mr Cooper. The bottom line is that one cannot, in any ethical way, use what could be described as improper behaviour as an excuse later to prevent appropriate behaviour happening. How can one possibly use the argument that criticism from the Premier fatally compromised Mr Carruthers when, in fact, there was a clear attempt by the Premier and others to undermine the Carruthers inquiry? What an extraordinary way to argue! The Attorney comes in here and says that Mr Carruthers is fatally compromised because of the behaviour of the Premier, who did not want the inquiry to go ahead. There is no-one on this planet who has an objective or fair mind who would accept that as any logic. That applies to Mr Gyles as well in the view that he put forward. I repeat what I said earlier: that Mr Gyles gave his advice on an earlier draft. Indeed, I point out, as I did in my second-reading speech

yesterday, that he makes it very clear in his address on page six that—

> "I express these views in a tentative fashion because I was not asked to express any opinion upon the issue, and I have not had the benefit of observations upon it from my instructing solicitor."

In other words, what we have, and what the Attorney and other Government speakers have relied on, is simply a tentative opinion that does not have the observations from instructing solicitors.

Let me go through the other points. In his reason for not continuing his inquiry, Mr Carruthers talks about the intrusion which affected the independence and impartiality of his inquiry. The only way that that could be removed was by an appropriate clause in this legislation. That is what we have sought to do. I refer to the statement by Mr Kenneth Carruthers, QC, when he indicated that he had concerns about what was happening here. In relation to this Bill, he said—

> "However, the Bill was not passed that evening. Since then I have been informed that the Government has said publicly that I should not return and that my impartiality has been impugned by my lawyers having indicated to Mrs Cunningham and Mr Beattie my willingness to return to complete my reports. More importantly, the Bill, contrary to its declared intention, does not have the support of the whole of the Parliament."

In other words, the major obstacle for his returning was the opposition of the Government. That is why he could not come back. The honourable member for Lockyer referred to a *Courier-Mail* article. That is why he goes on in clause 8, which is what was reported, and he says—

> "Following extensive consultation with my lawyers, I have determined that there can be no purpose in my withdrawing my notice of resignation or further consideration of my decision to resign."

That was clause 8 of his statement. In clause 6 he said that the major reason he was not coming back was because of the actions of the Government. If the Government unanimously supported this Bill tonight, then there is a distinct possibility that Mr Carruthers will return and complete his inquiry. But even if he does not do so, the Bill is drafted in such a way that someone else can complete the inquiry, for example Cedric Hampson, and the intrusion which affected Mr Carruthers will be removed by this Bill. In addition to that, this Bill also gives protection to the two barristers who are working on the documents, that is, Brendan Butler and Mr Gotterson, QC, so that the Connolly inquiry cannot intrude upon their activities.

There are two options that can be pursued by the CJC. If Mr Carruthers does not return, which is the desired option, the CJC can appoint someone else to finish the inquiry. If that does not occur, as I said yesterday, the two barristers who are examining the documents in a much lesser role, Mr Butler and Mr Gotterson, QC, will have an opportunity to complete the inquiry without outside interference. That is the best possible outcome to get a report.

The Premier and members of the Government have talked much about the $3.5m cost of this inquiry. The only way we will receive value for the work already done in this inquiry is if it is completed and a report is delivered. I stress again that it is important that a report be delivered, either by Mr Carruthers or someone else who would complete the inquiry. The reason for that is very clear: if there was any improper behaviour or any behaviour that should be improved by legislation or otherwise, they can make recommendations to improve that behaviour.

I think it is important in this exercise that we look clearly at what the Government is seeking to do. The amendments moved by the Government are nothing short of a blatant attempt to destroy the full effect of the private member's Bill that I have introduced. They seek to re-establish the Hanger intrusion. They seek to re-establish the Connolly intrusion. Let me be very clear about this: if the Attorney-General's amendments were passed by this House, one thing is absolutely certain, that is, Mr Carruthers would not return.

Mr Beanland: What have you got to hide?

Mr BEATTIE: The Attorney asks what is to be hidden. I ask him: as the first law officer of this State, why did he not come into this House and support a constructive effort to have the Carruthers inquiry returned——

Mr BEANLAND: I will answer that, Mr Speaker, if you will give me leave.

Mr BEATTIE: He does not have a point of order, Mr Speaker. He has none.

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

Mr BEATTIE: The reason that the Attorney did not want to come in here and do something to re-establish the Carruthers

inquiry is that he wanted to look after his mates. If he were a decent Attorney-General, he would have come into this House and done something. We did not hear from the Attorney one positive initiative towards having Mr Carruthers return. During debate on this issue we did not at any time hear one initiative. All that the Attorney has sought to do is to destroy the inquiry. He came here tonight and knocked, whinged and opposed. He opposed because he does not want Mr Carruthers back, and none of the Executive does, because they do not want the full glare of the Carruthers inquiry shining on the Premier and the Police Minister. The Attorney knows darned well that this was just a half-smart political manoeuvre, a sly, backdoor, shady way to get around——

Mr BEANLAND: I rise to a point of order. I find those words offensive and I ask them to be withdrawn.

Mr BEATTIE: I was not referring to the Attorney; I was referring to the amendments.

Mr BEANLAND: Mr Speaker, he was referring to me——

Mr BEATTIE: I will withdraw.

Mr SPEAKER: Order! The honourable member has withdrawn.

Mr BEATTIE: These amendments are a shady, backdoor way of trying to stop Mr Carruthers from coming back to Queensland. These amendments are deceitful, dishonest and not worthy of the first law officer of this State. They are a crude, blunt, political exercise. If Government members pass these amendments tonight, they will be telling Mr Carruthers not to come back; they will be telling the CJC not to appoint anyone to finish the inquiry; they will be telling those two barristers who are examining the documents not to waste their time. It would be like ripping up the work of Mr Carruthers. The Attorney and the Government will be the ones who have done that. They will have wasted the $3.5m and no-one else.

The Opposition is prepared to have the inquiry examine those Labor Party identities. We are prepared to have the inquiry examine Mr Kaiser's activities and Mr Goss' activities. We have no problem with that, because we believe in the rule of law. But the members opposite are not prepared to have the Premier and the Police Minister examined.

In terms of the stance taken by the member for Lockyer—he delivered to this House one of the most disgraceful speeches that I have heard in the seven years that I have been a member of this Parliament. He came in here and he attacked not only members of the Opposition but also Mrs Cunningham. I refer to Mr Carruthers' statements by his lawyers. The member for Lockyer said that there was some deal between the Labor Party and Mr Carruthers and his lawyers. That is not true. It is a disgraceful contribution and belittling of the member—I thought he was better than that. In his statement, Mr Carruthers stated—

> "2. On Thursday 31 October, my lawyers informed me that they had been invited by Mrs Cunningham MLA to meet with her at Parliament House that evening to discuss with her whether my decision to resign was irrevocable.
>
> 3. I was informed that Mrs Cunningham provided them with a draft of the Carruthers Inquiry Enabling Bill which had been provided to her by the Opposition. She asked that my lawyers obtain my instructions as to whether the Bill, if passed, would enable me to return to complete my reports."

I assure the House that not only did the shadow Attorney-General, Matt Foley, the member for Murrumba and I act properly on that evening but so also did Mrs Cunningham, the member for Gladstone. I am happy to stand in this House tonight and defend Mrs Cunningham's behaviour that evening, because, in common with the Opposition, Mrs Cunningham, the member for Gladstone, was trying to resolve this issue. We were behaving in the way that the Attorney and the Premier should have behaved. We were trying to find a solution to the problem. We were trying to resolve the issue while they were doing nothing. All we have is this disgraceful performance by the member for Lockyer. He behaved in a way that I believe is disgraceful.

Mr Foley: Mr Hampson, QC, in fact described it as a crusade in the public interest to try to get the thing right and save a lot of money. So his words were complimentary of the actions we had taken.

Mr BEATTIE: Exactly! Government members were prepared to quote Mr Hampson earlier tonight, so let us take on board that comment as well, because it sums up exactly what we sought to do.

The member for Lockyer said that Mr Goss met with Mr Carruthers' lawyers. That is not true and the member knows it is not true. Wayne Goss never met with Mr Carruthers' lawyers. That allegation is simply not true and the honourable member knows it. I do not

believe that, in this debate, we need to defame and damage people's reputations with unsubstantiated claims.

In terms of the Gyles opinion, I repeat very carefully and very clearly that not only was his opinion based on an earlier Bill but also it was a tentative opinion without proper instruction from a solicitor. In my view, it should be treated accordingly.

As to the contribution of the member for Mansfield, who talked about playing political games—ever since the member for Mansfield has been in this House, he has done nothing but play political games. We have seen that on many occasions, right down to presenting flowers, kissing and carrying on. At the end of the day, if that is the way he wants to behave, he will be judged accordingly. I assure the honourable member that many members of the ethnic community have told me how disappointed and upset they are with his contribution. The member for Mansfield talks about political stunts. If he thinks standing up for honesty and integrity is a political stunt, then he thinks so, but the community wants honesty; it wants people with integrity, people who will stand up against corruption, and we are prepared to do that. We will continue to fight for honesty and against this Government's slide back into corruption. If the member for Mansfield wants to call that a political stunt he can do so, but when it comes to honesty, we are happy to fight for it.

The honourable member said that we were wasting the time of this House. When did the Opposition seek to debate this legislation? We sought to debate this tonight at the end of Government business. We did not do it earlier today; we did it in our own time late at night. We did not waste one moment of the time for Government business. The member for Mansfield should not mislead the House. The Leader of the Government Business knows that, because he indicated to the Opposition exactly how many Bills he wanted to get through today, and he got through every Bill that he wanted to get through. So this debate has not affected any Government business at all. The member for Mansfield should stop misleading the House. He should not come into this place talking absolute nonsense. It is about time the member stopped playing his silly little games and matured. He would receive a little more respect if he did.

The member for Mansfield referred to comments that I made when I was Chair of the PCJC. I do not have the documents in front of me, but I recall that he quoted the references quite accurately. During all of the time that I was Chair of the Parliamentary Criminal Justice Committee, I said that that committee was the proper process through which the CJC should be made accountable, not the bastardisation of the process which has happened through the CJC inquiry headed by Mr Connolly. I have consistently argued for the dignity of this Parliament, which is what Tony Fitzgerald said in his report, and I have supported that everywhere. What the member read in that report was exactly what I said. If the member had not quoted selectively from what I said, he would have known that I have been consistent in what I have said right since 1989. I know exactly what the position was.

I accept the comments that were made by the Attorney-General in that Mr Carruthers said that he would not return. I have explained, in the context of his statement, that that was subject to clause 6, which was because Mr Carruthers would not get the unanimous support of the Parliament and had opposition from the Government. This man has been denigrated by this Government. Even tonight, the common theme throughout the contributions from the three members of the Government was to denigrate Kenneth Carruthers. That was the theme of the speech by the Attorney-General, that was the theme of the speech by the member for Lockyer and that was the theme of the speech by the member for Mansfield—yet that member has the hide to talk about playing politics. The common theme was, "Let us denigrate Kenneth Carruthers. Let us kick him around a little bit more just in case there is a chance that he will come back. Let us kick him around a little bit more so that there is no chance that he will return."

Right from the beginning, the Opposition has sought to find a way in which Mr Carruthers can complete this report so that the Carruthers inquiry investigation into National Party identities and Labor Party identities could be completed. Consistently from the beginning, we have had opposition from this Government. It has not wanted that to happen.

In relation to the public record, the Attorney-General asks me, "What have you got to hide?" The Opposition has got nothing to hide. It just wants the Carruthers inquiry treated like every other inquiry. The Opposition wants the public documents for the Carruthers inquiry maintained in the same way in which the documents for the Joh jury inquiry were maintained, or any other CJC documents were maintained. The Opposition wants those documents maintained in exactly the same

way. The Opposition does not want any preferential treatment or any different treatment given to Mr Carruthers. The Opposition wants Mr Carruthers' inquiry treated in exactly the same way as any other inquiry.

However, by the Government's proposed amendment, it wants to treat Mr Carruthers' inquiry differently from any other inquiry. The Opposition wants to see the rule of law followed and the Carruthers inquiry treated like any other CJC inquiry. Those public documents of the Carruthers inquiry will and should be preserved, but any personal notes and early drafts, which are properly the property of the person doing the report, are his private documents. That is the precedent that is followed in every other inquiry. We do not want Mr Carruthers treated differently; the Government does. None of the Opposition wants that to happen. It wants him treated in exactly the same way as any other inquiry head is treated so that there is nothing to hide.

In terms of the other issues, I thank the honourable member for Gladstone for her contribution. She supported the return of the Carruthers inquiry, which the Opposition also supports. I say that I am hopeful that there will be an appropriate amendment moved, which we can all support and which will not discourage Mr Carruthers from returning but will act in an appropriate way.

In conclusion, let me say that I am bitterly disappointed in the Attorney-General. Instead of seeking ways of retrieving the Carruthers inquiry, the Attorney-General desperately tried to find arguments to prevent its return. I hope that this private member's Bill will be supported because it is in the interests of Queensland that it be supported as a signal to the whole community that we believe in honesty and integrity and, as members of this Parliament, that we are prepared to give some leadership and show that we really mean that.

Motion agreed to.

Committee

Mr Beattie (Brisbane Central—Leader of the Opposition) in charge of the Bill.

Clauses 1 to 3, as read, agreed to.

Clause 4—

Mr BEANLAND (12.57 a.m.): I move the following amendment—

"At page 5, after line 15—

insert—

'(d) the Parliament of Queensland believes that it is right and proper for the Carruthers Inquiry and any person associated with it to retain and not destroy, alter or damage any document that comes into the possession of, or has been produced in the course of any inquiry conducted by, or produced for the purposes of, the Carruthers Inquiry, including any document prepared by the Honourable Kenneth Carruthers QC.'."

I listened to the comments of members opposite and, after listening to those comments, I can see no reason, if they maintain their position, why they should not be prepared to accept this amendment. I say that because this amendment ought to be acceptable to everyone, including Mr Carruthers. It goes no further and no less to cover the very points that I have raised and, I dare say, the Leader of the Opposition has raised. However, he can speak for himself, as I am sure he will.

If the Opposition does not accept this amendment, I cannot help thinking that there is something that this amendment covers about which I am not aware and that, in fact, the Opposition is trying to hide something. This material is straightforward. It is normally preserved. This is how this whole situation erupted in the first place. The Government purely wants to ensure that the situation is covered very clearly in relation to the preservation of this documentation. We do not want to go down the "Shreddergate"—the Heiner inquiry—road again. I surely hope that the Opposition is not suggesting that something like that might occur in relation to this inquiry. That has already proven embarrassing to the Opposition and we want to ensure that, under no circumstances, does that situation arise again.

There has been much rumour mongering about conspiracies and so forth involving the Labor Party and various other people. Quite clearly, I believe that the way to put all of that to bed is to insert the words contained in this amendment into the legislation. The amendment speaks for itself.

When the Connolly/Ryan inquiry asked for these documents to be preserved, they did not ask—as the Opposition has tried to make out time after time again—for those documents to be produced. They did not ask for that at all. They simply asked for them not to be destroyed. They simply asked for an undertaking to that effect. One has to ask: why does Labor keep trying to assert that Mr Hanger and others demanded the handing

over of those documents when that was not the case? There is nothing to suggest in correspondence or otherwise that that was the case. Yet over and over again the Labor Opposition has tried to assert that. It is little wonder that people ask: what is there to hide in relation to this matter? If the matters are clear and aboveboard, as the Opposition would have us believe, then there certainly should be no reason why those documents are not kept and this amendment is not acceptable to the Opposition.

As I have said before, this situation has gone on for so long and so many stories have done the rounds that people will start to believe them. Those stories will gather momentum unless an amendment such as this is accepted. I have listened to what members opposite have said, but this amendment places the matter beyond doubt. It is clear that the amendment is not asking for Mr Carruthers to produce his documentation now; it is simply asking that that documentation not be destroyed, as I believe Mr Hanger, QC, outlined in the very first instance. The amendment ought to be acceptable if the Opposition is genuine about this matter. We will see just how genuine the Opposition is and whether it will accept this very concise amendment.

Mr FOLEY: I will be brief: the wording of this amendment reproduces the very words that caused the problem in the first place—the very words that caused the collision between the two inquiries in the letter of Mr Hanger, QC, dated 24 October 1996. In short, having torpedoed the Carruthers inquiry once, this amendment is an attempt to torpedo it again at the last moment. For that reason, the Opposition will oppose the amendment.

Mr BEATTIE: The Opposition opposes the amendment from the Attorney-General for the reasons that I indicated in my reply. It is fundamental that, if we go ahead with this amendment, there is no doubt that we repeat the problem that started this whole ruckus. I do not think that advances the cause at all. It would destroy totally the Carruthers Inquiry Enabling Bill. It would be a waste of time. The amendment simply repeats the problem and it does not advance the cause at all. The Opposition will be opposing the amendment moved by the Government.

However, I have just seen the amendment proposed by the member for Gladstone. It states—

> "This Act does not alter the existing duty of any person under Queensland law to retain and not destroy, alter or damage any documents relevant to these Inquiries."

I know that is a proposed amendment to a later clause, but at this time it is relevant to indicate that I think that that is a sensible amendment which would resolve the issue. It removes the difficulties and problems created by the Attorney-General's proposal, which I think would be very destructive. The Attorney-General's proposal would not assist in any way at all and it would mean that we would not get a report. The amendment foreshadowed by the honourable member for Gladstone at least gives the inquiry the chance that Mr Carruthers will return or, if that is not the case, it allows the inquiry to be finished by the mechanisms I have mentioned before.

Mrs CUNNINGHAM: I wish to apologise to the Attorney-General because in discussions and in my public statements I have indicated support for the intention of this amendment. However, the reality is that if the words as proposed are put into the Bill, rightly or wrongly Mr Carruthers will refuse to return. Whether he can or cannot under law is a moot point; he will refuse under the words of this amendment.

Mr Carruthers is no less bound than anyone else to protect documentation used to form his opinion. As far as I am concerned, that is all that the Attorney-General's amendment says. However, the reality of the situation is that Mr Carruthers found them offensive before, he found them unnecessarily inhibiting to his work, and he will again say that, on the grounds of this amendment, he cannot and will not return.

The angst that has gone into preparing this enabling Bill was premised on the intention to give Mr Carruthers the opportunity to fulfil his obligations. With due respect to the Attorney-General and his intent, it appears counterproductive to include words that will be as provocative as these are, even though the intent is fair and reasonable. On that basis, I will be moving an alternative amendment.

Mr BEANLAND: I wish to make a couple of points in relation to the amendment. I notice that Mr Carruthers was under the impression that Mr Hanger was intending that the staff should be able to inspect and copy his documents now. Of course, that was not the case at all. Mr Hanger was simply asking that those documents not be destroyed. I think that what has been in contention all along is based on a misconception of the true position. Therefore, I refute the Leader of the Opposition's statements that this puts us back to where we were previously. The amendment

very clearly relates purely to the non-destruction of documents. It is not saying that anybody can get access to those documents before the inquiry is complete. It refers purely to the non-destruction of those documents. The amendment overcomes the misconception that Mr Carruthers, QC, had in relation to this matter.

Therefore, I believe that there is a vast difference in perceptions and that this amendment will clear up the misunderstanding. The amendment will certainly not stop Mr Carruthers from coming back if he wants to do so—far from it. That is a matter for him, in spite of all the comments that he has made and the legal advice that has been tendered. This amendment makes the concise situation in relation to Mr Hanger's requests perfectly clear within this particular piece of legislation.

Question—That the words proposed to be inserted be so inserted—put; and the Committee divided.

AYES, 43—Baumann, Beanland, Borbidge, Connor, Cooper, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Turner, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 45—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, Cunningham, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

Resolved in the **negative**.

Clause 4, as read, agreed to.

Clause 5, as read, agreed to.

Insertion of new clause—

Mrs CUNNINGHAM (1.13 a.m.): I move the following amendment—

"At page 5, after line 18—

insert—

'5A. This Act does not alter the existing duty of any person under Queensland law to retain and not destroy, alter or damage any documents relevant to these Inquiries.' "

I move this amendment not in any attempt to water down what the Attorney-General has already put up, but so that the provision is in a form of words that is perceived to be less provocative and inhibiting. By moving that amendment, I intend to mean that the documents that have any reference to the commission of inquiry—any documents that have been in the possession of the commission of inquiry that are prepared by any members associated with that commission of inquiry—are to be protected for the reason that I have already stated. Nobody is beyond scrutiny. It is important that the commissioner retains what he perceives to be the freedom to present an independent report. It is equally important that, subsequent to that report being handed down, those either affected by the result or those affected in the process of reaching that result be free to scrutinise, examine and understand the process used to reach that conclusion.

On that basis, I move this amendment not to give Mr Carruthers any additional protection—quite the opposite. I do so to give him a form of words that is palatable to him and which also maintains the freedom of those affected by the report and the process adopted in reaching that report, and access to and scrutiny of documents and the process used in reaching that conclusion.

Mr BEATTIE: As I indicated, we will be supporting this amendment. What it in fact says is that this legislation does not alter the existing duty of any person under Queensland law to retain and not destroy, alter or damage any documents relevant to these inquiries which are appropriate public documents. We have never had any problem at any time with those documents being retained and open to scrutiny at the end of the appropriate inquiry.

Mr WELLS: The amendment proposed retains the existing law. That existing law means that Mr Carruthers, QC, will be under the obligations of law which exist for him, whatever those obligations may be, and puts him in exactly the same position as everybody else. It is therefore an amendment which has the effect of preserving equality before the law.

This amendment is satisfactory and solves all of the problems that anybody might have any concern about, unless they actually wanted to change the law of Queensland so as to target Kenneth Carruthers, QC. That really is what the other amendments that the Honourable the Attorney-General has moved do. The other amendments that the Attorney-General has moved are effectively a political statement targeting Kenneth Carruthers, QC, whereas the amendment which the honourable member for Gladstone has moved preserves the existing law, spells out very

clearly that the existing law is what applies, and therefore puts a just situation in place with respect to documents.

Mr BEANLAND: In relation to the amendment that has been moved by the honourable member for Gladstone—I heard comments from some members opposite that it retains the existing law, but I can assure them that it did not do much good for those people in relation to the Heiner documents. I notice how it stopped the Heiner documents from being shredded—"Shreddergate"! In view of the position that he was in at the time when the Heiner documents were destroyed, the statement by the member for Murrumba that it is in line with the existing law and that it will preserve the documents leaves the people of this State breathless. What sheer hypocrisy! It does not do anything at all. The point is: what was the penalty at the end of the day? Many members opposite were party to that dreadful and shameful Heiner document incident.

Mr FitzGerald: Guilty.

Mr BEANLAND: As the Leader of Government Business said, the members opposite are guilty in relation to the shredding of those documents. Those are the facts of life. Retaining the current situation in view of the experience of the Heiner documents, as they are now known, I believe leads every whistleblower and citizen of this State to shake with fear. I can well understand their concerns. It is for that reason that I sought to move other amendments with a little more substance.

Mr FOLEY: I draw the attention of the Committee to the fact that section 55 of the Libraries and Archives Act sets out the existing duty of persons in respect of documents.

Mr ARDILL: As the chief law officer of the State, perhaps the Attorney-General would like to tell us just what inquiry was under way at the time when the Heiner documents were shredded. Also, whose mistake was it which resulted in the failure to give proper protection and privilege to those documents and would have resulted in court cases against people who gave evidence believing that they were giving evidence to a properly constituted investigation, which at that stage had been closed down by the commissioner previously conducting the investigation? The Attorney-General is totally out of order and is attempting to mislead not only this House but also the people of Queensland. Coming from the chief law officer of this State, that is a disgraceful state of affairs.

Mr BEANLAND: The Heiner documents were shredded to stop legal action pending at the time. There was concern about those documents being requested for a court case. If the member for Archerfield is so concerned about them, he should ask the whistleblowers, the people involved in that case and who have been crucified by the former Government, what they think of that course of action. That was one of the most shameful courses of action taken in relation to normal citizens in this State. The honourable member should not start asking questions about that matter, even though I am happy to answer them for him. It was a shameful course of action, and the member for Archerfield knows it. It was designed to stop some legal action at that particular time. That is what it was all about—nothing more and nothing less.

Mr BEATTIE: I want to make one simple point in closing the debate on this clause, that is, there was only one major problem with the Heiner inquiry: it was improperly set up by the National Party Government of the time. That is what happened, and members opposite know it. Beryce Nelson did not set it up properly; that is what happened. There is no other reason.

Amendment agreed to.

New clause 5A, as read, agreed to.

Clause 6, as read, agreed to.

Clause 7—

Mr BEANLAND (1.23 a.m.): I move the following amendment—

"At page 7, after line 20—

insert—

'Carruthers Inquiry records

'132D. (1) A person must not destroy any document that has come into the possession of, or has been produced in the course of any inquiry conducted by, or produced for the purposes of, the Carruthers Inquiry, including any document prepared by the Honourable Kenneth Carruthers QC.

Maximum penalty—100 penalty units or 3 years imprisonment.

'(2) It is a defence to a charge under subsection (1) to prove that the destruction was done with the written permission of a commissioner of the CJC inquiry.

'(3) In this section—

"destroy" includes damage or alter.

"Carruthers Inquiry" means the Carruthers Inquiry defined in section 132C(5).

"CJC inquiry"means the CJC inquiry mentioned in section 132B(1).'."

This amendment relates to the inquiry records. A penalty of 100 penalty units or three years' imprisonment is provided for. That is the thrust of the amendment. A number of members opposite have just provided very good reason for my moving this amendment.

Mr BEATTIE: Very briefly—the reasons for opposing this amendment are the same as those advanced earlier. It once again raises the problem that fundamentally affected the Carruthers inquiry to begin with. It is a continuation of the amendment that was defeated earlier; it is just the second part of it. We have been through the argument. I do not intend to waste the time of the Committee. It is simply a continuation of the attempt to destroy the Carruthers inquiry by a backdoor means. It is a half-smart means of trying to prevent the inquiry from restarting.

Question—That the words proposed to be inserted be so inserted—put; and the Committee divided—

AYES, 43—Baumann, Beanland, Borbidge, Connor, Cooper, Davidson, Elliott, FitzGerald, Gamin, Gilmore, Goss J. N., Grice, Harper, Healy, Hegarty, Hobbs, Horan, Johnson, Lester, Lingard, Littleproud, McCauley, Malone, Mitchell, Perrett, Quinn, Radke, Rowell, Santoro, Sheldon, Simpson, Slack, Stephan, Stoneman, Tanti, Turner, Veivers, Warwick, Watson, Wilson, Woolmer *Tellers:* Springborg, Carroll

NOES, 45—Ardill, Barton, Beattie, Bird, Bligh, Braddy, Bredhauer, Briskey, Campbell, Cunningham, D'Arcy, De Lacy, Dollin, Edmond, Elder, Foley, Fouras, Gibbs, Goss W. K., Hamill, Hayward, Hollis, Lucas, McElligott, McGrady, Mackenroth, Milliner, Mulherin, Nunn, Nuttall, Palaszczuk, Pearce, Purcell, Roberts, Robertson, Rose, Schwarten, Smith, Spence, Sullivan J. H., Welford, Wells, Woodgate *Tellers:* Livingstone, Sullivan T. B.

Resolved in the **negative**.

Clause 7, as read, agreed to.

Bill reported, with an amendment.

Third Reading

Bill, on motion of Mr Beattie, read a third time.

ADJOURNMENT

Mr FITZGERALD (Lockyer—Leader of Government Business) (1.31 a.m.): I move—

"That the House do now adjourn."

Justices and Community Lay Legal Officers Association

Mr MULHERIN (Mackay) (1.32 a.m.): I make reference to the plight of the Queensland Justices and Community Lay Legal Officers Association Incorporated, the largest and oldest company representing some 8,500 members throughout the State who are justices of the peace or commissioners for declarations. The association was established in 1918 to serve the public interest in the administration of justice in this State. The company's affairs are administered by a council of 10, comprising a president, three vice presidents and six councillors.

On 17 June 1996, the then President, Percy Alexander Tiley, and a council member, Irene Rose Patterson, applied to the Supreme Court of Queensland seeking the winding up of the company or alternative relief because of the fraudulent and corrupt manner in which the company's affairs were being administered. In all, more than 30 affidavits have been sworn and filed in the court in support of the two applicants, but none of the eight respondents—the other members of the council—have filed a single affidavit in reply. They would not front the court and risk cross-examination.

On 20 June 1996, an application for the appointment of a provisional liquidator came on before the court and Mr Justice de Jersey, upon the evidence before him, made an instant order that all funds in the company's bank account—$69,000—be paid forthwith to the trust account of the solicitors acting for the two applicants.

On 12 June 1996, the provisional liquidator, after investigating the company's affairs, filed a report in the court which substantiates the serious claims of the applicants, including one that substantial funds of the members had been misappropriated by payment of personal debts of the then general manager, one Peter Harper MacDonald.

MacDonald is a journalist and a one-time press secretary to a Premier of this State. He manipulated members of the council and decision making was in the palm of his hand. In 1993, he was prosecuted by the Australian Securities Commission and pleaded guilty to a charge of dishonesty—one of the worst offences in the book. He persuaded some members of the council into believing that he paid the price for their neglect and he induced them to pay his personal legal costs involved in the prosecution of some $21,000 out of the members' funds. The council also paid his fine and, despite the court's order, it waived his obligation to make restitution for the moneys he virtually stole from the association.

He ordered tapes from a supplier for training justices of the peace. The price for each tape was $20. The association was billed and paid and the supplier paid him a kickback of $8 for each tape. On 19 July 1996, the Supreme Court ordered that all offices on the council be declared vacant and directed the provisional liquidator to call an extraordinary general meeting to elect new councillors. Most of the eight other councillors supported MacDonald.

In a report the provisional liquidator filed in the court on 18 July 1996, they refer to him as a gentleman, a loyal, honest and hard working person who has given his life and soul to the company. On the same date, the court extended the powers of the provisional liquidator to allow him to hire and dismiss staff. He dismissed MacDonald as general manager on that day. Since then, MacDonald has sought unfair dismissal proceedings in the Industrial Relations Commission, seeking an order that he be reinstated and compensated, which is opposed by the two applicants.

All of the eight members of the council who nominated for office at the court ordered meetings of members of 29 August 1996 were voted out. One of those people is Beverly Ann Nicholls who resides at Deception Bay, Brisbane. She resigned as a member of the company after being defeated in the elections. On 27 September 1996, she registered a business named "The Queensland JP" to "provide information services to justices of the peace" for a generous fee. Steps are being taken to seek the cancellation of that business name and the matter has been reported to the ASC.

Last week, she published a newsletter titled "The Queensland JP", which includes a subscription order targeting members of the company of which she was a former director. As a former director of the company, she has made improper use of inside information to gain an advantage for herself and for others, including MacDonald. There is evidence that she obtained the names and addresses of upwards of 7,000 justices of the peace throughout the State from the company's computer. There is no other source for such highly confidential information except that computer.

The business name has confused the members of the association and some members who have received the newsletter and attached subscription form may have been beguiled into paying. The newsletter is the handiwork of MacDonald. The action of Nicholls can be construed only as an attempt to undermine public confidence in one of the most respected institutions in this State and is an attempt to fragment and destroy its membership for private gain.

The two applicants intend to approach the Attorney-General and Minister for Justice to inquire into the conduct of some of their eight respondents with a view to the cancellation of their commission as justices of the peace. At considerable legal cost, all have been banished from the company and the new council intends to bring to account those who have damaged its good name and those who are accountable to it for its property and funds.

Time expired.

Fire Awareness Week

Mr MITCHELL (Charters Towers) (1.36 a.m.): There is no doubt that fire is one of the most destructive, devastating and terrifying forces in nature, and it is something everyone should work together to prevent or at least minimise. Under the guidance of the Honourable Mick Veivers, Minister for Emergency Services, Fire Awareness Week 1996 has helped to educate all Queenslanders in the very real dangers of fire. However, it must be noted that fire awareness is more than a week-long exercise. People should be aware of the potential dangers of fire all year.

During the week, firefighters went out into their communities throughout Queensland to preach the importance of fire awareness. Anyone who works in the Fire Service, or indeed the Emergency Services, knows well that a better prepared community is a safer community. The community needs to take ownership of fire safety and work with the emergency services, because after all it is the community which stands to gain the most.

Already this season we have had a number of bush and grass fires threaten houses and destroy countless thousands of hectares of property throughout the State. It is true that there is no quick fix to stopping these fires, but what we can do is alert the public to the dangers. The public will only be alerted to the dangers of fire through education and through initiatives such as Fire Awareness Week.

One of the highlights of the week was the handing out of free smoke alarms to every new mum during Fire Awareness Week. The Queensland Fire Service teamed up with Woolworths and Queensland Health to distribute a voucher for a free smoke alarm and information on how to install it to every

mum who gave birth in a Queensland hospital during Fire Awareness Week. The project was aimed at laying the foundation of fire safety with children as they grow up, and I am sure all members would join with me and the Government in congratulating all those involved in this particular initiative.

The benefits of smoke alarms are all too evident, with the statistics saying it all. Last year, 27 people died in house fires in Queensland. Sadly, in every case the property they were in did not have a properly fitted smoke alarm. The Honourable Mick Veivers recognised the life-saving capabilities of smoke alarms soon after becoming Minister and he did not hesitate to work with Local Government and Planning Minister, Di McCauley, to initiate legislation to have hard-wired smoke alarms fitted in all newly built homes in Queensland from 1 July next year.

This State has had more new homes built in it during the past five years than most other States combined, and the impact of this legislation will quickly impact on the community. Other States have had this basic requirement for compulsory smoke alarms in new houses for many years, and those States have seen their fire-related deaths fall dramatically. I am certain that lives will be saved in Queensland as a result of the Minister's quick action on smoke alarms.

As I said earlier, Fire Awareness Week is all about education. Throughout Queensland, urban, rural and auxiliary firefighters staged at least 1,000 activities aimed at heightening public knowledge of fire safety issues. These were supported by more than 300 separate newspaper, radio and TV articles. Fire Service staff made visits to health care facilities, including hospitals and nursing homes, and undertook joint promotions with shopping centres and local government and industry bodies. Home fire safety concerts were delivered in parks, shopping centres, malls and other locations by professional firefighters and other emergency service personnel.

In direct line with the aim of the week to provide education, Fire-Ed programs were delivered to many hundreds of Year 1 students in schools throughout the State by their local Fire Service personnel. Numerous fire safety practice evacuations were held in schools and industrial and commercial buildings all over the State with observations and advice from the Fire Service. All Queensland Fire Service regions set up shopping mall displays attended by fire service staff who provided advice to shoppers on fire safety. The fire service took over King George Square in the city for the week, displaying firefighting equipment and firefighting techniques. Trade displays involving the fire protection industry were also presented in the square. It was encouraging to see that several local personalities gave their time to take part in many of the promotional events held in the square during the week.

As I mentioned earlier, Fire Awareness Week events were given considerable media coverage in all regions, with items on news channels, radio broadcast interviews and in the print media throughout the State.

Time expired.

Wahroonga Cottages and Units, Maryborough

Mr DOLLIN (Maryborough) (1.41 a.m.): The Honourable Minister for Health has accused me of deliberately misleading the Maryborough Chamber of Commerce about the future of Wahroonga cottages and units and also the condition of this facility. The Minister also accused me of using the Chamber of Commerce as a political plaything. I ask: does the Minister take the members of the Maryborough Chamber of Commerce as a mob of dills? I can assure him that they are not. I can assure the Honourable Minister that the members are an intelligent group of astute business people who would not be easily misled. To state that they have been used as political playthings is an insult to their intelligence.

The Honourable Minister is the person who has been led up the garden path by his advisers if he believes that these cottages and units and associated buildings were constructed as temporary housing accommodation and are no longer satisfactory for ongoing residential occupation for the aged in need of extra care. Nothing could be further from the truth. Those concrete, brick and timber buildings were constructed 35 years ago by one of Maryborough's most respected builders, the late Jack White, and there is nothing temporary about those buildings. Jack White built them to last, and they still would not have reached half of their lifespan. Considerable sections of the Maryborough Base Hospital would be more than 60 years old, and they are still in service. I point out to the Minister that, if every building in Brisbane over 35 years old was to be condemned and bulldozed, then 75 per cent of the city would disappear.

The Honourable Minister should come up to Maryborough and inspect those buildings

personally. I am sure that, if he did this, he would agree that, with some minor repairs and a paint job, those cottages and units would go on serving the many aged in our region for many years to come. I can assure the Minister that the great majority of Maryborough citizens support the continued use of Wahroonga on the same terms and conditions as those that existed over the last 35 years, as did the Maryborough Chamber of Commerce, which voted unanimously in favour of keeping it open. The president of the local branch of the AMA said that he supported 150 per cent the continued operation of Wahroonga.

The citizens of our region who need Wahroonga to stay in service are the pioneers who developed the region. Most of them have survived droughts, floods, fires, poor markets, the Great Depression and two World Wars and worked hard and long on low wages. It took all of their energy and income to feed and shelter their families, some never managing to accumulate the funds to buy a house, so they have nothing to sell to raise the $60,000 to $90,000 required to enter a private retirement village.

The Honourable Minister is well aware that for 35 years, under all Governments, Wahroonga has been a haven for the battlers of our region. If they meet the criteria, there is no up-front charge. They pay a major portion of their pension each week, and the great majority of the residents have been very happy with and thankful for these arrangements. I ask: what will happen to people in these positions if this Government closes Wahroonga? Will their children be forced to take them in, or will it be like the days before Wahroonga was built, with people living in humpies along the river banks?

The Minister keeps referring to a period between 27 November 1995 and February 1996, when he claims there were no residents admitted to Wahroonga and that this indicated there was no demand for the units. The facts are that the RSL Chelsea Peace Memorial Retirement Village opened on 24 November with about 75 beds. Fair Haven Retirement Villa also opened new units providing eight beds, and a 14-unit retirement home was also opened in Tiaro. This amounts to almost 100 additional retirement beds in the region. This, of course, created a lull in new residents requiring accommodation at Wahroonga. It appears very coincidental that the Honourable Minister quotes 27 November as the date that Labor allegedly stopped accepting new residents into Wahroonga. It just so happens that that was the Monday after the 75-bed RSL facility was opened.

The Minister has flopped around like a fish out of water on this issue. He has come up with different stories and different excuses. The people of Maryborough have had enough of the politics. They now want to know: will this Government keep Wahroonga operational by admitting residents back into the cottages and units? Plainly, it is now up to the Minister. From one old cow cocky to another, I say to the Minister: do not kill a good milking cow for the aged people of Maryborough.

Port Arthur Massacre; Mental Health Act

Mr LAMING (Mooloolah) (1.45 a.m.): Last week, Australia heaved a collective sigh of relief as the man accused of the Port Arthur massacre pleaded guilty to dozens of charges of murder. It was perhaps the only welcome development in that tragic saga, which is by no means over. The fact that victims' relatives and survivors will not now have to relive that fateful day is, I am sure, a huge relief to them.

The sentencing process is yet to come, of course, and it remains to be seen whether unsoundness of mind or diminished responsibility will be introduced at that time. I do not wish to speculate on that. However, it does draw a parallel to Queensland legislation as it applies to those charged with indictable offences and who are subsequently found to be suffering from unsoundness of mind at the time of the alleged offence or are later found to be mentally unfit to stand trial. Such people then find themselves under the jurisdiction of the Mental Health Act rather than the justice system.

Such was the case following a brutal murder on the Sunshine Coast last year—the slaying of Christine Nash, the mother of two young children. The accused is now under the jurisdiction of the Mental Health Act and is termed a patient rather than a prisoner, following a determination of the Mental Health Tribunal that the patient was suffering from unsoundness of mind. The charges against the accused were then dropped, and no appeal by the Attorney-General was allowed. This indicates an alarming shortcoming of one aspect of this legislation.

The matter came to the public eye again recently when the patient was allowed escorted leave to play cricket. Honourable members can imagine the shattering effect that this news had on Christine Nash's parents at Mooloolah. I commend the Minister for Health for his rapid response to the situation by asking for an immediate report into the status of the patient. It could be said that it is

not the job of such hospitals to lock people up but to treat them. This is debatable. It is incumbent upon the Legislature to consider such matters. To do so properly, honourable members do need to take into account the circumstances of those who are suffering from mental illness. I believe that the current Act, although complex, has been put together with great compassion. I make no criticism of those who framed the legislation or those such as the Mental Health Tribunal who administer it. But any legislation really is tested only when it finds itself applied to difficult situations, such as the case to which I refer.

As well as being fair and being drafted so as to protect the interests of the accused, criminal law must also pass another test. It must be seen to be effective to the wider community in all its elements so as to ensure punishment of the offender, deterrent to others, protection of society and rehabilitation of offenders. All elements must be addressed and be seen to be addressed. Such elements require much deeper consideration when the accused's mental state is an issue, but I do not believe that any should be abandoned. If they are, victims, their families and the wider community can justifiably feel cheated. "Where is the justice?" they ask. It is our responsibility to respond.

I am very much a layman, and I look at the law through the eyes not of a lawyer but of an ordinary bloke in the community. The more I studied the Mental Health Act, not as it applies to the usual mental health patient—it does that well—but as it applies to a person charged with a serious indictable offence, I got the feeling that the justice system has been bypassed. I then did some further research into how such cases are prosecuted in the other States. I found that it was mainly Queensland that had allowed its legislation to take this particular path.

When an untrained person delves into the laws of other States that apply to this area, it becomes extremely complex. One thread emerged. It appeared to me that, in the other States, an overriding involvement of the justice system prevailed. My interpretation of the Victorian legislation is that a defendant who claims diminished responsibility is tried by jury and, if found guilty, can be kept in strict custody until the Governor's pleasure is known.

In the ACT, under the Crimes Act 1990, its legislation says—

> "Where this Division applies, the relevant court may, before sentencing the convicted person, order him or her to submit to the jurisdiction of the Tribunal."

Section 70 of the Mental Health (Treatment & Care) Act 1994 indicates that the tribunal shall make recommendations to the Supreme Court as to how the person should be dealt with. It seems to indicate that the court controls the penalty.

In Western Australian legislation, chapter 65 of the Criminal Code states—

> "If he is acquitted by them on account of unsoundness of mind . . . the court is required to order him to be kept in strict custody . . . until Her Majesty's pleasure is known."

It is not my intention tonight to indicate whether these reasonable controls can be achieved in Queensland by an amendment to the Mental Health Act, or whether the indictable offences section should be transferred to the Criminal Code, but some change is essential so that the law speaks for victims and their dependants. Tonight, I merely speak for them.

Acacia Ridge Schools

Mr ARDILL (Archerfield) (1.50 a.m.): The fate of Acacia Ridge State High School, and therefore that of the suburb of Acacia Ridge, hangs in the balance as the Honourable Bob Quinn, Minister for Education, considers his three alternatives for the 7,000 people of Acacia Ridge: to assist the school to continue serving the people and students; to integrate the school with Salisbury State High School, which is two suburbs and five kilometres away; or to close the school and leave the parents and students to make other arrangements. There are a number of reasons why I have consistently supported retention of the school on its present site since it became apparent some years ago that numbers were dropping and the school community began to face the long-term possibility of its closure.

The school community, and that includes teachers, administrators, students, parents and supporters, did not sit on their hands nor wring them. They began a campaign to improve the enrolment. As to those people who claim that they did not know a problem existed—I can only say that they were not listening. We asked the previous Minister, David Hamill, for a moratorium while the school community set to work. He gave us that assurance, and numbers were increased. Every meeting at the school which I attended talked about the problems of increasing the enrolment. Discussions were held with primary

schools in the catchment area and a video to promote the school was produced and shown to district parents. In fact, the school community and supporters took every reasonable action within the funds available.

A 7 per cent increase was achieved at the beginning of this year. Most high schools in that region suffered severe behavioural problems in the 1970s and also some in the 1980s. Large schools still have problems. Acacia Ridge overcame its behaviour problems some years ago and is now noted for exemplary behaviour, which is enhanced by manageable numbers and personal identification, which allows the inevitable small number of problems to be quickly solved. It has neat, well-tended grounds and an excellent school spirit. It is one of Australia's leading schools in its work experience program, and certainly the leading school in Queensland in work experience and employment networking. With its ASTF qualifications, it is recognised Australiawide for that service to its student and the local business community. As such, it is the ideal school for the youth of Acacia Ridge and surrounding suburbs whether they seek a job on the factory floor, in the laboratory, the office or in sales or administration.

Despite its advantages, it has not attracted students from surrounding suburbs who would benefit from attending that school. That is not the fault of the Acacia Ridge school community, who have done everything to advise the district of what it has to offer. It is a problem of misconceptions and misinformation. Acacia Ridge is an excellent school that deserves support and deserves a chance to continue to serve the 7,000 people who have received little support from Governments over the years, both State and Federal. The precipitate decision to talk about closure has probably caused a loss of confidence in the community for this coming year, but a prompt decision to persevere with the school could be a great fillip to enrolments. Parents would then see a future for the school, expecting their student children to continue through the school to Year 12.

A number of students told me that they would not complete school to Year 12 if they had to go to another school and would cease at the end of compulsory schooling. I asked a question on this subject as part of my questionnaire to all residents—which, incidentally, I paid for out of my own pocket—and 32.3 per cent of respondents saw problems in that regard; 54.8 per cent of parents said that they would have trouble paying fares and would expect free transport—Acacia Ridge is a low income area; some parents also said that the cost of new uniforms would also be a problem—59.7 per cent said that the work experience program must be transferred to any new high school, and a further 11.3 per cent said it should be transferred; 38.7 per cent would prefer integration with another school rather than a free dispersal, which attracted 17.7 per cent; 43.5 per cent did not express any answer to that question, some on the basis that no closure was their only option; 11.2 said a case had been made out by the Education Department for closure; 87 per cent totally opposed the closure. That represents an overwhelming voice against that option, which was supported verbally by the large numbers of people who attended the meeting one month ago.

In the catchment of Watson Road Primary School, in the southern section of Acacia Ridge, 89.3 per cent of respondents opposed amalgamation with the other primary school. As this is where most residential development is occurring, this must be taken into account.

Time expired.

Rural Health Services

Mr MALONE (Mirani) (1.55 a.m.): I would like to report on a recent four-day visit to north-west Queensland, which I attended with my parliamentary colleagues the Minister for Health, Mike Horan, and the member for Charters Towers, Robbie Mitchell.

Our visit took us to the north-west centres of Charters Towers, Hughenden, Richmond, Julia Creek, Cloncurry and Mount Isa. In each of those centres we inspected hospital and community health facilities. We also met with health staff and a number of community members.

It has been the coalition Government's goal to ensure that health services are given back to the bush. The Borbidge/Sheldon Government has been swift to implement a number of key Statewide health policies, which will have a direct impact on improving health services in rural Queensland.

Major initiatives include the establishment of the Office of Rural Health, based in Roma. That was a central plank of the coalition's 1995 State election health policy and involved moving the former Rural Health Unit out of Brisbane. The aim of the Office of Rural Health is to ensure that the health needs of rural and remote Queenslanders are looked after and that an appropriate rural health policy is developed and implemented. The people now

working on rural health issues are out in the bush rubbing shoulders with the very people they are serving.

Additionally, a special ministerial advisory council has been established to provide advice on rural health issues. Membership on this council includes doctors, nurses, allied health people and community representatives from a wide range of rural and remote areas of Queensland.

On our visit to north-west Queensland, there was a very strong local interest in the establishment of 39 district health councils, which will allow for strong community-based input into local health delivery. Each district health council will answer directly to the Health Minister and comprise a blend of community, professional and health representatives who will have responsibility for monitoring service agreements, budget compliance and developing strategic plans. Health is going back to the community—back to the people it serves.

Hospital staff working at the various rural hospitals we visited were also keen to access a $50m package, which has been earmarked within the Government's massive $2.109 billion Capital Works Program specifically for rural health capital works projects—a major step forward for rural and remote hospitals which, under the previous Labor Government, were badly run down as it implemented plans to close down most of those rural health services, and that is a fact.

In an effort to get services back to the bush, the coalition Government has provided $1m to introduce a number of outreach health services. A full-time speech pathologist has been based in St George and will also service Dirranbandi and surrounding areas. A flying dentist has been located in Longreach to service the people who live in the 18 towns in that region who have previously been unable to access dental services, and that has been going on for quite a time, too. With difficulties recruiting staff, further outreach services will be examined.

Recruiting medical nursing and allied health staff was clearly the major issue in the communities that we visited. To improve the recruitment of staff, the coalition Government has doubled funding for the Rural Scholarships Program for medical, dental and allied health students. This increase in funding of $1.3m will assist undergraduates to attend university in return for a number of years' practice in the bush on graduation. The ultimate aim of this scheme is to expose as many students as possible to life in rural and remote Queensland, with the hope that they will stay on after their bonding period expires.

The recent State Budget also provided a funding package of $470,000 to encourage dentists to work within rural Queensland. Additionally, the State Government has moved to cover recently announced Federal Government cuts to dental funding. That means that there will be absolutely no cuts in the provision of dental health services to regional and rural areas of Queensland.

On our visit to Mount Isa, we discussed with hospital staff the establishment of a centre for public and remote health. The coalition State Government has successfully negotiated funding of $1.5m from the Commonwealth Government to establish a training centre in Mount Isa for medical, nursing, allied health and Aboriginal health staff. It is expected that we can retain more health staff in rural Queensland if we deliver increased training opportunities. This centre for remote and public health will be operational early next year.

Finally, this coalition Government is committed to providing quality health care for rural Queenslanders. The recent State Budget has shown that, along with the many policies we have now put into place which are now having a positive impact on those Queenslanders.

Motion agreed to.

The House adjourned at 2.01 a.m. (Thursday).