

TUESDAY, 14 SEPTEMBER 1999

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

ASSENT TO BILLS

Assent to the following Bills reported by Mr Speaker—

TAB Queensland Limited Privatisation Bill
 Road Transport Reform Bill
 Coal Mining Safety and Health Bill
 Queensland Building Services Authority Amendment Bill
 Mining and Quarrying Safety and Health Bill
 Tourism Legislation Amendment Bill
 Acquisition of Land Amendment Bill.

PETITIONS

The Clerk announced the receipt of the following petitions—

De Facto Relationships Bill

From **Mr Foley** (1,456 petitioners) requesting the House to (a) afford the same protection to same sex couples and/or their families that is afforded to opposite sex couples and/or their families under proposed domestic relationship laws; (b) include the term "opposite and same sex couples" in the proposed De Facto Relationships Bill, thus treating all Queenslanders equally; (c) contain a definition in the proposed Bill which ensures that the parent/child relationship between both same sex parents and/or their children are equally recognised as a parent/child relationship between heterosexuals and/or their children; (d) recognise same sex couples and/or their children under all Queensland laws, including workers compensation, intestacy laws, wills, hospital visiting rights and next of kin rights; and (e) protect same sex couples and/or their children the same as opposite sex couples and/or their children from domestic violence under the Domestic Violence Act.

Abortion Law

From **Miss Simpson** (206 petitioners) requesting the House to (a) investigate the abortion seminar to be held at the Hyatt Coolum, realising that abortion on demand is illegal in Queensland; and (b) tighten laws concerning outlawing abortions.

Brothels in Local Government Areas

From **Dr Watson** (11 petitioners) requesting the House to reject the proposed legislation to enable licensed brothels to operate in local government areas.

Native Title (Queensland) State Provisions Amendment Act

From **Dr Watson** (5 petitioners) requesting the House to amend the Native Title (Queensland) State Provisions Amendment Act as passed on 21 July 1999 to include the clearing of access tracks and roads; drill sites, drilling and activities associated with drilling should be specifically allowed under a "low impact exploration permit" and, in addition, security of tenure is sought for explorers in the process of granting of "high impact exploration permits".

Petitions received.

PAPERS

PAPERS TABLED DURING THE RECESS

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

2 September 1999—

Members' Ethics and Parliamentary Privileges Committee Report No. 33—Annual Report 1998-99

Members' Ethics and Parliamentary Privileges Committee Report No. 34—Report on relevance of House of Commons/House of Lords Joint Committee's report on parliamentary privilege

6 September 1999—

Administration of the Foreign Ownership of Land Register Act 1988—Annual Report 1998-99

9 September 1999—

Tertiary Entrance Procedures Authority—Annual Report 1998-99

10 September 1999—

Cane Protection and Productivity Boards—Supplement to the Annual Reports for 1998

Late tabling statement by the Minister for Primary Industries (Mr Palaszczuk) relating to the Supplement to the Cane Protection and Productivity Boards Annual Reports 1998

13 September 1999—

Australian Financial Institutions Commission—Final Report to Ministers of participating States and Territories responsible for administering the fiscal bodies legislation

Board of Trustees of the Rockhampton Girls' Grammar School—Annual Report 1998

Late tabling statement by the Minister for Education (Mr Wells) relating to the Board of Trustees of the Rockhampton Girls' Grammar School Annual Report 1998

Report on the operations of the Land Tribunal established under the Aboriginal Land Act 1991—Annual Report 1998-99

Report on the operations of the Land Tribunal established under the Torres Strait Islander Land Act 1991—Annual Report 1998-99

STATUTORY INSTRUMENTS

The following statutory instruments were tabled by The Clerk—

Aboriginal Land Act 1991, Torres Strait Islander Land Act 1991—

Aboriginal and Torres Strait Islander Land Legislation Amendment Regulation (No. 1) 1999, No. 209

Ambulance Service Act 1991—

Ambulance Service Amendment Regulation (No. 1) 1999, No. 204

Chemical Usage (Agricultural and Veterinary) Control Act 1988—

Chemical Usage (Agricultural and Veterinary) Control Regulation 1999, No. 203

Child Protection Act 1999—

Proclamation—the provisions of the Act stated in the schedule commence 10 September 1999, No. 205

Consumer Credit (Queensland) Act 1994—

Consumer Credit Amendment Regulation (No. 2) 1999, No. 201

Cooperatives Act 1997—

Cooperatives Exemption Notice 1999, No. 210

Environmental Protection Act 1994—

Environmental Protection Amendment Regulation (No. 1) 1999, No. 208

Gaming Machine Act 1991—

Gaming Machine Amendment Regulation (No. 3) 1999, No. 196

Gas Act 1965—

Gas Amendment Regulation (No. 2) 1999, No. 207

Industrial Development Act 1963—

Industrial Development Amendment Regulation (No. 1) 1999, No. 195

Integrated Planning and Other Legislation Amendment Act 1998—

Integrated Planning and Other Legislation Amendment (Postponement) Regulation 1999, No. 193

Interactive Gambling (Player Protection) Act 1998—

Interactive Gambling (Player Protection—Disqualified Persons) Regulation 1999, No. 212

Invasion of Privacy Act 1971—

Invasion of Privacy Amendment Regulation (No. 1) 1999, No. 202

Justices Act 1886, Transport Operations (Road Use Management) Act 1995—

Transport Operations (Road Use Management—Vehicle Standards and Safety) Regulation 1999, No. 213 and Explanatory Notes and Regulatory Impact Statement for No. 213

Local Government Act 1993—

Local Government (Areas) Amendment Regulation (No. 2) 1999, No. 194

Mines Regulation Act 1964—

Mines Regulation (Exemption) Repeal Regulation 1999, No. 200

Motor Accident Insurance Act 1994—

Motor Accident Insurance Amendment Regulation (No. 3) 1999, No. 197

Peace and Good Behaviour Act 1982—

Peace and Good Behaviour Regulation 1999, No. 199

Queensland Treasury Corporation Act 1988—

Queensland Treasury Corporation Regulation 1999, No. 198

Queensland University of Technology Act 1998—

Queensland University of Technology Statute No. 1 (Course of Study) 1999

Queensland University of Technology Statute No. 2 (Student Discipline) 1999

Queensland University of Technology Statute No. 3 (Fees) 1999

Queensland University of Technology Statute No. 4 (QUT Alumni) 1999

Queensland University of Technology Statute No. 5 (Conduct of Ballots for Council) 1999

Queensland University of Technology Statute No. 6 (Rules) 1999

Statutory Instruments Act 1992—

Statutory Instruments Amendment Regulation (No. 2) 1999, No. 192

University of Southern Queensland Act 1998—

University of Southern Queensland Statute No. 3 (Student Discipline) 1999

Wagering Act 1998—

Wagering Amendment Regulation (No. 1) 1999, No. 211

Wagering Rule 1999, No. 206

MINISTERIAL RESPONSES TO PETITIONS

The following responses to petitions, received during the recess, were tabled by The Clerk—

Response from the Minister for Primary Industries (Mr Palaszczuk) to petitions presented by Mr Goss, Mr Hamill, Mr Lucas, Mr Nuttall, Mr Reynolds and Mr Santoro from 141, 150, 254, 153, 58 and 104 petitioners respectively, regarding legislation permitting the retention of finfish, winter whiting and blue swimmer crabs by trawlers in Queensland—

I refer to your letter of 21 July 1999 concerning the recent petition to the Legislative Assembly from Mr J Doohan of Sunfish regarding legislation permitting the retention of finfish, winter whiting and blue swimmer crabs by trawlers in Queensland.

I am well aware that there is not full agreement on the new interim trawl bycatch management arrangements, which have been introduced to address a long-standing need to clarify what species trawlers are actually permitted to keep. The arrangements recognise that trawlers have been taking and marketing a wide range of species for many years and that this product is an important contributor to the maintenance of Queensland's seafood supplies.

Under these arrangements trawlers will be permitted to keep up to 100 blue swimmer crabs inside Moreton Bay and up to 600 outside, in addition to prawns and scallops. Other species permitted include barking crayfish, cuttlefish, Moreton Bay bugs, octopus, squid, three spot crabs, and winter whiting. Certain recreational finfish species such as coral trout, mulloway, snapper and red emperor are specifically excluded. The new arrangements presently allow for trawl operators to keep other species, provided these are taken incidentally to the main trawl species previously mentioned.

I emphasise that these Regulations have been introduced as interim measures to address the long-standing uncertainty over trawl bycatch retention. The immediate impact has been to significantly reduce the retention of blue swimmer crabs and to close areas of winter whiting grounds to trawling. A special program will monitor blue swimmer crab and winter whiting stocks over the next eighteen months. The take of other species will also be monitored and further management arrangements will be put into place as necessary.

I have also written direct to Mr Doohan in similar terms.

Response from the Minister for Health (Mrs Edmond) to a petition presented by Mrs E Cunningham from 83 petitioners, regarding the regulation of dentistry—

Thank you for your letter of 19 August 1999 enclosing a copy of a petition received by the House regarding the regulation of dentistry.

You may recall that I outlined the background and purpose of the current review of restrictions on the practice of dentistry in a previous letter dated 14 July 1999.

As the review is still in progress, I do not consider that it is appropriate to comment on the petition in the House at this time.

MINISTERIAL REPORT TABLED BY THE CLERK

The Clerk tabled the following ministerial report, received during the recess—

Minister for Transport and Minister for Main Roads (Mr Bredhauer)—

Report under section 56A(4) of the Statutory Instruments Act 1992

MINISTERIAL PAPERS

The following papers were tabled—

(a) Minister for Tourism, Sport and Racing (Mr Gibbs)—

Mount Gravatt Showgrounds Trust—
Annual Report for 1998-99

(b) Attorney-General and Minister for Justice and Minister for the Arts (Mr Foley)—

Memorandum from Pacific Film and Television Commission to Mr Foley relating to the Brisbane Film Studio, Tennyson Powerhouse Option.

MINISTERIAL STATEMENT**East Timor**

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.34 a.m.), by leave: I know that I speak for all Queenslanders when I express concern and sorrow over recent events in East Timor. Our hearts and prayers go out to the innocent victims and their families. All Queenslanders, and indeed all Australians, want to see a peaceful transition to independence for East Timor. More than 78% of East Timorese voted for independence—an overwhelming majority by any measure but particularly so when there was a voter turnout of more than 95%. As I said, the people of Queensland have been dismayed at events that followed the massive vote for independence. We have also been heartened by the continuing faith of the majority of East Timorese in democracy.

State Cabinet last week passed a resolution calling on the Federal Government to do what it could via the Indonesian Government and the United Nations to secure peace and safety for the East Timorese, and I

conveyed that resolution to the Prime Minister. We therefore welcome the decision by Indonesian President Habibie to allow an international peacekeeping task force into East Timor. This is an appropriate response to the violence that has erupted in East Timor. I know that all honourable members and the people of Queensland join me in praying that the task force will end the violence and that the people of East Timor will soon be able to live in peaceful independence.

Last Thursday the Prime Minister briefed the Premiers on the position in East Timor when we were at Kirribilli House to welcome the President of China. All Premiers and the Prime Minister were deeply concerned about events in East Timor. I know that they share in the spirit of what I have expressed to the House today, that is, the desire for an independent East Timor where people can live in peace, without the threat of violence.

MINISTERIAL STATEMENT **State Budget**

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.36 a.m.), by leave: Later today I will present to this House my Government's second Budget. However, given the short time frame between last year's election and the September 1998 Budget, this will be in reality the first full financial blueprint delivered by my Government. And it is a blueprint—a detailed strategy that not only addresses the needs of all Queenslanders now but also lays the foundations to build a stronger, richer, more equitable Queensland. It will build Queensland as the Smart State, creating long-term, New Age jobs for the next century.

Today's Budget will also offer departments a 6% bonus to better manage what is now lazy money or idle assets. Past Governments have allowed capital assets such as hospitals to run down, which meant that a 10-year hospital rebuilding program became necessary to fix the problem. I am determined that this will never happen again. Departments will be given an extra funding carrot of 6%. I stress "extra"—a bonus of 6%. Departments which work hard and succeed in managing their assets efficiently will keep the benefit of the efficiencies generated. This bonus is designed to encourage departments to maintain an efficient capital structure for the delivery of services and to dispense with surplus assets such as land so that there will be extra money for hospitals, schools and other essential infrastructure.

The Opposition is seeking to turn this positive bonus into a negative. The coalition is trying to equate it with its sneaky 5% hospitals capital charge, which was in fact a tax on the health system. It was a tax because, unlike us, the coalition Government did not appropriate the 5% and then take it back over the course of the financial year. It simply directed hospitals to achieve efficiencies equating to 5% of their capital assets with the intention of seizing those savings and putting them into the Consolidated Fund. What we are doing is completely different. We are not taxing departments; we are giving them an incentive to manage their assets in a better way.

No department will be worse off as a result of this measure. I repeat: no department will be worse off as a result of this measure. They will receive in this Budget extra funding equivalent to 6% of the value of their capital assets. Departments will actually keep the bonus of extra funding if they succeed in improving the way in which they manage their assets.

I have to admit that this is not a scheme that this Government has dreamed up. I have to confess that we are merely copying a system which has been found to be highly effective elsewhere. So where has this system been introduced? Who has put this bonus system into operation without any criticism from the Liberal or National Parties? This very same bonus system has been adopted by the Commonwealth Government and most other Australian States. The coalition, at a Federal level, has had no qualms about introducing this measure because they know that it makes sense. It is all about good management and ensuring that the public gets the best value for the taxes it contributes. Because it had been introduced at a Federal level, the Borbidge Government planned to introduce this very same system. Not only did the coalition plan to do so; they started the process of introducing it. I left the best to last. Come in spinner!

There is no adverse budgetary impact as a result of this measure, only potential budgetary benefits for departments. Let the record show that the Government that started its introduction was the Borbidge Government.

Mr Borbidge interjected.

Mr SPEAKER: Order! The Leader of the Opposition!

Dr Watson interjected.

Mr SPEAKER: Order! The member for Moggill will cease interjecting.

MINISTERIAL STATEMENT

Magnesium Metal

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.40 a.m.), by leave: The recent announcement that the Australian Magnesium Metals Corporation has produced magnesium metal from its Gladstone demonstration plant is heartening news for the State. The production of magnesium metal has been a long time coming, and the positive effects of this for Queensland cannot be overestimated. What it essentially means is that this State is on the verge not only of a new light metals industry but also the likely establishment of associated bolt-on industries in die-casting and other enterprises.

The production of magnesium metals—proof that the technology employed by AMC actually works—brings Queensland a step closer to a firm decision being made on the establishment of an \$800m smelter at Stanwell near Rockhampton. Such a metals plant would create 1,000 jobs during the construction phase and permanent employment for about 300 people.

One might ask why this Government is so keen on this project, and the answer is simple. It is a project that successive Labor Governments—firstly, the Goss Government, and now the Beattie Government—have worked tirelessly in progressing. This support stands in stark contrast to the attitude of the previous Borbidge Government, which supported this project with little more than words. The Labor administrations have been prepared to support this new industry for the State with substantial financial backing.

Before members opposite jump too quickly to their feet, I do acknowledge that the Borbidge Government did spend \$290,000 to undertake a light metals study on downstream processing. And in 1997, there was the appointment of a dedicated officer to promote light metals activities from the London office. This particular position continues.

But let us look at the record of successive Labor Governments and their support for this important industry. The former Goss Government had enough faith in the industry when it put forward a \$5m package for research and development in the mid 1990s. Subsequently, the Beattie Government has committed \$10m to the establishment of the Australian Light Metals Centre, which will be located at the Brisbane Technology Park at Eight Mile Plains. The light metals centre has been commissioned to set up vertical

integration in the light metals industry involving not only magnesium but also aluminium.

Further, the Beattie Government is also proud of a \$4m involvement in the Centre for Alloy and Solidification Technology metals manufacturing—or CASTmm, as it is known—which is also headquartered in Brisbane. CASTmm has been tasked with the development and implementation of key technologies that substantially contribute to the growth and international competitiveness of the nation's light metals production processing and manufacturing.

This Government is creating a Smart State. The light metals industry and the biotech and information technology sectors are those being targeted by this Government to ensure that Queensland has a growing business base. What this is all about is utilising our natural resources so that we can add value to them at home and, in the process, create jobs for Queenslanders.

MINISTERIAL STATEMENT

Office of the Director of Public Prosecutions

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (9.44 a.m.), by leave: In recent weeks the shadow Attorney-General, the member for Warwick, has made a concerted effort to politicise the administration of criminal justice in Queensland. He has used question time in this place to try to smear the presence of Mr Hannigan as a senior executive in the Office of the Director of Public Prosecutions, implying that his appointment was political because he once worked as a ministerial adviser. The member for Warwick has also attempted to foment discontent through memoranda to staff in the Office of the Director of Public Prosecutions and via the media.

To ensure that this campaign of mischief-making does not adversely affect perceptions of the administration of criminal justice in Queensland, let us compare the allegations with the facts. The first erroneous allegation is that Mr Garry Hannigan is a political appointment to the Office of the Director of Public Prosecutions. The facts are that Mr Hannigan, who is a senior executive officer Level 2, was transferred to the Office of the Director of Public Prosecutions by the previous Government in 1996. No member of the previous Government saw any problem with Mr Hannigan not only having responsibility for various operational matters but also being involved in prosecutions. In his current

position, he is no longer required to appear for the Crown. Let me also make it very clear that I had no involvement in any decision involving Mr Hannigan's duties or remuneration. These are matters for the chief executive officer and, for completeness of the record, I should add that the director-general had never met, or had any dealings with, Mr Hannigan prior to her taking up duty in 1998.

The second erroneous allegation is that the decision to have Mr Hannigan act in the new position of Executive Director of the Office of the Director of Public Prosecutions created expense for the office. In fact, the difference in remuneration between Mr Hannigan's previous and current positions is \$2,142 per annum. In fact, Mr Hannigan's appointment has saved the office \$88,202 because the new position rolled two others into one.

The third erroneous allegation is that the decision to have resource management delegations exercised by the Executive Director of the Office of the Director of Public Prosecutions affects the independence of the Director of Public Prosecutions. In fact, the Director of Public Prosecutions Act 1984 makes the chief executive officer of my department the chief executive of the Office of the Director of Public Prosecutions "in respect of matters of an administrative nature associated with the discharge of the Director's functions and in respect of officers" appointed under the Public Service Act. It also makes the chief executive "the accountable officer" under the Financial Administration and Audit Act 1978. Resource management powers have always been exercisable only in accordance with delegations from the director-general.

The fourth erroneous allegation is that there is some objectionable reason for tighter control being exercised over resources in the Office of the Director of Public Prosecutions. In fact, the director-general of my department was informed in late 1998 of a projected overspend of around \$1.5m in the Office of the Director of Public Prosecutions. Her inquiries revealed an excessively sized corporate services area, failure to comply with the State Purchasing Policy and a general failure to minimise overheads. The Auditor-General's advice was sought on particular issues. Intervention by centralising the provision of corporate services, cessation of projects whose benefits were not justifying their costs, and delegations being exercisable by one officer has allowed the creation of an additional 21 positions for legal officers, victim support officers and prosecutors within budget.

The fifth erroneous allegation is that the services of prosecutors have been lost as a result of their dissatisfaction with the changes. It is true that one Crown prosecutor and four senior Crown prosecutors have resigned this year. I will outline for the benefit of this House, in particular the member for Warwick, the reasons for those resignations.

Two of the senior Crown prosecutors resigned during the course of investigations into complaints regarding their conduct. In one case, the complaint had been referred by the department to the Criminal Justice Commission. A third senior Crown prosecutor, who was employed part time, resigned after the birth of a child. The fourth senior Crown prosecutor went to the private Bar. The fifth person took a promotion to Legal Aid Queensland and has applied for a transfer back to the Office of the Director of Public Prosecutions.

The sixth erroneous allegation is that the changes in resource management have resulted in late briefings to prosecutors for trials and more briefings to members of the private Bar. Recently published judicial criticisms related to cases which were allocated to staff within the Office of the Director of Public Prosecutions prior to the creation of the position of Executive Director, Office of the Director of Public Prosecutions. The most difficult issue to resolve in avoiding late briefings is how the use of court resources and the use of the Director of Public Prosecutions' resources can both be optimised. The Director of Public Prosecutions and the Chief Judge of the District Court are working on this issue. The method of allocating trials to staff and to members of the private Bar is unchanged. Mr Hannigan has been responsible for these costs for the past three financial years, and only after fees paid by the Director of Public Prosecutions rose last financial year to match those paid by Legal Aid Queensland have brief fees reached the level of \$750,000, which is what they were before he took over management of those costs.

I now come to the 9th of the 9th in 1999. On that auspicious date, the shadow Attorney-General wrote to the Criminal Justice Commission asking it to investigate the Director of Public Prosecutions' office in accordance with its obligation under section 23(c) of the Criminal Justice Act 1989. Mr Springborg said he was drawing the chairman's attention to section 23(c) and even considered it necessary to quote its contents to Mr Butler, SC.

Apart from noting that, I am confident a senior counsel specialised in criminal law and responsible for the administration of the Criminal Justice Act does not need Mr Springborg to introduce him to the contents of the Act, let me now draw the member's attention to Volume 4 of the Criminal Justice System Monitor released by the CJC this February. It says—

"Funding of the Office of the Director of Public Prosecutions (ODPP) kept pace with increases in workload and inflation; but a projected workload increase for 1998/99 could lead to budgetary pressures."

Let me also draw his attention to the additional \$1.4m provided to the Office of the Director of Public Prosecutions by this Government in 1998-99. What is really happening in the Office of the Director of Public Prosecutions is that a systematic approach is being brought to the management of both people and finances. Not surprisingly, out of an organisation of some 260 people, some will be apprehensive of change and a small number may even be strenuously opposed to it. The Office of the Director of Public Prosecutions will not be intimidated into apathy by the concerted attempts of the shadow Attorney-General to create and fuel controversy and alarm for his own political ends.

MINISTERIAL STATEMENT

The Next Decade Discussion Paper

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) (9.51 a.m.), by leave: In April of this year, the Premier and I jointly released a discussion paper, *The Next Decade*, a discussion about the future of Queensland State schools. The discussion paper and the subsequent consultation will, in the historical perspective, be seen as a watershed in the evolution of the Smart State.

The discussion paper outlined a series of challenges that State schools face. They included—

the growing number of children from poor families attending State schools;

the increasing complexity of family and cultural backgrounds of school children;

the rapidly changing world of work that students are preparing for;

the enormous opportunities and challenges posed by the changes to communication and information technology; and

the problems faced by diverse Queensland communities affected by the impact of exposure to global markets.

The paper also highlighted the threats to State education brought about by the ideologically driven attempts of other Governments to force change through increased competition and funding models that shift resources to non-Government schools.

The paper essentially posed the question of what sort of State education system we would need to build over the next 10 years to ensure that all our children, irrespective of their location or circumstance, would have the best chance for a successful and fulfilling life in a rapidly changing world. The discussion paper was used to facilitate discussions and seek the views of a wide range of Queenslanders on these matters—teachers, parents, students, non-school staff, other Government departments, employers, workers, community groups and key interest groups connected with education. All in all, at over 700 meetings around Queensland, some 10,000 people became involved in the process and over 250 submissions were received.

Today, I am pleased to table the report on the consultations. It outlines the views of those consulted on the future of Queensland State schools. The report has been published and provided to all schools and to those who were involved in the consultations. The report shows that we have a strong and positive State education system in Queensland.

There are many teachers and parents who care passionately about the future of students and their schools. They give their time and skills unstintingly in the public interest. This social capital is the very underpinning of a healthy and just democracy. Given the chance through this process, teachers and parents have shown that they are not afraid to tackle the hard issues and openly and honestly discuss the best way forward. They have drawn attention to some critical matters. They included—

We need a greater proportion of our students successfully completing school so that they and our State will have a better future. They want broader study options in the post-compulsory years to suit the different destinations of students.

Schools need to be more flexible in the way they respond to the educational needs of diverse groups within the community.

The bureaucracy needs to add value to the learning relationship in schools more than it now does.

There should be a focus on the new basics that prepare students for the information age. Literacy and numeracy are fundamental but so, too, are new skills that will be essential for work and life in the next century.

State schools are a valued asset with an important role to play in ensuring a fair go for all and are a vital part of community and social development; and

Greater attention should be given to the early years of childhood. They want preschool services that suit the needs of working families and are better linked to other early childhood services.

There are many more messages worthy of consideration by Government outlined in the report. I commend it to members.

My department is now preparing a draft strategy for Queensland State schools for the next decade based on the comments in this report. There will be further consultations with parents, teachers, students and the wider community once that draft is available.

I would like to emphasise that the strategy we are developing has a 10-year time horizon. These changes will not occur overnight. The future of Queensland children deserves such a measured and considered approach and I commend it to the House.

MINISTERIAL STATEMENT

Ambulance Week

Hon. M. ROSE (Currumbin—ALP) (Minister for Emergency Services) (9.56 a.m.), by leave: Ambulance Week 1999 began on Sunday and continues until Saturday. It provides a chance for Queenslanders to focus on our pre-hospital emergency health care providers and the various services they provide for each of us.

Queensland's ambulance officers are the most dedicated and professional in the nation and among the best in the world. They prove that every day of every week of every month of the year. They are ordinary people who do extraordinary things. But sometimes we take our ambos for granted. We may only think about them when someone we know is sick or injured and needing emergency treatment. It is also easy to think of our ambulance service as just lights and sirens. But, of course, it is much more than that.

As well as providing pre-hospital emergency care, our ambos offer non-urgent patient transport services for those people who have difficulty making their own way to clinic or

hospital appointments. They provide first aid and CPR training. They are on hand at major events. They offer baby capsule fitting and hire services. They deliver programs to enhance the safety of children and our seniors as they go about their daily lives. And they save lives. Hundreds of Queenslanders each year owe their lives to a Queensland ambo. Our ambos last year treated and transported nearly half a million Queenslanders and travelled more than 22 million kilometres in doing so. More than 130,000 of their call-outs were to life-threatening Code One emergencies.

They never know just what their next case will involve. They may have the tragic task of treating the injured at a car accident. They may attend an incident where their own lives are put at risk or they may be called to assist in the unexpected delivery of a new baby. Regardless of the incident, what our on-road ambos do now at emergencies would never have been considered 20, 15, or even 10 years ago.

Ambulance Week also provides the opportunity for the service to say thanks to the hundreds of volunteers who give of their time to serve on local ambulance committees. Without that assistance, the QAS would not be able to provide the level of service it now does to communities right across the State. LACs raise money to buy state-of-the-art equipment for our ambulance officers. They also help provide better working conditions and accommodation for our hardworking officers.

A highlight of yesterday's official opening was the naming of Home Hill's Bruce Reid as the Queensland Ambulance Officer of the Year. Bruce epitomises what the QAS is all about and personifies the dedication and professionalism of our ambos.

During Ambulance Week, the QAS will highlight its role within the community and the services it provides on a daily basis. Throughout the State, ambulance officers are opening the doors of their stations to the public and holding demonstrations and displays at major shopping centres. I would like to take this opportunity to pledge the Government's continuing support of the QAS and to thank every officer and every QAS employee for the magnificent work they perform for their fellow Queenslanders.

SCRUTINY OF LEGISLATION COMMITTEE

Report

Mrs LAVARCH (Kurwongbah—ALP) (9.59 a.m.): I lay upon the table of the House the Scrutiny of Legislation Committee's Alert

Digest No. 11 of 1999 and move that it be printed.

Ordered to be printed.

PRIVATE MEMBERS' STATEMENTS

Beattie Stealth Tax

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10 a.m.): This morning we have seen something quite unprecedented in this Parliament. We have seen the Premier and acting Treasurer rise to defend a Budget that he has not yet delivered. We know the calibre of the acting Treasurer. We saw it this morning. Everyone else made him do it: the Commonwealth made him do it, the previous coalition Government made him do it, other State Governments made him do it.

What is it that the Premier is doing? He is introducing a new tax—a Beattie stealth tax—of 6% on every item of capital expenditure in this State unfunded from next year. What we see is this new secret BST, which dropped out of the Treasury briefing yesterday and absolutely horrified the Premier's backbench members, sitting alongside a raid on public sector superannuation funds. It is sitting alongside a cut in payroll tax but will actually increase payroll tax.

From July next year, every Government department that builds a hospital, a road, a police station will have to pay 6% to the Treasury Department. It will be a 6% tax that will go back to the acting Treasurer and Premier. This will disadvantage capital works programs, because if a department has to pay 6% to build a new school, it will think twice about building that school. It will be an incentive in respect of closing small police stations and small schools, because at the end of the day if they have to pay a tax they will be inclined to close those facilities.

Time expired.

Literacy in Schools

Ms STRUTHERS (Archerfield—ALP) (10.02 a.m.): The campaign to improve literacy in our schools is one that must continue in earnest and I acknowledge the firm commitment that the Minister, the Honourable Dean Wells, has to this cause. I know also that the Federal Minister, Dr David Kemp, is a newly enlisted supporter of the cause. However, many teachers feel under attack from the Federal Minister. They feel as though they are being blamed for the literacy problem.

I put on the record today that I am very impressed with the positive educational programs and teaching methods being used in the schools in my area. Not only are the basics being covered well but also the dedicated school staff and parent helpers put in a lot of extra miles.

Very positive results are being achieved through the Reading Recovery Program in primary schools in my area. Grand Avenue State School has just completed training for volunteer helpers in its Support-a-Reader program. Students at Algester State School recently attended a writer's camp where Ian Calder, a former writer and associate producer of Agro's Cartoon Connection, shared his skills with the kids.

Full marks also go to Greg Burns and his staff and parent volunteers at Watson Road State School. They are putting lots of energy into improving the literacy and numeracy skills of students in their school. It is a small school in a low socioeconomic area. One of the stand-out features of Greg and his staff is that they treat the kids with a great deal of humanity. This is the key ingredient for educational success.

Beattie Stealth Tax

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (10.04 a.m.): Today's Budget does what no other Queensland Budget has done before. From July next year, it will hit every new school, hospital, courthouse and road with a BST—a Beattie stealth tax—of 6% on all capital works. That will happen from 1 July next year. The BST will rip hundreds of millions of dollars out of health, education, law enforcement, public housing, emergency services and transport. No department will be exempt.

We have done a quick calculation and, based on last year's Budget, the tax grab will be more than \$300m. To pay that BST, departments will have to sell community assets such as schools, hospitals and police stations that are deemed to be inefficient. The only alternative will be to slash programs and cut staff such as teachers, nurses, doctors and police. This is the same sort of slash and burn policy that Labor used to close railway lines and other regional services under the former Goss Government. They have learned nothing. The net result will be fewer schools, hospitals, police stations and courthouses.

The Premier claims to have boosted capital works by 6%, but he is pulling a swifty. That 6% is a one-off paper entry this year only

to offset a totally new and identical liability to Treasury under the BST. The Premier is giving with one hand and taking with the other. That 6% does not provide one extra dollar for bricks and mortar. Every last cent will go back to Treasury and next year will be a totally different ball game. There will be no 6% offset on new projects, just a 6% liability.

The Premier did not have to introduce this tax. It is a very nasty optional extra that seeks to make a virtue of odious comparisons. There is no more reason for this BST in Queensland than there was in the past for petrol excise, bed taxes, death duties and other charges levied by interstate or Federal Governments. The buck stops with the Premier and acting Treasurer.

Palmwoods Bypass Road

Mr WELLINGTON (Nicklin—IND) (10.06 a.m.): The Maroochy Shire Council is experiencing rapid population growth. These growing pains are placing a lot of pressure on current resources and, in an attempt to manage this growth, the council has prepared a draft planning scheme for the purpose of updating the current planning scheme which commenced in December 1985. I am informed that the council has received over 1,200 submissions. I understand that more than 30 of those submissions related to a proposed bypass road for Palmwoods. I am informed that the Maroochy Shire Council is currently considering the submissions received to the draft planning scheme and hopes to have the council's preferred planning scheme forwarded to the Minister for Local Government for consideration by 1 November this year.

One matter raised in the draft that has evoked a lot of concern and anguish in the community has been the proposed road for Palmwoods, described in the council's documents as a distributor road for Palmwoods. As a result of the anguish that the proposed road has created in the community, on 25 August this year the Maroochy Shire Council debated this matter and accordingly passed a resolution indicating that—

"Subject to consideration of all properly made submissions the council was unlikely to support the proposed Palmwoods bypass road and further investigation of it."

I now table a copy of that Maroochy Shire Council resolution.

The purpose of my address this morning is to draw to the attention of the Government and, in particular, the Minister for Local

Government the fact that I support totally my constituents' concerns about the proposed Palmwoods bypass road and I support the removal of the proposed Palmwoods bypass road from the planning scheme. I table a copy of the proposed bypass road as referred to in the planning scheme, together with a copy of all the submissions that I have received from my constituents on this proposed road. I do not believe that the State Government has any interest in the proposed road and I urge the Minister for Local Government to support the removal of the proposed road from the planning scheme when it is submitted to him for consideration by the Maroochy Shire Council later this year.

Beattie Stealth Tax

Mr HORAN (Toowoomba South—NPA) (10.08 a.m.): From today's Budget, every item of new capital expenditure and plant and equipment will be subject to the Beattie stealth tax of 6%. It will cover everything, just like chicken pox. There will be a 6% tax on new hospitals, new schools and new police stations, but it is worse than that. The tax will cover plant and equipment as well: sand pits, slippery dips, handcuffs, guns, police cars—everything. This document states that all plant and equipment and all capital assets will be subject to a 6% Beattie stealth tax which is not funded from this year on. Therefore, the money must be found from within departments.

Because past assets are funded for 6%, we will see a great incentive—or carrot, as the Premier said—to close down schools, country hospitals and police stations. There will be a disincentive to build new police stations, new hospitals and new schools, and to provide staff with proper plant and equipment.

The document also says that any capital injection into another organisation is subject to the BST. Let us take Lang Park, which, at a cost of \$250m, will mean \$15m a year of BST. Every time you chew on a pie, pay to go in the gate or have a beer, you will be paying the 6% BST to fund the capital charge on the equity put into Lang Park.

This is economic rationalism gone absolutely mad. Today the Premier said that there will be no net cost to a department. If a department does \$100m worth of capital works and plant and equipment, there will be no net cost only if it sells off or closes down the \$100m from years gone by. That makes a lie of what the Premier said. This is a stealth tax that puts a 6% tax on every building and every piece of plant and equipment, on morgues,

handcuffs, sand pits and police cars. You name it, there will be a 6% tax on it.

Time expired.

Mr T. Smout; Republic Debate

Mrs LAVARCH (Kurwongbah—ALP) (10.10 a.m.): Mr Speaker, 2 September this year marked a century since Queenslanders voted for Australia to become a nation. On 6 November this year, Queenslanders will go to the polls to decide whether we want an Australian as a head of state and thereby completing our journey of independence. A century ago, a Queenslander, Sir Samuel Griffith, had the courage and foresight to lead the debate on Australia becoming a nation and has been recorded in history as one of our founding fathers.

Today I wish to mark the courage and foresight of another famous Queenslander for his commitment to the cause of Australia becoming a republic by being the first person to sign the Australian Republican Movement's Founders Book. I speak of Ted Smout. Ted, one of our few surviving World War I veterans, is 101 years old. For the first century of his life he has witnessed Australia's journey from being a colony to a Federation and a nation, and now he believes that we should become a republic. Last year, he realised that the time had come to leave behind the monarchy, when he was invited to France to be endowed with France's highest decoration, the French Legion of Honour. Upon returning home through Heathrow Airport with three other World War I veterans, all four were treated appallingly by an officious British airport guard. He says that his medals activated the alarm on the metal detectors—as any fool would know—and "that some bearded idiot insisted on frisking us despite the protest of our carers". There were 300 passengers on the plane and they were the only four searched. Ted was disgusted because they were treated with honour in France but like criminals in Britain.

The editorial of the Weekend Australian on 4 and 5 September this year best summed up this experience by stating—

"When the French honour our heroes more highly than the British, the formal severing of our lingering links to the Empire cannot be far away."

All Queenslanders can become part of Australia's history by supporting a yes vote for an Australian head of state on 6 November, and showing their commitment to the republic

by following Ted Smout's lead and signing the Founders Book.

Time expired.

Giant Rat-tail Grass

Hon. V. P. LESTER (Keppel—NPA) (10.12 a.m.): I refer to the greatest noxious weed threat that this nation has ever seen, giant rat-tail grass. This tough type of grass from South Africa has spread to Gympie, Gladstone, Rockhampton and to the north west of those places. A number of properties have been severely affected. For example, a property that had a carrying capacity of 1,500 cattle has seen that capacity fall to 500, and it is getting lower. Cattle cannot eat the weed. Once eaten, the seed of the grass is passed through cattle and is deposited on the ground, where it grows again. Wet seeds of the grass are sticky and are spread readily, for example, by birds. The seeds can also float on top of water. The weed can destroy the environment and can cost millions of dollars through land loss; affected land can never be used again.

Years ago, I gave the same warnings about parthenium weed, and we did not do enough about it then. We need to spend more money on eradicating this weed now. I seek leave to table this vacuum packed specimen of the weed in the Parliament.

Government members interjected.

Mr LESTER: This is not something to laugh about. It is a serious matter.

I call on the Government to purchase a property and to fund the best available scientists to work on the eradication of this weed. The weed should be put on the national list of noxious weeds. Let us start early and deal with this weed now before it spreads, degrades our land and results in millions of dollars being lost through properties being rendered unviable. I seek the support of the Parliament to do something about this weed not tomorrow but now.

East Timor

Mrs ATTWOOD (Mount Ommaney—ALP) (10.13 a.m.): The body count continues to rise amid reports of massacres and violence in Dili. How can we, as a close neighbour and humanitarians, look on and allow this to go on? If our neighbour was in trouble and their lives threatened, we would certainly take action to help them out in any way we possibly could. Aid workers from Caritas Catholic Social Response were afraid for their lives. But the response from the Defence Minister was an

uncaring, blase "they knew what to expect—they went over there with their eyes open". If he cared about the loss of life as much as the aid workers, his response would have been different.

Last Sunday, at the Canossa Hospital church service, Archbishop Rush dedicated the mass to the troubled country. He said that anger and resentment is the cause of wars. If we could all just think and reflect for a moment before breaking out in a rage of anger, this bloody violence would not occur.

There are currently 47 Canossan Sisters who can now not be traced in East Timor. What has become of them? What steps will the Federal Government take to investigate their whereabouts? These Christian nuns have devoted their lives to helping others in distress. They have been caught up in the violence and treated no differently than the people they have been trying to help.

While we sit comfortably watching these events from a safe distance, others are putting their lives at risk at the core of the violence in an attempt to save their neighbours. We are not powerless and we should exercise our democratic rights to insist that the Federal Government at least find safe passage for those aid workers who believe in humanity.

As the Australian Government is guaranteeing one billion dollars in loan funds from the IMF to restructure the Indonesian economy, surely we can exert some form of economic pressure to ensure the military maintain the peace in Timor.

Mr and Mrs Hall; Transport Department

Mrs SHELDON (Caloundra—LP) (10.15 a.m.): I wish to raise an issue that is of considerable concern to two of my constituents, a Mr and Mrs Hall, who on 28 May 1997 lost their 22 year old son to meningococcal disease. Since that time, they have been trying get an answer from the Queensland Transport Department and the Minister about their property, which they wish to dispose of and which is on the proposed alignment for the CAMCOS rail corridor. This has now been going on for over 18 months. They cannot get an adequate response from the department, and the Minister is not interested.

I wish to quote part of a letter from Bugler Francis Valuers, which the Halls have employed to try to help them in this regard. The letter states that the valuers had been advised by the Department of Transport that a date cannot be given on which they could find

out what was going to happen to them. Mr Bugler states—

"Our clients are most distressed by your department's response. They have complied with your requests to attempt to sell their home and have been most tolerant in dealing with your office."

In fact, they are unable to sell their home, and that is something that I will address further in another document. Mr Bugler states—

"Where is the justice in your Government's programme? How is it possible in a democratic country that your department has the power to disadvantage people's lives and cause injury to the value of their property without compensation?"

The other day I noted that the Minister's department stated that there would not be compensation for people in situations such as these. The letter continues—

"Our clients anxiety distress exacerbated by the tragic personal circumstances they have been through feel that they have not been given a fair go."

I wish to quote letters from real estate agents. The Halls did what the department asked; they put their property on the market and they have contacted a variety of real estate agents. However, they cannot sell their property. Webber and Associates state—

"On reflection and in discussion with my Sales Staff, I believe that your property would be difficult if not impossible to sell with the cloud of uncertainty over the proposed Rail Line."

Another agent stated—

"Your property, under normal circumstances, would have wide appeal in the market place

...

I would confirm our discussions, however, that the marketplace has reacted very adversely to the announcement of the proposed railway route and this proposal will impact very severely on the likely selling price of your property."

Time expired.

East Timor

Mr SULLIVAN (Chermside—ALP) (10.17 a.m.): Last Saturday, the Brisbane City Hall was filled with people meeting in support of our colleagues in East Timor. Organised by

Amnesty International and led by civic leaders—Jim Soorley, Archbishop Peter Hollingworth and Archbishop John Bathersby—more than 2,500 citizens of Brisbane shared the pain of people such as Joe Triexera as they heard of the suffering experienced by their colleagues in East Timor. Aid workers who had just returned from the horror of that place outlined in detail what they had seen and experienced. There was strong union representation at that meeting. When Grace Grace identified the efforts of the Queensland Nurses Union, the AWU, the Miscellaneous Workers Union, the MUA, the BLF and my union, the Queensland Independent Education Union, among others, there was resounding applause.

The applause was matched almost by deafening silence when on two occasions the more than 2,500 people remembered those who had suffered and died and who are still suffering and dying at the hands of the Indonesians and the militia. Federal politicians Kevin Rudd, Craig Emerson and Andrew Bartlett outlined possible plans of action. Those people have been involved in overseas work and in working with the United Nations. There are some positive steps that can be taken. Speakers at the rally congratulated the Federal Government on the positive steps it has taken and called on it to support the plan for peace, which has outlined measures such as economic boycotts, the removal of the billion-dollar aid package that Australia is planning for Indonesia and so on. There are steps that can be taken. We must help our East Timorese brothers and sisters.

Literacy in Schools

Mr HEGARTY (Redlands—NPA)
(10.19 a.m.): Many parents are concerned that their children are failing to learn to read. There is evidence that a large number of school leavers seeking to enter the work force are unable to read at the basic level required for employment.

Recently, I attended a dinner at which Mrs Elizabeth Clarke was guest speaker. Mrs Clarke was a teacher for 30 years and has spent the past 10 years studying the brain. She believes that teaching phonics when teaching children to read is the answer to many of today's literacy problems. Mrs Clarke's speech was of great interest to me because, just a week before, I saw an advertisement on television for a new way of teaching people to read called "The Sound Way".

My office contacted the 1300 number given to ring for more information. It was a

marketing company that is selling 20 video tapes and books on the concept of phonics. The company's present program is aimed at children aged from seven up but soon will begin to sell a program for children under seven in the same price range. I have no doubt these programs are selling well among Queensland parents who are deeply concerned that the school system is not teaching their children to read properly.

I understand, however, that Education Queensland owns the copyright to phonics books in the series Queensland School Readers Preps 1 to 4. These were issued by the Department of Public Instruction with Crown Copyright reserved. Many members of the House may remember these books and, I would hope, would remember how they benefited from simple phonics instruction when learning to read. Why are these books or modernised derivatives of them not used for phonics instruction in Queensland schools?

Whilst I understand that teachers currently have options as to how best to teach literacy to students, I expect, however, young teachers would not be so predisposed to phonics teaching if they had not been taught that way themselves. I call on the Minister to introduce teachers to phonics as part of their in-service training so that this world tried and successful method of teaching reading can be more widely used.

East Timor

Dr CLARK (Barron River—ALP)
(10.21 a.m.): I join the Premier and other members who have spoken this morning to highlight the tragedy occurring in East Timor. Australians across our nation are outraged and appalled at the slaughter of innocent, defenceless men, women and children in East Timor at the hands of the militia, aided and abetted by the Indonesian police and military. The news that Indonesia will allow a UN peacekeeping force into East Timor is welcome, but clearly many more innocent people are going to be killed before that force arrives, their only crime being to support the independence of their homeland from Indonesia.

In far-north Queensland feelings are running high and the Cairns East Timor Support Association was formed on the weekend by members of the local East Timorese community and Cairns residents with the support of the Timorese National Resistance Council in response to the tragic events which have occurred in East Timor since East Timor voted for independence

earlier this month. One of the CETSA's first actions will be to hold a public rally today at City Place at 5.30 p.m. The East Timorese need Australian support at this time and a big attendance today at the rally will send a powerful message to Jakarta and Canberra that the recent events in East Timor are totally unacceptable. I am extremely regretful that I will be unable to attend that rally this afternoon to show my solidarity with the East Timorese people.

In common with many Australians, I feel a terrible sense of powerlessness and helplessness as I watch the TV images and the destruction of East Timor and its people. However, there is something that Australians can do. Money will be needed to provide for the food and medicine for people hungry and dying in the mountains, to support the refugees who fled East Timor with nothing, and obviously to reconstruct cities such as Dili that have been destroyed. The Cairns East Timor Support Association, which is a non-political humanitarian organisation, is seeking donations. I have gladly accepted a request to be a co-signatory to its fundraising account. Moneys will be provided at the appropriate time to an aid agency to ensure that money will go where it is most needed. I do urge the people of Cairns to attend the rally this afternoon and to provide that support that the East Timorese so desperately need at this time.

Time expired.

East Timor

Mr PAFF (Ipswich West—ONP) (10.23 a.m.): It is with heartfelt sorrow that we hear of the devastation that is taking place in East Timor as we speak. The lives of many people have been lost and still more will die. The Indonesian military forces are not protecting the people. They are most certainly aiding in the slaughter of innocent men, women and children whose only crime is to want their freedom. How many more people have to suffer before greedy men and arrogant politicians are touched by the pleas of the people? I do not mean after the event; I mean before it.

The major parties in this country have blood on their hands for their appeasement of Indonesia. Paul Keating has blood on his hands for the secret defence deal he made with President Suharto of Indonesia. Now we have a situation in which we have no choice but to send in Australian soldiers to risk their own lives to protect the East Timorese people. I am sure it would be of greater comfort to all if

we could send in the politicians with Keating leading the charge. Are we a nation with leaders or a nation of cowards?

The situation in East Timor requires serious and immediate attention. The Prime Minister has done the right thing by preparing Australian troops to go to East Timor. The process, however, is far too slow. Each day that passes costs more lives. Let us pray that when they get there it will not be too late. Before I close, I feel it is necessary to say that, if Australia ever needed a wake-up call to indicate to us that our defence forces are inadequate and insufficient in number, this is that call. Do not let the next one be too late.

Queensland Innovation Strategy

Mr ROBERTSON (Sunnybank—ALP) (10.25 a.m.): Queensland's innovation strategy, Innovation Queensland's Future, was made available for public comment on 13 July and submissions closed on 31 August. At that time 130 external submissions had been received, nearly all the feedback being supportive of the strategy and initiatives. Responses have been received from industry, local government, research institutions, universities and cooperative research centres.

Some of the recurring themes and comments have been a strong support for the Centres of Excellence Incentive Scheme; a great deal of comment on the Innovation Start-up Scheme, a pre seed funding initiative; support for a whole-of-Government intellectual property policy; high expectations for the Queensland Innovation Council; and endorsement of the emphasis on the commercialisation of new ideas. The encouraging aspect has been the support that the document has received from industry associations, such as the Queensland Chamber of Commerce and Industry. The QCCI said—

"The QCCI congratulates the Queensland Government and the Department of State Development on the thorough review of innovation activities in Queensland resulting in the 'Innovation—Queensland's Future' discussion paper. The discussion paper is testament that Queensland understands the value of an innovation culture and that future industry and economic growth will become increasingly dependent on innovation systems."

Last year when the Beattie Government took office it was of great concern to us that initiatives in innovation and technology had

been left to languish by the previous Minister. This document not only seeks to redress the time wasted under three years of coalition apathy, but also plots the path for Queensland's future prosperity.

Beattie Stealth Tax

Mr ELLIOTT (Cunningham—NPA) (10.27 a.m.): I wish to draw the attention of the House to an example of how the new BST, that is the Beattie stealth tax, will affect the small schools of Queensland. Let me quote the case of the historic Ramsay State School. While the permanent buildings are sound and adequate for the task, were this school to close, their value would be very minimal indeed. Under both this Government and our previous Government, they probably would be offered to sporting outfits, the scouts or another such organisation and probably would be given for nothing or, at most, \$500.

What would happen under this proposal, and I put this example up at the meeting yesterday? Those schools will be valued at their replacement cost; they will not be valued at the value that I am talking about. We will see an absolute decimation of small schools across this State. That incentive has always been there. I have walked over hot coals under about five different Governments to keep this particular school open. Now this Government is going to use this new system by stealth to say, "Never mind about what is best for the kids, we will bus them into Toowoomba."

A Government member interjected.

Mr ELLIOTT: That is not dishonest and the member opposite knows it. He should hang his head in shame that he is associated with this decimation of small schools, because that is what it is going to be. As a former teacher, he should know better than anybody in here that this will be absolutely disastrous to all the small schools in this State. The people opposite should be ashamed of themselves.

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

QUESTIONS WITHOUT NOTICE

State Budget

Mr BORBIDGE (10.30 a.m.): I refer the Minister for Health to her statement to Estimates Committee E of one year ago, which I table for the information of the House. In particular, I remind the Minister that she said—

"There will be no clawing back of that money from the hospitals involved in capital works. There will be no extra savings. The previous Minister dragged something like \$150m in forced savings out of the hospital budgets. We will not be doing that and you have my commitment on that."

Later the Minister said—

"The Labor Government has dropped the hospital tax because we believe that efficiencies in the public health system should go back to the clients—the people who need health services—and not back to Treasury."

I ask: does the Minister now support the Premier's plan to introduce a 6% equity return on Queensland Health's capital stock?

Mrs EDMOND: I thank the member for the question. It gives me an opportunity to raise a couple of things. Firstly, the 6% equity bonus will be detailed in the Budget this afternoon. I know that those opposite are excited about the Budget and can hardly contain their excitement, but I am not going to pre-empt it.

I am delighted to inform members—some of them clearly have forgotten—about the Horan health tax. Do honourable members remember the Horan health tax? Those opposite seem to be confusing their policy with ours. What would Mr Horan's health tax have done? For this Budget year, \$27m would have gone out of health services. In the following Budget year it would have been about \$58m. These figures are off the top of my head, but they are pretty close.

Mrs Sheldon: Is that why you've got them written down?

Mrs EDMOND: These notes are in my writing. I wrote them down. The member is very predictable. In the following Budget year it would have been \$86m, and so on. This money was to be taken off the top of recurrent budgets—straight out of nurses, doctors, operations, children's health services, mental health care and even emergency departments. It would have come straight off the top of every department.

I am delighted to say that the Horan health tax was abolished last year, in the first Beattie Budget. Those opposite are running around with Budget statements from last year. They should have a look and note that this tax was deleted last year. As a result of the decision to abolish Mr Horan's health tax, hospitals will not have to cut services to pay for it.

I am delighted to report that Health is now delivering the full capital works budget. There has been no capital works freeze, as there was under former Treasurer Sheldon. We are delivering the construction, we are delivering the jobs and we are delivering the health services, as we promised and as was our commitment right back in 1992. I am delighted to report that the Horan health tax died in last year's Budget.

State Budget

Mr BORBIDGE: I refer the Premier to the planned 6% equity return, or the BST, which is set to apply to all Government departments and which yesterday caused widespread alarm among his backbenchers following the Treasury briefing, and I ask—

Mr Beattie interjected.

Mr BORBIDGE: The Premier was not in the dining room at lunchtime. He should have seen the way Government members came in—one by one. They were not very happy. It was the first they had heard about it.

Mr SPEAKER: Order! Is this the question? Do you want to know whether they had heard about it?

Mr BORBIDGE: I was replying to an interjection.

Mr BEATTIE: I thank the Leader of the Opposition for the question—

Mr SPEAKER: Order! You have just asked a question.

Mr BORBIDGE: I was replying to interjections that you were permitting, Mr Speaker. The question is: did the Premier secure the support of his caucus before he decided to press ahead with this impost on public sector capital works, unfunded from July next year? Does he now have the full support of every member of his parliamentary team for this new tax-gathering initiative?

Mr BEATTIE: I am delighted to take this question. I have the support of my caucus, which is more than can be said for the Leader of the Opposition. He does not have the support of his colleagues. I understand the normal nonsense we get from the Leader of the Opposition.

This is an idea that was supported by both sides of the Parliament. This is an equity bonus. Let us be clear about it. The Minister for Health was talking about a 5% tax grab by the previous Government. We are giving each Government department an extra 6%. Do honourable members know what that means?

It means more schools, more hospitals and more police stations.

Let us look at the facts. The Leader of the Opposition has difficulty with the truth. The coalition in fact developed the concept of accrual output budgeting and Managing for Outcomes. I give it credit for that. It did it. This is not a new concept. It is applied across all States and in the Commonwealth Government. The then coalition Cabinet endorsed the accrual output budgeting process in April 1997, when the Opposition Leader was the Premier. I draw two things to the attention of the House. The report of the Queensland Commission of Audit, commissioned by the previous Government, states—

"The Government should allocate existing and new capital to government departments and agencies, and make all departments and agencies"—

Mr Borbidge interjected.

Mr BEATTIE: He admitted it. Thank you. It continues—

"... and make all departments and agencies subject to an asset usage charge regime, as part of budgeting for the provision of service outputs through service agreements or 'contracts'."

That is the first document which indicates their commitment in relation to these things. When did this go to Cabinet? When was this approved by the then Premier and supported by the Opposition Treasury spokesman? I table a document entitled State Strategic Plan. It contains wonderful photos of Rob Borbidge and Joan Sheldon. They are nice photos. The document, endorsed by Cabinet in April 1997, states in part—

"introducing an accrual output budgeting and accounting regime and reporting the net worth of government and changes in net worth;

introducing systems and incentives for the efficient management of capital under the control of Government agencies"

What a lot of fraudulent dishonesty! I am happy to say that not all good ideas come from this side of the House. I am happy to give Mr Borbidge, Dr Watson and Mrs Sheldon credit for the idea, but this is about putting more money into capital. Just because it was their idea does not mean that it is a bad idea. I mention one other thing. One of the other great States in which it is argued that this is a good idea is Victoria. The level in Victoria is 8%.

Employment Generation

Mr SULLIVAN: I refer to the State Government's outstanding employment generation performance, and I ask: can the Premier inform the House how this job creation performance compares with that of the rest of Australia?

Mr BEATTIE: I thank the honourable member for his question. We have a very impressive record when it comes to jobs. Queensland leads Australia in job generation and economic growth. As honourable members would be aware, the two are interconnected. Without economic growth, jobs dry up. Under my Government, economic performance has been very strong—I will highlight that in the Budget this afternoon—and therefore jobs growth has been very strong as well.

This Government inherited an unemployment rate of 8.9%. Last month Queensland's unemployment rate was 7.9%. That is after 14 and a half months. Unemployment is still too high, but the reduction in the unemployment rate shows that my Government's policies are working for Queensland. We are seeing the lowest levels of unemployment in a decade.

Since taking office, my Government has created 49,000 new jobs. Three out of four of these jobs are full-time positions. It is worth pointing out that there are now 11,400 fewer unemployed in Queensland than there were when the coalition was in power. Honourable members might recall that its last Budget predicted that unemployment would go up. We have turned that around. That has been achieved at the same time as an additional 38,000 Queenslanders joined the work force. This shows that my Government's policies are working and, importantly, that those results are being acknowledged. Our track record is very simply this. In its first year the Borbidge/Sheldon Government created 23,900 jobs—more than 20,000 fewer than we did. That says it all. This Government is delivering.

Moody's Investor Services has awarded Queensland the highest credit rating and commended the State as being in a position of unparalleled strength. The most recent Moody's report, which reaffirms Queensland's AAA rating, says—

"Financial management policies ... have left Queensland in a position of unparalleled strength among the Australian States.

The principles underlying this performance included balancing recurrent expenditures, limiting borrowings for tax-supported projects, and fully funding long-term liabilities such as superannuation liabilities.

This achievement is all the more convincing as it was done within the context of a low tax environment."

That is what the independent agencies are saying about our performance. The Moody's report goes on to say—

"The strong economic showing is reflected in growth in employment, with growth outpacing the creation of jobs elsewhere in Australia."

I would say that that is a ringing endorsement of my Government's jobs policies, and it makes claims by members opposite sound very hollow. We do not get out there and play the cheap political stunts, the half-truths and the distortions that members opposite come up with every day. They talk about this equity bonus. But how did they find out about it? We told them! I briefed them. Some secret that was!

Time expired.

Health Department Capital Charge

Dr WATSON: I refer the Premier and acting Treasurer to his statements made in the Courier-Mail on 9 May 1997 in which he described a proposed capital charge by the Health Department as "manipulative and unfair". I refer him specifically to his comments that such a charge was "the deepest cut of all" and "would result in fewer doctors and nurses being employed and fewer operations performed". I ask: was the Premier simply—as he is fond of saying—playing politics? And if not, why has he now backflipped yet again by introducing this Beattie stealth tax—a BST—from July of next year, which will then mean fewer roads, fewer roads, fewer hospitals, fewer doctors, fewer police and fewer teachers?

Mr BEATTIE: One of the ironies of all this is that, when accrual accounting was introduced federally, Peter Costello refused to brief the Opposition. He would not do it. What did my Government do? Yesterday, in a very open and transparent way, I, as the acting Treasurer, arranged a briefing. All the members of this Parliament were invited. There was no secrecy and there were no Peter Costello stunts. I openly arranged a briefing to make certain that everyone knew about the equity bonus. There was no secret about it.

Let us be really clear. What we had under the Borbidge Government was a 5% tax on education and health. I stand by everything I said: a 5% tax, and it pulled out that money. What are we doing? We are providing an extra 6% right at the beginning. The difference is this: members opposite had a tax; we are providing a bonus. That is the difference, and it is very, very clear. Through our arrangement there will be extra schools, extra police stations and extra hospitals. This is about ensuring that there is no waste. This is about making certain that we deliver the services to people. We are about to get out there and deliver.

I remind everyone of that Cabinet meeting in 1997 when the Leader of the Opposition, the then Premier, approved this very equity bonus. He approved it. And the Leader of the Liberal Party—

Mr BORBIDGE: I rise to a point of order. The previous coalition Government approved accrual accounting. We did not approve a new 6% tax on all capital works and assets of the State of Queensland.

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

Mr BEATTIE: I refer to the strategic plan that was approved by Cabinet in April 1997. That is what it does. The Leader of the Opposition says that he approved accrual accounting. Yes, he did. That is true. That is stated in the paragraph above. But does he tell us the full story? Oh, no! He never tells us the full story. He is very good at this Nixonian approach. I give the Leader of the Opposition credit for his Nixonian approach—half-truths. He does not tell us the full story.

Mr BORBIDGE: I rise to a point of order. I challenge the Premier to table documentation that the previous Government approved a 6% capital charge on the public assets and infrastructure—capital works—of this State. I challenge the Premier to table that documentation.

Mr BEATTIE: Doesn't he squirm when he is caught out! Yesterday, after the briefing that I arranged, members opposite all scuttled off to their media briefings because they thought, "Here is a good one." It was a good one, all right. It was their idea! As I said, not all bad ideas come from members opposite.

Mr BORBIDGE: I rise to a point of order.

Mr BEATTIE: Here he goes! Here is his idea.

Mr SPEAKER: Order!

Mr BORBIDGE: I find that remark untrue and offensive and ask that it be withdrawn.

Mr Beattie: Which one?

Mr BORBIDGE: That his 6% tax was my idea.

Mr BEATTIE: I withdraw. He never has had a good idea. To suggest that he has had a good idea is offensive. I can understand why he would feel offended, and I immediately withdraw it. He has never had a good idea.

Time expired.

Agency for Food and Fibre Sciences

Mr PURCELL: I refer the Premier to his comments about the Agency for Food and Fibre Sciences, and I ask: can he inform the House of the details of this initiative?

Mr BEATTIE: I am happy to do that. But let me tell the House that this Budget today is going to be a Budget of which the other States will be envious. This will be a Labor Budget that will make all the other States envious and jealous. This is more than a Budget today, this is a blueprint to turn Queensland into the Smart State with long-term, new-age jobs for the new century. This is more than a Budget. This is a turning point in the history of this State. We are going to give Queensland a future in new industries, IT and biotechnology.

Let me talk about one of the other great ideas that the Minister for Primary Industries and I launched yesterday. An elite, new, world standard research agency will be created in the Department of Primary Industries.

Opposition members interjected.

Mr BEATTIE: I would have thought that members opposite would have supported this. The Agency for Food and Fibre Sciences, the AFFS, will pull together the research efforts of more than 1,400 staff working in areas such as biotechnology, climate forecasting, food technology, fish, horticulture, beef, sheep, wool and forestry. The AFFS will cover 148 centres around the State with a budget this year of around \$100m in State and private research funding. It will put together a massive research intelligentsia that will lead Australia and give us a lead in the world. It will put Queensland on the world map in the critical area of food and fibre research. It will also give Queensland primary producers an enormous boost in a highly aggressive world market. This is about looking after the farmers of the future. That is something that members on the other side of politics did not do. This is about giving them a competitive edge in the world.

I promised, when Labor came to office, that we would establish a science organisation to promote scientific excellence in research,

development and extension services for food and fibre production, and we are delivering. This agency is a central element in my Government's Smart State strategy and will be outlined in the Budget later today.

The AFFS will link all the DPI's research, development and extension activities within one single agency to achieve a cross-fertilisation of ideas from a range of disciplines. It will establish a major research, development and extension force which will be identified nationally and internationally.

Mr Borbidge: How many dollars?

Mr BEATTIE: Here we go! The Leader of the Opposition is attacking the farmers. He is attacking something that will benefit the farmers. This will provide the State's major primary industries with a powerhouse of scientific capability into the new millennium.

Mr Borbidge: How many new dollars?

Mr BEATTIE: I know that the Leader of the Opposition does not see many farmers on the Gold Coast, but he should at least let us do something to help them.

There will be major emphasis on safe and effective biotechnology. The agency will be overseen by the Queensland Food and Fibre Science and Innovation Council, made up of eminent scientists, industry leaders and businesspeople. It will have a major spin-off for consumers and the community at large through better and safer food and fibre products. The agency means that the DPI will be able to deliver improved services to meet the needs of those involved in every stage of food and fibre production, manufacture, export and consumption.

Time expired.

Beattie Stealth Tax

Mr SPRINGBORG: I refer the Premier and acting Treasurer to his new BST—or the Beattie stealth tax—on all capital works projects from 1 July next year, and I ask: since the equity return is a cost opportunity charge linked to the current interest rate level, can he guarantee that the 6% equity return under his Government or any future Labor Government will not be increased as interest rates rise?

Mr BEATTIE: During the Borbidge/Sheldon years, some of the greatest financial illiterates of all time were in Government. Under the Borbidge/Sheldon Government, we saw structural problems for the Budget. They used one-off payments for recurrent expenditure. That is the sort of thing

that sent Victoria down the road to ruin. Under the Borbidge/Sheldon Government, we had the most extraordinary economic policies. Had the Borbidge/Sheldon Government remained in office, it would have bankrupted this State.

That Government moved away from the tradition of sound economic management, which had been supported by Sir Joh, by Nicklin and other people such as Sir Gordon Chalk, Ahern, Goss—all of those people who produced solid economic performances. The former Government ripped that up. It had increases of 18.5%. It was destroying the financial fabric of this State. It was the greatest financial wrecker that this State has seen in Government this century. All I can say is: thank heavens for Queensland that we won the election, because we saved Queensland from economic ruin, the sort of ruin that the former Government would have given it.

Was it any surprise that we have independent agencies establishing that there was an underlying deficit.

Mr BORBIDGE: I rise to a point of order. The Premier is misleading the House. The increase in recurrent spending in the 1996-97 Budget was 5%; 1997-98, 3.9%; 1998-99, 2.3%—not 18% as claimed by the honourable member opposite.

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

Mr BEATTIE: If the member's Government had received a second term, it would have wrecked the finances of this State. Let me be really clear about it: independent agencies—

An Opposition member interjected.

Mr BEATTIE: We have already released them publicly. They talked about the underlying deficit, for which the member opposite was partly responsible.

Dr WATSON: I rise to a point of order.

Mr BEATTIE: Mr Speaker, are we going to have points of order raised all morning?

Dr WATSON: The Premier is misleading the House. The Standard and Poor's report showed that that supposed underlying deficit was going at 2.7%. It was more than double under the previous Government—under a Labor Budget.

Mr SPEAKER: Order! There is no point of order. Before I call the Premier again, I am going to warn Opposition members that they will have plenty of time to debate this after the Budget is brought down. I do not intend to allow debate on questions, which is what is happening.

Mr BEATTIE: Standard and Poor's exposed the nonsense. It highlighted that the former Government had a structural underlying deficit. It confirmed that the members of the previous Government were economic and financial wreckers.

Dr Watson: 2.7% under yours.

Mr BEATTIE: Look at them squirm! They do not like it. When we give departments a 6% equity bonus, Opposition members simply turn around, because they do not want the money in education, health and law and order; they just want to play games.

Small Business

Mr PITT: I direct a question to the Minister for State Development and Trade. Given the importance of the small business sector to our economy, I ask: can he inform the House of recent indicators as to the state of the small business sector in Queensland?

Mr ELDER: I thank the member for the question. Recently, there have been several reports that all reveal a feeling of optimism in the small business sector. They want a good economic climate in which to grow. We are providing that and we will enhance it when the Budget comes down at 2.30 this afternoon.

Dr Watson interjected.

Mr ELDER: If the member wants concrete evidence, then I will give him some. The Pulse survey, which is conducted regularly by the Queensland Chamber of Commerce and Industry, showed that business is positive about the immediate business outlook, with an expectation of increases in both sales and profits in the September quarter. The QCCI survey also shows confidence in the medium term, with 40% of respondents expecting the Queensland economy to be stronger in the next 12 months. Only 15% are pessimistic about the future. That would have to be a very positive result from the QCCI survey.

I can hear the members saying: "What? Labor mates?" Hardly! If the member opposite wants some more concrete evidence, I refer him to the Yellow Pages Small Business Index, which showed that for the current quarter a net 45% of the State's small businesses are expecting sales growth and 49% are expecting higher profits. That is the best result since 1994.

If the member wants further evidence, I refer him to a national survey conducted by the Australian Society of Certified Practising Accountants that showed that small business operators in Queensland are the most

optimistic of such operators in the country. Some 37% of small business owners and managers in Brisbane expect to employ more people over the next six months. That is the highest response from operators anywhere in the country.

However, I can tell members what is putting a dampener on the outcomes and the expectations of small business, and that is the GST. In all of these reports the GST is seen as the biggest inhibitor to small business growth in this country. In fact, what was alarming about the CPA report was that it showed that it will cost businesses—even the smallest of businesses—in excess of \$2,500 to put in place systems to deal with the GST. That is a cost that some of them could well do without.

While the Opposition's Federal colleagues are imposing a GST—the biggest impost on small businesses, the biggest impost on the viability of small businesses—we are working with them. We will help them through seminars, workshops and business advisers to help them put in place the systems that are required for a GST. This Government is not holding inquiries; it is out there physically working with businesses to help them deal with an impost that will be imposed on them by the Federal colleagues of the Opposition—an impost which the Opposition supports. We will work with small businesses to help them try to address the problems that the Opposition's Federal colleagues are creating.

Beattie Stealth Tax

Mr QUINN: I refer the Minister for Education to the new unfunded BST—the Beattie stealth tax on all new capital works projects from July next year, and I ask: will this 6% equity return be applied to all Education Queensland capital works, including those fully or partly funded by the Commonwealth?

Mr WELLS: It is a matter of wonderment for all around Parliament House that, in the course of the two-minute speeches and question time, only one issue has been raised. I am in a position to reveal to the House exactly how this occurred. This morning, when the Opposition members held their strategy meeting, they discovered that they did not have any issues at all to run on.

Mr LESTER: I rise to a point of order. Obviously, the Minister for Education was not listening, because I talked about giant rat-tail grass, which is a major worry to all of Australia.

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

Mr WELLS: Mr Speaker, I apologise to the honourable member. As usual, he is miles ahead of his colleagues.

The Opposition members did not have any issues to run on at all, and they were at their collective wits' end, and that is not a long journey. So one clever person came up with the idea: "Why don't we just ask the same question 15 times?" I congratulate the honourable member for Merrimac. He has followed the party line exactly.

Before I come to the short answer to the honourable member's question, might I mention the \$50m Building Better Schools program, which was a five-year program that was due to end. The proceedings of the Budget are, of course, confidential. However, I will confide that that \$50m will be there in the Budget this afternoon. It will apply not only to primary schools but also it will be available for secondary schools. That is a great advance. It will be good for the State school system and it will be good for all of our children.

The honourable member asked a question about the 6% matter. The answer to the honourable member's question is: he will simply have to wait until the Budget is delivered this afternoon.

Four-year Terms

Mr MULHERIN: I direct a question to the Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities. I refer the Minister to the Government's decision to implement a four-year term for local government, and I ask: has the Minister given any consideration to the suggestion of a bipartisan approach to four-year terms as proposed by the Leader of the Opposition?

Mr MACKENROTH: The hypocrisy of politics! The Government has made a decision to implement four-year terms for local governments from the next elections in March 2000. Earlier this year I announced that we would give consideration to that proposal. In considering the proposal, I wrote to members of Parliament, the Leader of the Opposition and the shadow Minister. I asked them for their views on four-year terms. If they wanted a bipartisan approach, they could have answered my letter and told me what their views were. The One Nation Party told me that it would support a four-year term and the new Queensland Country Party told me that it would support a four-year term, but I heard nothing from the Opposition. The Leader of the Opposition gave no response and the

shadow Minister for Local Government gave no response.

Last Tuesday, at the local government conference in Toowoomba, an hour before doing so I informed the Leader of the Opposition that I was going to announce that the Government had made that decision. At that time, the Leader of the Opposition still did not tell me what his position was. Instead, he held a press conference before I made my speech, embargoed it and said that he wanted a bipartisan approach. How does one ask for a bipartisan approach from somebody who is unprepared to even say what they think? If the Leader of the Opposition wants a bipartisan approach, he actually has to tell me what it is that he wants. The Leader of the Opposition waited until the announcement had been made and then came out with the new idea of having a bipartisan approach and said that that he would support a referendum. He still did not say whether or not he supported a four-year term, but he said he supported a referendum. I am sure that if I had stood up and said that I was going to have a referendum for four-year terms, the Leader of the Opposition would have said, "No, why don't we legislate? I want a bipartisan approach." It did not matter what I said on that day, the Leader of the Opposition would have opposed it. He is "Two bob each way" Rob.

In 1877, Queensland local government started with two-year terms, with half the council elected yearly. It was never done by referendum. In 1920, three-year terms were brought in, but that was never done by referendum. The Leader of the Opposition said that he would support a referendum after I had made the announcement. If he was serious about supporting change for local government, he would have told me that beforehand. He is a hypocrite.

Department of Families, Youth and Community Care

Mr BEANLAND: I ask the Minister for Families, Youth and Community Care and Minister for Disability Services whether she agrees with Premier Beattie that her department cannot be trusted to administer increased funding of \$103m, a key recommendation of the Forde inquiry into child abuse?

Ms BLIGH: I am very pleased to see the member for Indooroopilly finally taking some interest in the portfolio that has been his responsibility for 14 months. This afternoon's Budget will contain the Government's response to the Forde inquiry's

recommendation for increased funding in the budget of my portfolio. That announcement will be one which I and the Government will be very proud of. Every member of this House will be able to see the progressive implementation of a very serious commitment to recurrent funding that will increase the spending and the response of my department and this Government to the needs of children and families right across the State. I look forward to the announcement. I can understand the member's impatience to hear it, but he will have to wait until this afternoon.

It is hypocrisy for the member for Indooroopilly to talk about commitments in this portfolio. When in Government, the coalition cared so little about families and children that it put the member for Beaudesert in charge of the show and allowed him to appoint Allan Male as the director-general. In the three years that they had an opportunity to fix things, the whole department came undone.

Mr Mackenroth: They had some nice dinners.

Ms BLIGH: They had some very nice dinners. They discussed matters of state with Charlie Doyle as often as they could. They went to the Riverside Centre and the casino. They went up and down the State to every ritzy restaurant that they could find. That is where they put their resources and that is where their commitments were made. They are a disgrace.

It seems to me that when one joins the Liberal Party in Queensland, one must require an operation. To even join the Queensland Liberal Party, which means accepting that one will be working with the Queensland National Party, one has to have a shame bypass. That is what Mr Beanland had on the day that he bought his ticket. If one is elected to represent the Liberal Party in Queensland and one has to work with that mob over there—working with people such as the member for Clayfield and doing deals with One Nation—sometimes people need a triple bypass.

To even open his mouth on the subject, the member for Indooroopilly must have had a complete removal of any shame. I cannot believe that he would stand in this place and talk about the capacity of this department. How did the department get into this situation? Because of 32 years of neglect under the Bjelke-Petersen Government! That was the most disgraceful period in our history, when social policy in this State was run down and was allowed to become a disgrace across the nation. No, we cannot fix it overnight.

Members opposite took half a century to ruin it and we will increasingly fix it.

Day-old Bread

Mr LUCAS: I ask the Minister for Health: can she please clarify the situation regarding recent comments in the media about the use of day-old bread by Brisbane charities?

Mrs EDMOND: This is a very important question and it is very refreshing to hear such an important question after the nonsense we have heard from the other side. I am particularly concerned at misleading stories in the media, particularly as they affect charities and some of the most vulnerable people in our society.

I can certainly see no reason why day-old bread cannot be supplied to charities. Growing up on a farm, I have to admit that we only got one delivery of bread a week so it was often more than one day old. We learned wonderful ways of refreshing it after five days or so. Things have changed and I know it is a common practice to discard bread that is one day old and that could be usefully served to people who cannot afford anything else. Neither myself nor my department has made any order or statement to any charity forbidding its use.

Queensland Health is responsible for the Food Act 1981 and related legislation. As such, it is primarily concerned about food safety. Provided that food is labelled adequately, has the correct compositional requirements and is fit for consumption, it is permitted to be sold or distributed. I reassure anyone who has been concerned—and people have been concerned as a number of calls to my department and media statements around the State have shown—that Queensland Health has not prevented the distribution of day-old bread to charities and my department has not and would not disrupt the worthwhile activities of those charities to assist people in need.

Hospitals

Miss SIMPSON: I refer the Premier to section 11.14, recommendation 15 of his secret slash and burn Health report, which was adopted by Cabinet on 28 June this year, where it refers to "asset management and capital charging". The report states—

"The equity return envisaged in the management for outcomes system will encourage managers to quit surplus assets."

The report goes on to state that it will "assist them to scale down 'overbuilt' or 'redundant' assets". Will the Premier identify which Queensland hospital is overbuilt and which Queensland hospital has been regarded as a redundant asset? As a result of the Beattie stealth tax which covers all capital, how many nurses, cooks and laundry workers jobs will be lost?

Mr BEATTIE: Today there has been a lot of discussion in Parliament and in the media about the BST. Like all members of this House, I am really worried about it, because—

Mr Gibbs: It stands for "Borbidge shock tactic".

Mr BEATTIE: I am worried about it because I think that the people of Queensland are entitled to a full explanation of what the BST means, and I am about to give it to them. Let us tell the people of Queensland what it means. The BST means Borbidge slippery with the truth, again. One cannot trust him. He is the great Nixonian, the one who is slippery with the truth. He would turn anything. Would anyone buy a used car from this man?

Government members: No.

Mr BEATTIE: The answer is: no! Mr Speaker, would you buy anything from this man? The answer is: no. Borbidge is slippery with the truth. He will say and do anything to try to get into office. The question that has been raised—

Miss Simpson interjected.

Mr BEATTIE: The BST was mentioned in the question.

Miss SIMPSON: I rise to a point of order. Will the Premier answer the question about the capital charge that he endorsed in Cabinet on 28 June? Which hospitals is he going to downsize?

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

Mr BEATTIE: I am talking about the BST. The question was about the BST—that is, "Borbidge slippery with the truth". I think we should have some honesty about the BST. Let the record show what "BST" stands for—"Borbidge slippery with the truth". Let us speak about Health—

Mr Borbidge interjected.

Mr BEATTIE: The Leader of the Opposition should not worry; he will be hearing more about "Borbidge slippery with the truth". He should not get excited; he will hear more about it.

Today we will see a record budget for Health. It is important that I go through this. This Budget will be a very strong capital works budget. It will be strong on employment growth, which is what Queensland wants, and it will be about developing Queensland as the Smart State. This is more than a Budget; it is a blueprint to turn Queensland into the Smart State, with long-term, New Age jobs in the next century.

A Budget can simply be a giant slot machine into which taxation dollars are fed at one end only to emerge in piles for various services and infrastructure at the other end. Alternatively, it can be a powerful engine to reshape society and thrust it in a new and better direction. This Budget is set to propel this State into an age of biotechnology and New Age jobs that will see us become the Smart State. The dollars in this Budget are being used to buy Queensland a new future as the Smart State, with long-term, New Age jobs in high technology and biotechnology.

Q-Build

Mrs NITA CUNNINGHAM: I refer the Minister for Public Works and Minister for Housing to continuing criticism by Opposition members, who have attacked Q-Build and its staff, and I ask: is the Minister aware of the most recent claims by the member for Burnett about work by Q-Build in the Bundaberg district and, if so, whether there is any truth to those claims?

Mr SCHWARTEN: Here we go again. I thank the honourable member for the question. I place on record the honourable member's support for Q-Build in the region she represents. Earlier this year, she welcomed three apprentices to Q-Build's Bundaberg depot—three of the 26 in the Burnett region.

We all know that the Liberal Party's spokesman on Education is on record condemning Q-Build and making up fairy stories about it. We know also that the shadow Minister for Public Works has sat like a marble frog on the issue—hearing, seeing and saying nothing about it. We know also, as a result of my inquiries of the National Party at the last sitting, that only one person has stuck up his head to be its spokesperson on this issue, and that is the member for Burnett, who the other day, on the public record, added another fairy story to the litany of nonsense that we have heard from the Opposition which is aimed at undermining Q-Build and the 350 hardworking apprentices and tradespeople who are delivering an excellent service to this State on a daily basis. This is yet another of the issues

in respect of which members opposite cannot speak the truth. We have seen a lot of that this morning.

Mr Beattie: It's a BST.

Mr SCHWARTEN: It is like the BST, only this time it is the member for Burnett being slippery with the truth. In respect of the Rosedale State School, he stated that \$28,000 was the local contractor's quote and that Q-Build's quote was \$40,000. The fact of the matter is that this quote was for a tennis court that was going to be built on five or six metres of uncompacted soil. He obviously also knows nothing about building, unlike the member for Bundaberg, who would have looked at the proposal; she spends a lot more time in her electorate than the honourable member spends in his. He probably would not even know where the Rosedale State School is.

When the contractor included compacted fill in his quote, how much was it? \$48,000! Honourable members have been speaking about Treasury. Is it not good that members opposite are not on this side? It would have either built a tennis court that fell down around the kids' ears in a few years' time or it would have spent \$8,000 more than Q-Build would have charged, and there would have been no apprentice dividend to the State. Is it not typical of them that they are sitting there silent, as they normally do under these sorts of circumstances? I repeat my call to National Party members: where do they stand in relation to the apprentices that will come into their electorates following the bringing down of this Budget today?

Regional Forest Agreement

Mr FELDMAN: It is pretty clear to people that we know which side of the House knows where to go for those shame bypass operations. I ask the Premier: with reference to the stalled RFA process, which is still causing so much fear and uncertainty, and given the need for a fair and timely outcome, will he give an undertaking that there will be adequate time for further community response before legislation is forced through this Parliament; that the time interval for the community response will not span the virtual shutdown during the Christmas period; and that there will be no job losses in either the timber industry itself or in the independent services and associated industries in the broader timber communities?

Mr BEATTIE: I thank the honourable member for Caboolture for the question. The

RFA has been and will be an issue that my Government will resolve.

An honourable member interjected.

Mr BEATTIE: It is a difficult issue. I brought all of the parties together and I asked for two things—common ground and goodwill.

Mr Hobbs: He said it had already been done. What's the hold-up?

Mr BEATTIE: I would not interject if I were the honourable member. He spent two and a half years doing nothing.

Mr Hobbs interjected.

Mr SPEAKER: Order! The honourable member will allow the Premier to answer the question.

Mr BEATTIE: The honourable member should at least have the courtesy to allow me to answer the question of the member for Caboolture. It is not his question. If he wants to ask a question, he should do so.

The member for Caboolture raised the issue of the RFA. We are determined to resolve it. We have been involved in a number of meetings recently. On Sunday I met with a number of people on this issue. The Deputy Premier has been meeting with people on this issue, as have other Ministers. We are close to finalisation. We expect an announcement in the not-too-distant future. We are mindful of the two issues here. One is jobs and protecting communities. I am sensitive to those issues. The other is protecting forests. We believe that we can come up with a Solomon-type solution which can resolve both of those competing interests in a sensible way. If it were not for—

Mr Grice: Solomon.

Mr BEATTIE: I see that the member for Broadwater is not interested in the RFA, forests or jobs. However, the majority of Queenslanders are. Notwithstanding the usual divisive politics that we see from the National Party, we will resolve this issue in the interests of Queensland. We want a Queensland solution that will protect jobs and forests. We believe that we have found that solution. Some matters still need to be resolved.

I hope that we do not have any scaremongering or dishonesty about this issue. As the honourable member for Caboolture is serious about this issue, if he continues to adopt a serious attitude, I am prepared—and I know the Deputy Premier would share this view—to brief the honourable member when the Government has made a decision so that he is aware of the details. I think he will see that it is in the best interests of the people he represents and in the best

interests of all Queenslanders. This is a Queensland solution that is in the best interests of the State. The member will be hearing an announcement very shortly.

Parents and Citizens Associations

Mrs ATTWOOD: I ask the Minister for Education: what is he doing to help parents and citizens organisations with financial management?

Mr WELLS: A great deal. I must say that much in my own defence. Before I say anything else, I would like to acknowledge the presence in the gallery of the students of St Agnes School.

Last Friday night I attended the opening of the P & C Association's annual conference in the beautiful town of Rockhampton. I would just like to pay tribute to the work that P & C associations do. The mums and dads who go to P & C meetings, who take part in the chocolate drives and the food stalls, who organise the fetes and the barbeques, and who organise all the functions, are the very mainstay of our school system. Schools are perhaps the strongest bastion of social capital in our community. They are the focal point of the voluntaryism in our community. They are the focal point at which those who wish to work together for the improvement of our society and our community are able to pool their resources and their energies in order to get a better outcome for the next generation. On behalf of all members here, I would like to express the gratitude of the people of Queensland to the P & C Association and to every P & C member.

One of the issues that the P & C association was extremely concerned about was the issue of being able to appropriately deal with the complexities that accounting requirements place upon it, so I launched the document Accounting for Parents and Citizens Associations. This manual will assist P & Cs to fulfil their legal obligations and assist them to achieve the best results for students. The manual was developed in accordance with the procedures and processes outlined in the Queensland Government's financial management standards in compliance with the State Financial Administration and Audit Act of 1977.

The manual itself was developed as a result of extensive cooperation and consultation between Education Queensland, Education Queensland's staff, teachers and parents. This manual will be extremely valuable for P & Cs around the State. It will

enable them to do their voluntary work even better and even more accurately. I commend it to all honourable members.

Beattie Stealth Tax

Mrs SHELDON: I refer the Premier, Mr Beattie—"Solomon" in his own words—to his new BST, or the Beattie stealth tax, on all capital works projected from 1 July next year and, further, to his comments in today's Courier-Mail claiming he was boosting capital funding to all departments by 6%, and I ask: is it not a fact that the 6% boost to which he refers is simply a smoke and mirrors accounting figure which is entirely offset elsewhere by an identical equity return to Treasury and is it not a fact that from 1 July next year all Government departments will have to fund his 6% BST from their own budgets which, in effect, will rip hundreds of million of dollars out of health, education, law enforcement, public housing, emergency services and transport every year of his sad and sorry Government?

Mr BEATTIE: I say two things: the growth figures do not include the equity bonus—that is the first thing—which is the point I have been making all morning. The second thing that needs to be said through all this, which is very important, is that the member opposite was wrong—absolutely wrong! The BST stands for "Borbidge slippery with the truth". The member for Caloundra is coming in here misrepresenting what the BST stands for. That raises great concern for me. She has to get it right; it is "Borbidge slippery with the truth".

Let me talk a little bit about the honourable member when she was Treasurer. Do honourable members remember the freeze—the freeze that destroyed jobs, the freeze that put Queensland on hold? This former Treasurer, who was in the process of wrecking the Queensland economy, has the audacity to come in here and ask a question about capital works when, indeed, as Treasurer she imposed a freeze which stalled the development of this State. That is what happened.

What honourable members will see from the Budget today is record capital works. We delivered on them last year; we will deliver on them next year because this is a can-do Government and we will get on with driving jobs. When the honourable former Treasurer was in this role, her last Budget said that there would be an increase in unemployment. What happened? We turned that around to reduce it. It was 8.9% when the former Treasurer went

to the Opposition benches; it is now 7.9%. We have created 49,000 jobs in this State.

Mr Elder: And her first Budget delivered seven new taxes and charges.

Mr BEATTIE: Seven new taxes and charges! Not only that, unlike the equity bonus that will put money in, she introduced a capital charge that pulled it out—5% out of every capital works program.

Mrs SHELDON: I rise to a point of order. I think a little truth should come into this. The only reason anything was imposed on Health was that he had \$1.2 billion and promised \$2.2 billion. We put \$2.4 billion into his Beattie black hole, and that was the only department that even had to consider it.

Mr SPEAKER: Order! There is no point of order. The member for Caloundra will resume her seat.

Mr BEATTIE: The former Treasurer took \$850m out of the electricity industry and put it into recurrent expenditure—

Mrs SHELDON: I rise to a point of order. Possibly the Premier should also tell us about the \$1.2 billion Mr De Lacy took out as Treasurer under a Labor Government.

Mr SPEAKER: Order! There is no point of order. The member will resume her seat.

Mr BEATTIE: All I can say is thank heavens we have a Labor Government that has returned financial sanity to this State. The Borbidge slippery-with-the-truth tactic will not work because Queenslanders are smart enough to know we are delivering the goods.

Community Service Orders

Mr REEVES: I refer the Minister for Police and Corrective Services to the Beattie Labor Government's emphasis on people completing community service orders, and I ask: can he detail what benefits community service orders provide to the community?

Mr BARTON: The most obvious benefit of community service orders is, of course, keeping people out of correctional facilities. It is not only a cost saving in having them in the community compared with having them in secure custody, but it is also beneficial that they do not move in there because the statistics demonstrate that there is more likelihood of people reoffending once they have served a term in prison. Community service orders also provide a very significant boost to the local economy of Queensland and local communities.

Last financial year 1,624,589 hours of community service were completed, and this equates to \$18,439,085 worth of work going into the Queensland economy. One of the most significant projects was in Ipswich at the new Willowbank Raceway. Through Motorsport Queensland, a non-profit sporting organisation, people have been completing their community service orders at this new racetrack. Most of the work was focused on landscaping and bolting together thousands of tyres to form crash barriers around the track. Since March, they have been able to transform that track from bare dirt to one of the best raceways in Australia. Of course, we will see the Queensland 500 run there this weekend. It is an event that has been poached by my colleague the Minister for Tourism, Sport and Racing from Jeff Kennett in Victoria.

Mr Cooper interjected.

Mr BARTON: We have a Community Cabinet meeting on Sunday, but I will be there for the time trials on Saturday. At the peak of the work, there were 67 people completing community service orders at the track. There have been a total of 40,000 hours of community service orders completed at Willowbank Raceway, which has saved \$454,000 worth of work in preparation of that circuit.

More has to be done, of course, to keep minor offenders and fine defaulters out of prison, and I applaud the work that is being done by my colleague the Attorney-General in working on a number of proposals to achieve this. Currently in my department, we are putting more resources into community corrections, and this should start providing more benefits later this year. The other community service which provides great benefits to individual towns and communities is the WORC program, which involves low security prisoners working in western Queensland on various projects.

The WORC programs have been a great success. Local shire councils have enthusiastically embraced the idea, a concept initially started during the Goss years. In fact, supply of suitable prisoners has not been able to meet demand from some of the shires. Of course, there is always a risk that we will get several walk-aways. That happened under the previous Government and it has happened under this Government, but the benefits far outweigh the risks of having one or two low-risk offenders walk away, because they are quickly rounded up. I have had half the number of people who did that than under the previous

Government. One of the unrecognised benefits is that most of the material used in the WORC projects is usually purchased locally, and this helps the small business owners in western Queensland.

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

MATTERS OF PUBLIC INTEREST

Labor Party Cronyism

Mr SANTORO (Clayfield—LP) (11.30 a.m.): Since outlining to this House the extent to which cronyism is being practised by this Government and since highlighting the coalition's "dob in a crony" campaign, my office has been inundated with information from concerned public servants. The names of cronies are falling like the proverbial dead cats from trees.

In the future I will table a revised crony list, and as each week passes I am sure that this Government will continue to do its utmost to add to this list by its compulsion to look after its mates. However, my great concern is not so much political patronage in statutory authorities or even the public sector generally, but how this Government is systematically undermining the core Public Service by full frontal attacks on the principle of merit appointment.

If the trend that has been gaining pace over the past few months continues, I hold grave fears that the upper echelon of the Public Service will be so thoroughly politicised that good public administration will begin to suffer greatly, and the losers will be the Queensland community. I remind the House of what the Fitzgerald report said about the risk of political interference in Public Service appointments. It states—

"A system which provides the Executive Government with control over the careers of public officials adds enormously to the pressures upon those who are even moderately ambitious. Merit can be ignored, perceived disloyalty punished, and personal or political loyalties rewarded. Once there are signs that a Government prefers its favourites when vacancies occur or other opportunities arise, the pressure upon those within the system becomes immense. More junior public servants rapidly become aware of the need to please politicians and senior officials who can help or damage their careers, and not to promote displeasure by making embarrassing disclosures."

A Public Service staffed by yes-men or yes-women is a Public Service that is not giving the best advice. Wrong decisions can and will be made, and good public administration begins an inevitable decline. Fitzgerald recommended that all Public Service positions should be publicly advertised and filled on merit. He indicated that even chief executive positions should be publicly advertised.

The Public Service Act sets out in section 24 a list of principles that are to guide Public Service employment. The first of these is basing selection decisions on merit and a further one is avoiding nepotism and patronage. This applies to all Public Service officers. We have only to look at section 8 to see that it applies to chief executives and members of the SES.

The Public Service Commissioner is empowered to issue directives under the Act. Under the coalition Government, the then Public Service Commissioner issued a number of directives. Honourable members should peruse directives 5 and 6 of 1996 and directives 5 and 15 of 1997. The effect of these directives was that all vacancies in the senior level of the Public Service, including chief executives and SES officers, had to be advertised, had to be selected on merit, had to have an independent selection panel and that documentation had to be retained. There were no exceptions. There were no opportunities for grace and favour appointments at the senior level.

The Public Service Commissioner is required by section 33 to promote the principles of Public Service management in the Act, which include making selection decisions on merit and avoiding nepotism and patronage. Yet as soon as the Beattie Labor administration was sworn in, merit and equity went out the back door. In one of the most disgraceful, cynical and hypocritical actions by a senior public servant, Brian Head, in his capacity of Acting Public Service Commissioner—he was not even appointed to the job—issued directive 9 of 1998, which became operational on 24 July 1998, just a little bit past the three-week mark for the Beattie Labor Government.

I draw the attention of honourable members to paragraph 5.5 of this directive. What it did was exempt the position Brian Head was acting in, as well as all other chief executive positions, from the need for a selection committee to be established if the Premier so determined. On that same day—for the Public Service it is a day of infamy—he

issued directive 8 of 1998, which deleted the position he was acting in and those of all other chief executives from the requirement that they be advertised. With one king hit, Brian Head ensured that chief executives could be appointed without any regard for merit or equity. At the same time, the Government increased the pay of CEO cronies by tens of thousands of dollars.

So the Acting Public Service Commissioner gave to the Premier the power to appoint whom he likes with absolutely no checks or balances. At the very same time he ignored and held in contempt the requirement in the Act that positions be filled on merit and that nepotism and patronage be avoided. What happened? No sooner had these directives been issued than no fewer than seven chief executives were appointed without their positions being advertised.

No doubt to reward Brian Head for selling out and in recognition of his service to the ALP Government, the Premier appointed him Public Service Commissioner, with a big pay increase as a further sweetener. Brian Head has no credibility and he has no independence. To expect this person to defend a politically independent Public Service would be a total waste of time.

Then we had Glyn Davis appointed as Director-General of the Department of Premier and Cabinet. Dr Davis is an academic who has left no prints in the sand in terms of practical achievements in the real world. He had never been Director-General of the Premier's Department under the Goss Government and has shown since his appointment a capacity only to wallow in useless procedure and look after his many Labor academic mates.

Gerard Bradley got the nod back in Treasury. However, I now feel sorry for him after the member for Ipswich bucketed him for failing to give him politically expedient advice. No doubt the allure of Adelaide is growing by the day both for him and for Imelda.

Ross Rolfe got the nod in the Department of State Development, having been appointed Director-General during the Mundingburra campaign with less than a month's experience at the desk. He had no experience in State Development, unless we count his time working for Chevron. Here is a person who can be held up as an exemplar of conflict of duty and interest.

Jane McDonnell is another example of how froth rises to the top. She had been appointed Director-General of Justice for only three months or so before her services were

dispensed with in 1996. Before that she was looking after stamp duties. Her meritless appointment has come back to haunt this Government. With her failure to manage the department competently and the provocation of more human resource problems than any other Director-General of Justice, she is another example of how Labor appoints to top jobs content-free people who, on top of that, could not manage a toy submarine in a bath tub.

Ken Smith is back again. He was the Socialist Left soul mate of Dick Persson, who was brought up from New South Wales. He has never served in a department of families, let alone headed one. His expertise was housing. In one of the most regretted decisions of the last Government, Di McCauley kept him on as head of the Department of Local Government for a number of months, but he could not cut the mustard. He was hopeless, and this bureaucratic turkey was eventually dispatched to Turkey. Yet here we are. He is back again.

Finally, and at the top of crony class, we have Marg O'Donnell. She has never been a director-general. She was only ever a lower/middle ranking public servant who got 10 out of 10 for self-promotion and disloyalty. This last feature is one that her Minister should know all about; allegedly she has been bucketing her Minister all around town. She is also a hopeless administrator and is well known in her department for her bad temper, shocking manners and a capacity to blame everybody else for her own quite significant shortcomings.

None of these persons got their jobs through a fair merit and equity process and one of them had not even previously been a director-general, here or elsewhere. With the exception of Gerard Bradley, each and every one of them is a professional Labor hanger-on.

On 23 April, Brian Head issued a further directive which now exempts all SES positions—I repeat: all SES positions—from being advertised. The merit principle demolition king has now determined that the whole of the SES should be opened up to meritless appointments. Where is this going to end? What mates are lined up for top jobs, and at the taxpayer's expense?

This is a Government without shame or principle. It has appointed a raft of persons to top jobs without any concern for fairness, the Fitzgerald report or even the direct and plain requirements of the Public Service Act. Where will it end?

I continue to encourage public servants and other concerned citizens to contact my office, as they have been doing in droves over the past few weeks. They can phone, fax, email or just send a letter and join the "dob in a crony" campaign. I suggest that Labor members opposite wait for my next contribution. I am sure that they will recognise the names. Perhaps they are members of their faction, branch or extended political family. I encourage them to stay tuned.

Some honourable members have interjected and mentioned the name of Bob Carroll. They are absolutely right. There was a leading advertiser or businessman in Queensland who tendered publicly for Government work and was given the work on merit. I challenged honourable members to refer the matter to the Auditor-General if they had any doubts about that statement and they never had the courage because they knew the answer. If Labor members in Opposition denigrate and destroy the reputation of innocent men, in Government they should expect people on this side to point out their totally hypocritical attitude when it comes to the appointment of people who are affiliated with them and the union movement that controls them.

Small Business

Mr ROBERTSON (Sunnybank—ALP) (11.40 a.m.): Before I talk about the important issue of small business in this State, I wish to record my feelings about the presentation of the member for Clayfield. It was an absolutely disgraceful attack on senior public servants in this State. What we have seen today is the development of a coalition hit list. And every person whom the member mentioned today should now believe that, if that mob ever come back to power, they will have absolutely no security of employment. This comes from the man who was the architect of the ethnic strategy at the last election, which did the deal with One Nation—an absolutely grubby deal. But it does not stop there, because one of his little foot soldiers, Michael Johnson, is currently in Ryan trying to knife a senior member of the coalition.

Mr Mickel: And using the Chinese to do it.

Mr ROBERTSON: Yes, he is using the Chinese to do it—the ethnic branch stack. That is an example of the continual, disgraceful and cynical politics which we have come to expect from the member for Clayfield. His presentation today demonstrated just how low this man will go to denigrate everyone who

comes within his sights, without any apology for the hurt that he causes senior public servants and ethnic communities throughout Queensland.

Honourable members interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! Those members who are conducting conversations across the Chamber should continue outside the Chamber.

Mr ROBERTSON: And the continuing work that the member for Clayfield does in cynically manipulating the ethnic communities in this State for narrow political purposes has not gone unnoticed. Together with his mate Michael Johnson, there is no-one he will not chop on his own side of politics to achieve what he wants. I assure him that I am not worried one iota. Any time he wants to come to Sunnybank, come on down! I will make sure that he is run out of town as soon as he gets there.

I want to speak today about small business. Last week, I visited a number of major regional centres to promote the wide range of services, advice and assistance available to small business through the Queensland Government's State Development Centres. The Department of State Development is the focal point for business in its dealings with the Queensland Government. It was created to bring all functions of Government as they concern business into one department in order to give business complete service in much less time.

The welfare and development of small to medium sized business is an essential aspect of the department's activities and a priority for the Beattie Government. It would not be otherwise in a State with more than 190,000 small to medium sized businesses. These are businesses with fewer than 20 employees, although they account for more than 97% of all businesses in Queensland. Such operations employ some 52.1% of all private sector employees in the State and have been pivotal to job creation. I notice that, as he usually does, the member for Clayfield is scampering away.

Of the 425,000 net jobs created in Australia in 1996-97, 94% were created by small and medium sized operators, and about half of these jobs were created by micro businesses employing five people or less. It is therefore not difficult to understand that future job creation in Queensland will continue to be focused on small business opportunities. Those facts demonstrate why the Beattie Government's commitment to this sector is so unequivocal. A more significant voice for

regional Queensland in business development is of equally high priority.

Mr Horan interjected.

Mr ROBERTSON: The member for Toowoomba South should listen to this, because he needs to know something about small business.

The Beattie Government believes that the State's regions offer Australia's best business opportunities. Through its 15 State Development Centres, the department provides small and medium sized businesses with a wide range of advice and other services and assistance. A large proportion of such organisations in Queensland are exporters. And here again, the services of the department are available to regional small business through our State Development Centres. They provide direct access to our eight international trade and investment offices, which will be increased to nine when a new office opens in Osaka, Japan later this year. Understandably, most of these offices are located in Asia, which is the destination for more than 60% of Queensland's exports. They are able to provide invaluable on-the-spot data about our most important trading partners—information that is disseminated throughout Queensland via our State Development Centres.

We have augmented our capacity in this field via new initiatives, such as international business diversity summits, where we provide networking opportunities for established businesses to meet business migrants who retain significant business contacts in their countries of origin. We are expanding these summits by taking them into regional areas. In fact, in November, the first regional international business diversity summit will be held in Cairns, focusing on opportunities in the food industry. I contrast that with the activities of the member for Clayfield with respect to ethnic business communities. What is amply demonstrated is our commitment to ensuring that these business migrants, when they come to Queensland, are provided with every opportunity to expand businesses and create jobs in Queensland, not enrolled in some cynical political activities in which the member for Clayfield has become a master.

In November 1998, we launched the Queensland Industry Development Scheme, or QIDS—a \$30m, four-year initiative to assist businesses to grow and develop new markets. For the 107 firms assisted between November last year and 30 June this year, projected outcomes are expected over the next three years of some 2,109 new jobs and 1,872 jobs

retained, \$290.2m in export and domestic sales generated and \$134.1m in new investment.

During my visit to Cairns, Townsville, Gladstone and Bundaberg, I was able to see at first-hand how the QIDS program is helping small and medium businesses to grow and compete in domestic and world markets. Companies such as Bundaberg Brewed Drinks and Australian Aloe in Bundaberg will use QIDS to expand their export markets. Companies like Bulkabags in Townsville will use QIDS to install new machinery to expand the quality of the service they can offer their clients. And Austicks in Gladstone will use QIDS to fight off expected competition from China by continually upgrading its facility to manufacture higher quality product.

We also launched Asia Link in November 1998 to provide a 30% rebate on travel to Asia by Queensland exporters. By the end of June, 47 applications, valued at almost \$200,000, had been approved, with expected outcomes over three years of \$28m in export sales and \$11m in new investment. The department also has approved 33 applications, valued at \$1.2m, under the Queensland Trade Assistance Scheme, and export income of at least \$50m over the next three years from a total of \$2.5m in such funding is anticipated.

Export development is one of the Beattie Government's highest priorities, along with regional development. Indeed, we believe regional Queensland offers export-oriented businesses great opportunities, and the Government has implemented some very important initiatives in this field. The Queensland Regional Business Advisory Service has been established, at a cost of some \$2.64m over three years, to provide a network of regional business and economic advisers in remote areas of the State. The Regional Business Development Scheme is designed to assist companies and regional groups to identify opportunities that facilitate Queensland's regional economic development. And small to medium business also is encompassed in some of our broader objectives. It is important that all Queensland businesses embrace the concept of innovation as basic to their wellbeing. Innovation is a major driver of international competitiveness, economic growth and sustainable job creation.

As I said earlier today, the department recently released a draft strategy document titled Innovation—Queensland's Future. That document's recommendations will soon be considered by Cabinet after feedback has been received. The Queensland Innovation

Council is proposed, and it will influence the development and implementation of Queensland Government initiatives in science and technology. The strategy is aimed at fostering innovation and technology diffusion across all sectors of industry, while encouraging an innovative culture throughout the general community. That strategy also adopts a regional focus through the development and planning of strategic initiatives by our State Development Centres. Local promotion of regional events will be coordinated to raise community and industry awareness and to develop and expand local industry. A skills enhancement initiative for regional field officers is also planned, designed to boost assistance to local firms in accessing funding and advice. The development and growth of knowledge-intensive industries is vital to our future development. Queensland is well placed to take advantage of opportunities in IT, biotechnology and the electronics, aviation and space industries.

One of the important activities of the Queensland Small Business Advisory Council, which I chair, is assisting Queensland small business to cope with the introduction of the GST. To that end, having commissioned a report, we have put forward a range of proposals to assist small businesses through services which will be provided by our State Development Centres and which will be a topic of further speeches in this place in the months to come.

Time expired.

Communication and Information Strategic Plan

Mr CONNOR (Nerang—LP) (11.50 a.m.): Recently, the Minister responsible for IT, Terry Mackenroth, released his much-awaited communication and information five-year strategic plan. If I said that it lacks vision and understanding, it would be a gross understatement. Before I explain why I say that, I commend the Minister for at least releasing something after 15 months in office and over two years in the shadow portfolio. I recognise, too, that he has at least enunciated why we need a plan. He states—

"Our economy will suffer and our communities will not reap the social benefits if we fail to harness communication and information technologies."

The Minister states further—

"The prosperity and social benefits we enjoy will depend on how proficient

Queenslanders become at harnessing the power of emerging communication and information technologies."

Clearly, the Minister recognises the reasons why we need a plan and the urgency of making it happen. As I flicked through the so-called plan, I saw that the Minister draws an analogy to describe this upcoming information superhighway. His "Message from the Minister" uses the terms "journey" and "blueprint" to describe his plan. Clearly, the Minister sees this plan as both the blueprint and road map to build and journey along the information superhighway.

So let us measure his document against his own analogy. If one is to build and journey along a superhighway, one needs to understand where it begins; where it is going; what material, equipment and skills are needed to build and travel along it; what material, equipment and skills we have; what obstacles are in the way; how long it will take to build the superhighway and travel along it; and the general specifications that are required. However, in these areas the Minister fails miserably. His document is divided into four sections—or goals, as he calls them. Those four goals are then broken down into a series of strategies and actions, with their implementation limited to only defining the department responsible. Clearly, the document is flawed. I am reluctant to call it a plan, because the document is almost devoid of anything other than generalities and gratuitous platitudes.

I refer to what the Minister calls "actions"—the most detailed aspect of his document. Firstly, the Minister states—

"Examine regional opportunities to assist people to become familiar with and competent in the use of new technologies."

I ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Identify national and international prospects that could locate or relocate facilities in Queensland."

I again ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Identify where new export support programs are required."

Again I ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Establish incubator facilities for start-up companies."

Again I ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Review Queensland's taxation regime as it impacts on electronic commerce."

Again I ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Develop performance indicators for communication and information activities in Government."

Again I ask the Minister: which ones, or at least how are they decided? None of those issues are addressed in the Minister's report. The Minister states further—

"Facilitate growth in the communication and information sector through incentives, partnering arrangements and State taxation relief."

Again I ask the Minister: which ones, or at least how are they decided? The Minister states further—

"Pilot the intensive use of communication and information technology in partnership with selected communities and businesses."

Again I ask the Minister: which ones, or at least how are they decided?

Those are just some of the generalities that are used in the document over and over again. The document is devoid of vision and understanding. We continually see in it words such as "evaluate", "review", "monitor" and "explore". How is the industry and the community generally supposed to understand where the Minister is heading with this document when it contains such generalities? This document is not a plan; it is a quiz—guess what the Minister means.

I give some acknowledgment to the section in the document that relates to education and training. In that regard, the document at least goes into some detail. However, it is a pity that, because of the lack of clear direction from this Government, our young people who will benefit from that education and training will be forced to go interstate or overseas to get a job in this industry. If we do not have a clear and detailed plan, industry and the community will go off in different directions and build a series of goat tracks that will meander through the wilderness instead of working together to build our own version of an information superhighway.

The document does not detail time lines or measures of effectiveness. Instead, it is full

of generalisations and fuzzy statements. Many of the initiatives that are contained in the document are neither explained nor detailed. For example, the document flags but does not deal with social equity issues. It does not even mention existing information networks, such as public libraries, which can play—and are playing—an enormous role. The document does not specify the provision of industry, economic or social statistics, nor their proposed availability, cost and dissemination. There are no indicative costs or likely time frames for any of the actions. Therefore, the initiatives are not accountable. The document also does not contain any milestones to gauge the effectiveness of the implementation. The so-called information poor and the resultant target groups—the elderly, non-English speaking people, women and disabled people—are not dealt with properly and no detailed explanation is given as to how the Minister will limit the digital divide.

The document focuses mostly on industry and the economy. It makes virtually no adequate reference to regional, social, cultural or historical aspects of information policy. In that document, the Minister does not deal with information democracy or the political aspects of a well-informed, information-rich society. The document also does not deal with the negative social consequences of the likely changes to society, how the Minister will address them, or even how the Minister will determine their existence.

The document does deal with the potential shortcomings of desired levels of service for telecommunications, but it leaves the question of how and when those shortcomings will be rectified and funded. The document deals with the issue of how online technologies will move Government services into homes, workplaces, libraries and community centres, but it does not deal adequately with the issue of the skills that are required by the general public in order to use those technologies.

The document details Government initiatives and its involvement in assisting service delivery, but it does not deal with the potential competition of Government and its agencies with the private sector. The document also does not deal with the overall Government revenue implications of the online economy nor, as one would expect in light of the net bet scandal, does it deal with online gaming and its likely social implications.

Although the document acknowledges the lack of development of Queensland brand names, it does not deal with it. The document

also does not deal with the role Queensland could play as a regional leader and the ability for Queensland to become a hub for the delivery of professional services to the region. In the document, the Minister acknowledges how far we are behind but does not deal with the urgency of the need to move forward. No time frames, no funding commitments and no specific targets are given. The document also does not deal with the potential for Queensland in relation to intellectual property rights. There is a complete lack of understanding and no mention of issues important to the younger generation and Queensland's creative sector, especially our artists, musicians, dancers, actors and authors. And what about sports? The document contains no initiatives to ensure a Queensland content from a cultural perspective. These areas not only have the potential to promote Queensland to the world but also to underpin our unique culture and lifestyle.

The document contains no recognition of the important part that the Queensland Government can play as a leader in the use of technology. The Government should be an example to the rest of Queensland. This is exemplified by the fact that the ability to update or give effective feedback to the Government's own so-called planning document is very limited. The Government should have considered news groups, online forums or other forms of electronic feedback to enhance, improve or criticise the document. The document makes no commitment to the Government's role as an employer of the specialised skills in the online industries, a provider of online traineeships and apprenticeships, or as an employer of graduates. The document also makes no provision for reciprocal arrangements with major international centres of innovation for the free flow of talent into and out of Queensland.

Although there is a general commitment to implement taxation reform, there is no specific commitment to assist in the reduction of transaction costs by limiting taxes impacting on online trading. Without such a commitment, many online traders will be forced to source their financial transactions interstate or offshore. Nowhere in the document has the issue of slow access speeds to Queensland-based commercial web sites been addressed adequately. That is one of the most fundamental issues for ensuring a competitive electronic commerce environment for Queensland. Without effective access speeds, the web hosting and the resultant electronic commerce will be carried out offshore, mainly

in North America. The document gives no proper consideration to the importance of information industries to underpin the competitiveness of all business activities. Online technologies have a massive enabling factor for other industries.

If members want to see how a plan should be written, they should look at Victoria's recently released report titled *Global Victoria*. Members could also look at Canada's 1996 report titled *Building the information society: moving Canada into the 21st century*. If members want to see the guidelines as to how a plan should be written, they could look at the report titled *Australia as an information society: grasping new paradigms*, which was written back in 1991 by Barry Jones. Members may remember him as the Federal President of the ALP.

Time expired.

Police and Community Partnerships in Pine Rivers

Mrs LAVARCH (Kurwongbah—ALP) (12 p.m.): Last Sunday the Pine Rivers Crime Free Consultative Committee hosted Clean Up Graffiti Day. As I reported during the last sitting of Parliament, this is one of the major projects for the committee in its work to enhance community safety. The day was a success and was made all the more so because of the commitment of Main Roads, Energex and Queensland Rail to clean up the graffiti on their infrastructure in the Strathpine area. I commend Main Roads, Energex and Q Rail for the work that they did leading up to Clean Up Graffiti Day last Sunday. I make special mention of the Main Roads crews whose work has made Gympie Road, Strathpine, so neat and tidy that it actually sparkles. In all the years that I have lived in Pine Rivers, I have never seen Gympie Road looking so spruce.

The Pine Rivers Crime Free Consultative Committee is a partnership between the community and police in the Pine Rivers area. Its second project for the year aims at encouraging people to identify their property. The committee has produced a pamphlet that it is distributing throughout the area which calls on people to list all of the property that they have in their houses. The pamphlet contains a small message, which states—

"Crime Free in conjunction with Petrie Police have identified the following property groups are frequently stolen during home burglaries.

We recommend you NOW record the model, serial numbers or engraving

details of these categories for future reference."

By encouraging people to keep lists of all of the equipment that they have in their houses and businesses, police work will be made a little easier if property is stolen. Of course, this is not the only community and police partnership operating in the Pine Rivers area. Police and community partnerships are spread across a number of initiatives and have not only enhanced community safety but have also strengthened our sense of community. Their significance and worth are such that I raise them today as a matter of public importance.

Two weeks ago I attended the 11th annual general meeting of the Police Citizens Youth Club of Pine Rivers, which is in its 12th year of operation and has grown from strength to strength.

Mr Reeves interjected.

Mrs LAVARCH: As the member for Mansfield says, it is a very good club. The club reported increased membership and also had a pleasing financial bottom line. In the hope of receiving some financial assistance through the Sport and Recreation Community Grants in the present round of funding allocations, extensions to the building are planned for this financial year.

Through the PCYC, the police and the community are working in partnership to provide vital services to the young people of Pine Rivers. Their most successful program is the Bike Ed Program, which operates in nearly all of the local primary schools. In the past year, 1,500 children received valuable road safety bike education. This program was greatly assisted by Queensland Transport's donation of a trailer, 10 bicycles and helmets. I take this opportunity to make particular mention of Mrs Pat Whitelaw, who was one of the original volunteer instructors and then the coordinator of the Bike Ed Program. Pat has now retired as the coordinator and instructor and is pursuing other interests, but the community is greatly indebted to her for her community service.

On 3 June this year, the Bray Park Community Police Beat was officially opened. In the past three months, Senior Constables Adam Willmott and Tim Brown have made themselves well known in the Bray Park community and have been warmly embraced by residents and businesses in their beat area. Last Saturday, to promote child protection week, they held a sausage sizzle at Kensington Village Shopping Centre. Local businesses got behind this promotion by

donating all the food and equipment. In another police and community partnership, Senior Constables Willmott and Brown have established a community consultative committee in their police beat area, joining together the police, local residents, businesses and community groups. This committee has also identified that graffiti is a major issue in its area and has determined to concentrate its efforts on reducing the incidence of graffiti.

Graffiti is wilful damage and is the most visible of crimes. The consultative committee believes that feelings of community safety will be enhanced if graffiti is cleaned up the minute it appears. The committee plans to have a trailer permanently available containing all of the gear required to clean up graffiti. If graffiti appears, community members can just ring a committee member or the police beat and someone will attend to clean up the graffiti. At this stage, financial assistance is required to purchase a trailer and the necessary equipment. I am sure that the businesses of Pine Rivers will get behind the project and give generously. Indeed, I am sure that they will be delighted to make their contribution to crime prevention.

The work of the Bray Park Community Police Beat builds on the work of the now established Police Beat shopfront at Westfield. Again the police are showing leadership by bringing together businesses and the police in the establishment of a Strathpine Business Association. Under the leadership of Senior Constable Steve Christensen, the business community and the police of Strathpine are working together to enhance safety for not only the retailers and businesses of Strathpine but also the shoppers and general community. I must say that Steve's weekly newsletter, the Blue Print, is the highlight of the week for the retailers of Westfield. However, police and community partnerships do not stop there. We also have a strong network of Neighbourhood Watches and many local schools have a Safety House Program.

Another committee that has been operating for about three years in Pine Rivers is the Plan Safe Committee, which sees the police, State Government departments, the council, Neighbourhood Watch groups, Safety House committees and community groups join together to ensure that safety is a key issue in our community planning. This means that safety audits are conducted for public parks, railway stations, schools, public spaces and new developments. This committee has worked effectively with the police to identify unsafe areas and then make recommendations to the appropriate

authorities to improve safety in that local area. Examples of the committee's work include the fencing of the Bray Park Railway Station car park and the provision of lighting and cameras in the area, as many cars were being stolen from that car park. The committee has provided lighting on the paths through John Bray Park and has conducted continual safety audits along Four Mile Creek.

Another initiative in relation to police and community partnerships for the prevention of crime relates to domestic violence. Out of a recognition that the police alone cannot respond to domestic violence and neither can Government and community agencies, the Caboolture Regional Domestic Violence Service, which has an outreach service in Pine Rivers, recently held a meeting to initiate a coordinated community response to domestic violence. As a result of that public meeting, the Caboolture domestic violence reference group was set up with focus groups in all surrounding areas. The reference group will be the lead agency in setting up a community justice approach to domestic violence in our area. It was pleasing to see that representatives from the courts, community agencies, Government departments, the police and local community groups all expressed a commitment to working together to strengthen our community response to domestic violence.

Also at this public meeting, the Caboolture Regional Domestic Violence Service launched its referral card, which carries the police logo. I am told that this is the first time that the police logo has been put on referral cards given to a domestic violence agency. Boldly written across the front of the card is "Domestic Violence—It's a Crime". Five thousand cards have been produced with a grant from the Gaming Machine Community Benefit Fund and have been delivered to all police in the Caboolture, Petrie and Redcliffe areas. If police attend a domestic violence incident, they will give one card to the victim and one to the perpetrator. The card lists agencies that can provide help to either or both parties. The card will also state who the attending police officers were. The victim and the perpetrator can keep that information for future reference. The Caboolture Regional Domestic Violence Service has said that this will help it in its work as well.

The police and community initiatives that I have outlined today show the strength of the partnership between the police and the community in Pine Rivers. In the time available I have probably not been able to do justice to expressing the value of those partnerships and how the police, in addition to their traditional

policing roles, are promoting and maintaining our sense of community. However, their work does not go unnoticed. In conclusion, I commend all police officers in our area, as well as those in the general community, for showing that we can work together to improve our quality of life and enhance our safety.

Corrective Services

Mr HORAN (Toowoomba South—NPA) (12.09 p.m.): Today I wish to speak about the prisons system. The longer the current Minister, Mr Barton, is in charge of Corrective Services, the longer the prisons system will be subjected to mismanagement, example after example of which is starting to surface.

Following its review of the Corrective Services system, the Government appointed the director-general. As I have said before in this Parliament, that appointee was a very experienced schoolteacher and educational administrator. However, that person has zero experience in the management of prisons. If any portfolio needs a great depth of experience and knowledge of high security, medium security, staff, community corrections and so forth, it is the Corrective Services portfolio. The vast bulk of the team involved in the review undertaken when the Labor Government came to power has been put into substantive positions in the newly created Department of Corrective Services.

We are now seeing a complete collapse of morale in the department. Decisions are not being made and people cannot find out what is happening. People within the Corrective Services system are now starting to talk about the A Team and the B Team. The A Team consists of the ones who know what is happening and the B Team consists of those who have been appointed and who do not have any experience. One team is saying, "We'll just sit back and wait till all of the problems occur, and this Minister will soon see the folly of his leadership direction in respect of the department." There is no greater example of the sort of bungling occurring under this Minister than the reported budget overrun, which has brought about a rebuke from Treasury. The Minister has been taken to task and has had to look at staff cuts.

We have seen staff cuts in three areas. Firstly, where there are two prisoners to a cell—they are being D-doubled. Naturally, that should have been allowed for. Even though it undertook a recruiting program, the D-doubling program should have allowed for the number of staff coming back into the system and who would have to go into the new prisons that

were under construction and were about to be opened—new prisons that had been funded and with their construction being commenced under the previous coalition Government. In addition to this D-doubling, we see a reduction in full-time equivalent staff being effected by a change to the formula. The formula of 2.7 prison officers per post per 12-hour shift has been changed to 2.54. For example, that has brought about a reduction of some 18 officers at Sir David Longland and it is bringing about a reduction in officer numbers at other prisons also.

Probably the cruellest cut of all has been that to the recruits. A large number of recruits have been trained. Upon undertaking a three-month course, they move into the prison system, firstly as temporaries and then as temporary permanents. A number of these recruits have now been sacked. They have nil prospects of finding a job elsewhere within the prisons system. Of the 26 at Sir David Longland, 21 have been told that they will lose their job as of Friday this week. On radio, the Minister said, "No, that's not true. Only five of them will lose their jobs." I was inundated with people contacting me and saying that what I had said was right and that what the Minister said was wrong. Obviously, what I am being told about how the Minister is being managed upwards from below by various people is to the point. He is being told what the bureaucrats want to tell him. Then he rushes onto the airwaves and out it tumbles and, once again, he is wrong.

The truth of the matter is that of those 26 recent recruits at Sir David Longland, 21 were given their marching orders. I understand that five have been able to find work elsewhere, for example, at places such as Palen Creek. In one of the cruellest blows of all, they were given a piece of paper with a contact number for the department so that they could find out about other opportunities. However, when they rang that contact number, they found that the relevant person was away on holidays. A lot of use that was! These are people who have been well trained. In many cases, they have come to Brisbane from other parts of Queensland and have left other jobs in good faith to undergo this training. The Minister has made much in this Parliament about Labor's promise at the last election to provide 50 extra recruits. He is now well on target to sacking more than 50 of those 50 extra recruits that he was going to put on. That demonstrates the Government's lack of planning. At the moment, recruit training programs are still under way. More recruits are being trained while, at the same time, the Minister is sacking

those who completed their courses a few months ago.

Absconds and escapes have occurred with ridiculous ease throughout the year. None was more famous than the incident at Townsville, when on a Saturday night a four-wheel-drive Landcruiser that was supposed to be used to take away rubbish was used by prisoners as a means of escape. It had a full tank of fuel and the prisoners were able to access its keys. That is typical of the sort of management flowing down from this Minister. The keys to one of the major jails in Brisbane were stolen by someone on the inside. There were also the motorbike escapes from Lotus Glen. The list goes on and on.

Typical of Labor and this Government is the move to introduce methadone and condoms into prisons. Those in the know recognise that methadone is one of the most dangerous substances that can be introduced into the prisons system. It is an admission that the Government cannot stop drugs going into prisons and that it is not able to treat people properly and get them off drugs. It is bringing into the prisons system a substance that can be traded as a currency within the prison. I understand that where it is being trialled at the moment people are putting up their hands and indicating that they want it when they do not even need it and should not be given it. It introduces a dangerous new currency into the prison system.

However, worse than that, at a recent drug forum on the Darling Downs, a senior bureaucrat from the Corrective Services Department announced that it is the intention of Labor to increase the methadone program and put this substance into all of the prisons in Queensland. Under Labor, in the near future methadone will be available in all of the prisons in this State. In other words, it is going to give up on trying to prevent drugs entering our prisons.

The Minister could not wait to get into Government so that he could go on an overseas visit to Sweden and Amsterdam. Interestingly, before he got on the plane to go to Amsterdam he leaked the Government's proposal for brothels, which put the Premier in a spot of bother for a week or two. The Minister went to Amsterdam to look at how prostitution was managed there. Then he went to Sweden to look at anklets and electronic means of tracking people in community corrections programs. But such a program was right on his doorstep. In South Australia, a program has been operating for a number of years. He could have gone to South Australia

and seen how successful its program was and to find out all of the information he needed. But, no, he had to duck away over to Sweden.

Meanwhile, what is happening back on the home front? We have empty cells at Wolston. As at a week ago, at the new prison 120 to 130 cells that are supposed to take the protected prisoners in this State were still empty. Currently, there are protected prisoners at other prisons who have not been transferred to the new prison at Wolston, where they are supposed to be. What is the flow-on effect of this? We have remand prisoners being kept in watch-houses throughout south-eastern Queensland. The backlog is building up. I understand that as at a week ago there were 90 to 100 remand prisoners in the watch-houses of south-eastern Queensland. This incompetent Minister is not able to shift protected prisoners out of existing prisons into the vacant cells at the new prison at Wolston, which would enable the other jails to take these prisoners out of the watch-house system.

Today, we saw the beauty of them all—the BST, the 6% tax on everything new in Corrective Services and Police from this year on. Every new capital item, every new jail, such as the new Maryborough jail, every new piece of plant and equipment will be subject to a 6% tax. How will they offset that? Sell off their jails? I do not think so; more and more jails are needed all of the time. There will be no offsetting for this department. This department is left to pay 6%. How can it find that 6% out of its recurrent budget year after year? It will do so only by reducing staff and security. The Minister has not been able to stand up, fight for his department and demonstrate how this 6% tax on every new capital item and new plant and equipment is dangerous and damaging to his future recurrent budget. The bungling goes on and on.

Time expired.

Coral Reef Finfish Fishery

Ms BOYLE (Cairns—ALP) (12.20 p.m.): Today I would like to speak about the QFMA's draft management plan for Queensland's coral reef finfish fishery. It is indeed an unsatisfactory draft plan. I would like also to talk about the unsatisfactory process led by the QFMA in developing this plan and in consulting with fishers, particularly regional fishers.

Following a very unsatisfactory meeting between the QFMA and well over 200 local recreational fishers in Cairns recently, I have

been besieged by phone calls and submissions from very angry fishers who do not believe that they have been fairly consulted at all. People feel as though their intelligence is insulted when a meeting is called a "consultation" and, in fact, it is a lecture. They know well the difference. They know well the difference between a session that is for information where perhaps questions and answers will be addressed and a consultation in which they will be encouraged to express their own views and, dare I say it—privilege amongst privileges—be actually heard and have their concerns noted. That is not what happened at the supposed consultation in Cairns.

I am pleased to say, however, that despite their despair and anger, many of these fishers were willing to attend at my office for a meeting—a re-run, if you like—at which they could on this occasion be fairly heard. Around 45 people attended my office and expressed various concerns about the plan, and it is these concerns that I wish to bring to the attention of honourable members this morning.

What is really important amongst all of the views expressed by these diverse people—who happen to be those who engage in recreational fishing—is that there is a consistency in their views about the draft plan and about what should, in fact, be the considerations of this Government in formulating an alternative plan. The main points that they wish to make are as follows. First, of course, the objective of the plan to protect the coral reef finfish fishery is absolutely and unconditionally endorsed by the recreational fishers. The draft plan itself, however, is not workable and is so full of holes that, in the view of all at the meeting, it should be scrapped. It can never, they say, reach its objectives.

The fishers make the point that, unless the fishery as a whole is considered, including commercial fishing impacts, then the plan is not only discriminatory but is also missing the point. They make the point that recreational fishers take less than 20% of the catch and, therefore, any real effects on the fishery must involve changes in the commercial sector. As presently written, the draft plan, they say, is blatantly discriminating against recreational fishers. It should be noted that about 50% of fish taken by recreational anglers are returned unharmed to the water.

The fishers argue that they have not been consulted properly and that part of the difficulty is that the QFMA appears to regard working

through peak bodies with occasional consultations in Brisbane as sufficient. Individuals gave examples, dates and details of how they had tried to get copies of the draft plan and how these had been promised but not forthcoming.

The recreational fishers believe that for a long time now the QFMA as an organisation has not been performing well. Specifically, they believe that senior managers within the QFMA organisation need themselves to be given a serious performance review. Many at the meeting suggested that, in fact, the QFMA should be scrapped and that a single fisheries department should be re-formed. They also wish to make the point that the coral trout fishery is, on their own observations, in serious trouble—more so than is indicated by the scientific advice that has been given to the QFMA. They wish to act, along with changes to commercial practices, to protect the trout fishery and they strongly recommend that consideration be given to the minimum allowable size being raised from 38 centimetres up to 42 or 45 centimetres.

The specific concerns that they expressed about the plan include that the bag limit cuts are not reasonable unless some limitations are also placed on commercial fishing operations. They say that all the present bag limits do is preserve the catch for commercial operation, whereas other States around Australia impose total catch limits. They are also concerned about the bar on filleting fish at sea, which they perceive as implying that recreational fishers are not trustworthy and, understandably, they resent this. Further, the bar on filleting is not workable as some fishermen will not be able to put unfileted fish on ice, and in the tropical heat this will be a problem. Alternatively, they suggest that a "skin on fillet" requirement would still allow the fish to be identified and, therefore, any catch limits to be policed.

The proposed closures within the draft plan are also not reasonable and would have particularly harmful effects on the charter boat industry, which is significant, particularly in the Cairns area with its large numbers of domestic and international tourists. Far better than a closure is to change the minimum size requirements, which would give those species additional full breeding cycles wherein they are not at risk. It is said, too, that the figures quoted in the report are flawed. We need good-quality scientific research on which decisions such as those proposed in the draft plan can be made, particularly research that

takes account of commercial fishing practices and includes monitoring of the live fish export industry.

With regard to the coral trout fishery, many at the meeting expressed concern that, owing to the lucrative live trout export market and the preference of the Chinese buyers—people have remarked on the numbers of small trout on display in Hong Kong, Taiwan and Japan—undersized trout are frequently taken and exported. This is an important issue. Many of the fishers at the meeting said that the export process itself is not properly vetted either by Customs or Fisheries inspectors. Clearly, a review of the actual figures as compared to those given to the QFMA is required on this matter. The fishers suggested that there should be a check on every overseas consignment of live trout. They said that the present penalties are a farce. The high price in the dining rooms around the world makes the risk worth while. They suggested that perhaps forfeiture of the entire shipment would make the trade more honest.

The fishers are also concerned about the definition of "in possession". For example, does "in possession" mean per person on the boat? The wording "in possession" opens up a minefield. Does it mean that the average angler cannot hold more than the bag limit in his private fridge at home? Recreational fishers are frequently only in a position to go fishing on weekends, and even then the weather means that they can only go on some weekends. They recommend instead that total allowable catches are a much better way of managing limitations on output. They strongly recommend again that commercial fishing operations be required to keep detailed logs on the amounts and kinds of fish taken. Quotas for commercial fishing would see the recreational fishers very much happier about setting some limitations on themselves. They make the point, too, that recreational anglers contribute huge amounts of cash to the economy. They employ thousands of people indirectly and they help to maintain the fishery. As they say, they do not destroy what they enjoy. It is estimated around Australia that \$1 billion in sales tax is derived from recreational fishers.

In the end the meeting expressed unanimously no confidence in the draft management plan. It also expressed no confidence in the senior resource officer or officers from the QFMA involved in developing the draft management plan. These concerns, of course, have been passed to the Minister. I join with the fishers, however, in their requests

that the plan should in the first instance be scrapped or, if not scrapped, at least very substantially redrawn; that on this matter and on other management plans they be given genuine consultation and respect for their knowledge and views; that there is better joint working in the regions between recreational and commercial fishers; that there is better quality and timely research; and that there are new ways of managing fisheries in Queensland.

In the end, of course, a Government's primary responsibility has to be to be on the side of the fish. Unless we do protect our fish, their habitat and our environment, then we have no recreational fishing to enjoy, we have no food on our table—which is most important—and no commercial industry. After all, fish and their habitat are finite resources. We must look after them if future generations are to enjoy them and to benefit from them as we do.

PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 26 August (see p. 3654).

Mr SEENEY (Callide—NPA) (12.30 p.m.), continuing: When debate on this legislation was adjourned I was referring to a letter written by employees of the Murgon meatworks in response to claims made by people in this House that the South Burnett Meat Works plant was run down and poorly managed. The letter states—

"The plant, over the past 5 years, has had in excess of \$11 million spent on it. This has meant a new kill floor, new boning room, new chillers, new yards and a state-of-the-art dicer/slicer machine with an automatic packing line (the only one of its kind in Australia). Other upgrades have been up to date computer system for scanning and tracking of product along with computerised refrigeration including variable speed mechanisms to reduce shrinkage and a modern container loading facility with the ability to load containers direct onto rail. All refrigeration systems are in excellent condition and the plant has an enviable international reputation for quality product and for servicing the needs of its customers.

The management, staff and workers in this plant have worked together over a period of time to make significant inroads in cost savings and additional revenue. We now have in excess of 2% extra yield

above the national average and above some major competitors. Our cost to operate has been reduced in excess of 30% over the past 12 months and an independent assessment by one of the "Big 6" accounting firms put South Burnett Meat Works in the lower 25% in operational costs per head. More recent cost savings will again reduce operating costs by an additional \$15-\$20 per head.

There have been major achievements in the marketing of product direct to supermarkets in Asia and direct to the food service sector in the USA. This has been achieved through our marketing arm, QSun Foods Pty Ltd and is therefore critical to any successful restructuring/refinancing of the operation. These have provided substantial increases in revenue recently and are continuing to grow at an exponential rate.

Since the administrators have been appointed, we have noticed the tremendous support from the livestock producers in Queensland, suppliers, non-suppliers and creditors and it is very much appreciated. We have also received substantial support from other creditors who have told us that when we start again they are prepared to continue to do business with South Burnett. Our customers also have indicated every intention of sticking with us when we recommence operations and it should be noted that all of this support has been unsolicited.

We do understand that we are undercapitalised but with an injection of capital we believe that current management with the additional advantages in costs and marketing already in the pipeline, are well equipped to take South Burnett Meat Works into a profitable future."

That letter is signed by approximately 300 employees of the South Burnett Meat Works. It is an indication of the response in the South Burnett community to the ill-informed comments by the Premier and the Deputy Premier and Minister for State Development. Since then, the Deputy Premier has made certain statements in this House that have given the impression at least that the Government was prepared to devote some funds to the South Burnett Meat Works.

I attended the second creditors meeting in Murgon a little over a fortnight ago. The creditors and the suppliers of the South Burnett Meat Works met with the administrator

to decide on the future of the operation. It became obvious at that meeting that what this House had been led to believe by the Deputy Premier in reply to a question in this House on 27 August was not quite the situation. Once again, I believe this House has been misled. Not only has this House been misled but also the people of South Burnett and all the stakeholders in the South Burnett Meat Works have been misled. On 27 August the Deputy Premier stated in this place—

"The Government has been working actively with Suncorp-Metway, the administrators and directors of the board over recent weeks to achieve a satisfactory outcome that could maintain a viable—and I repeat 'viable'—meatworks in the South Burnett."

I am informed that the Deputy Premier has consistently refused to meet with the directors of the board. The so-called assistance is dependent upon any particular proposition being judged as viable. The proposition that the directors have worked so long to develop has been dismissed out of hand by the Government as being not viable, which quite effectively means that no assistance will be forthcoming. This leaves the South Burnett Meat Works and all the communities in the South Burnett in a very difficult position. It is very difficult to underestimate the impact on Murgon and all of the other South Burnett communities of the loss of those 500 jobs. It is increasingly likely that those jobs will be lost.

There are now only two options for the South Burnett Meat Works. First, the administrator has received a very small offer for the works. It amounts to some \$5m, I believe. My information is that the administrator has been unable to sign a contract for that sale. The only other option is the one that has been judged not viable by the Government, that is, for the directors and the shareholders, with some Government assistance, to mount a rescue package. It appears that, in reality, that is not going to happen. That is going to leave the South Burnett in a situation which, as I said, is very difficult to overstate. It is one thing to lose 500 jobs in a major metropolitan centre. It is something else altogether to lose that number of jobs in a small community such as Murgon.

Today I can make only one last appeal on behalf of the people of the South Burnett for the Deputy Premier, who has carriage of this issue, and the members of the Government generally to look again at this issue and once again consider the social and economic costs

to the entire South Burnett community of this operation finally ceasing.

It is very difficult to see how the operation is going to continue and continue to provide the jobs and the economic base for those communities without a considerable amount of Government assistance. The ball is very much in the Government's court. This is not something that should be the subject of political games. It is not something that should be managed for the sake of media reports. That certainly happened with respect to the Dorothy Dixier question that the Deputy Premier answered on 27 August.

Mr Sullivan: What about the interjections and questions from you when you didn't even know that your own people had refused to put one cent into it when they were in Government?

Mr SEENEY: What happened seven years ago or nine years ago is hardly relevant to the debate. What the Government and I as the local member have to deal with now is the fact that there is the very real risk of 500 jobs disappearing from Murgon. When we try to deal realistically with that problem, there is very little point in turning it into a political argument about what happened at some time in the past. We are dealing with 500 jobs, 500 families and quite a number of other creditors and suppliers of cattle and all sorts of product who cannot afford to lose the money that they are owed.

This is a very basic human problem. It should not be made into a political football. The point I am making is that the only people who can realistically do anything about it are those in the Labor Government. As I said, the ball is in its court. I take the opportunity today to make a final appeal on behalf of the people of the South Burnett and the people of Murgon in particular.

The coalition is certainly supporting this primary industries legislation. I do not believe that there is any need for me to comment at length on any other sections of the legislation. However, I do appreciate the opportunity to put my comments on the record and to correct some of the wrongs that have been perpetrated in this place with respect to the Murgon meatworks.

Mr MULHERIN (Mackay—ALP) (12.40 p.m.): I rise to speak in support of the Primary Industries Legislation Amendment Bill 1999. The Bill amends a number of Acts. I propose to confine my remarks to changes to three of these Acts, namely, the Chicken Meat Industry Committee Act 1976, the Grain

Industry (Restructuring) Act 1991 and the City of Brisbane Market Act 1960.

Both the chicken meat and grain legislation amendments are the result of reviews carried out under the National Competition Policy. The Beattie Government has made it clear that, in looking at the National Competition Policy, it demands the application of a rigorous public benefit test. This public benefit test must take into account social as well as economic practice, and it must consider employment and regional implications. Both of these reviews are examples of this approach. Both of these reviews highlight that the National Competition Policy examination, if conducted with a rigorous public benefit test, need not result in total deregulation or job losses.

In the case of the chicken meat industry, the review concluded that there was still a role for a statutory Chicken Meat Industry Committee to facilitate bargaining, both collective and individual, between growers and processors. This is important. Growers have expressed concern about the bargaining power of the major processors. Therefore, the role of the committee has been retained. The committee can implement content guidelines for contracts and facilitate negotiation. What the committee cannot do is fix prices. The outcome has the support of both growers and processors. The modelling in the public benefit test suggests that the changes recommended by the review could result in slight decreases in the price of chicken meat paid by consumers and in more jobs in the processing sector. The amendments implement the recommendations of the review. There will be a dispute resolution process put in place for use by growers or processors.

I turn now to the grain industry. The amendments in this Bill also reflect the outcome of a review which has been agreed to by industry. In essence, the review focused on the single desk power of Grainco. Grainco is a Corporations Law company. It is still subject to Government control, and it has a Government chair. What the amendments do is recognise that, in recent years, growers have made their own arrangements for sales of most grains. Therefore, the compulsory vesting of most grains is removed. So for domestic wheat, barley and sorghum, vesting will cease.

Provisions relating to export wheat will be rendered inactive pending a national review. The single desk will, however, be retained for export barley for three years. The reason for this is basically found in the Japanese market. The Japanese Food Authority, which

purchases our export barley, prefers to deal with the statutory authority, and hence Grainco's single desk arrangements for export barley have been retained. This is a sensible outcome. Because Grainco is a Corporations Law company, it will hold statutory powers for compulsory acquisition, and there is a need for oversight to ensure accountability. This will be provided under the amendments. A supervisory panel of three members will be established to ensure that the powers are properly exercised. The Government will appoint these members. Also, Grainco will remain subject to the Criminal Justice Act 1992. The Minister will move an amendment to this Bill to provide that Grainco will also be subject to the Parliamentary Commissioner Act 1974, that is, that the Ombudsman will have a role. These Acts apply only to Grainco's exercise of its regulatory functions.

In summary, the amendments reflect sound policy which is in the best interests of both the chicken meat and grain industries and in the public benefit of the wider community. The Bill also provides for the corporatisation of the Brisbane Market Authority. The markets at Rocklea are an important part of Queensland's horticultural industry. The decision to corporatise the Brisbane Market Authority was taken last year to retain the market in public ownership through a Government owned corporation. The new Brisbane Market Corporation will be established under the Corporations Law and the State will own 100% of the shares. The task of the new corporation will be to build a world-class distribution centre for fruit and vegetables. Corporatisation will provide flexibility to the new entity and make it more commercially focused. Under corporatisation, the market will be positioned to better serve the needs of its tenants and the wider community. I support the Bill.

Mr STEPHAN (Gympie—NPA) (12.45 p.m.): I take this opportunity to bring to the attention of the House a couple of issues that really do not get very much airplay. One of these is the fruit and vegetable industry, on which basically every person in this place relies very heavily indeed. The amount of transportation of fruit and vegetables around the countryside is enormous. Not long ago, receiving any produce from the Northern Territory, for example, was a rare event. Nowadays, enormous amounts of produce come from areas such as that. As well, those products are being transported in such a way that each and every one of us is able to enjoy those fruits and vegetables with great relish.

Mr Sullivan: I don't mind relish.

Mr STEPHAN: The member might be thinking about a different sort of relish. We can all get a lot of enjoyment from the fruits and vegetables that are put on our tables from time to time. I will come back to that aspect shortly.

Water is another issue of great importance. I am concerned that the Government has decided not to construct any further dams in the near future. If we cannot maintain the water requirements of this State, we will not be able to sustain our fruit and vegetable industry and, consequently, life itself. That is very important, because those two things go hand in hand. For example, in my electorate of Gympie, a cap has been placed on the Borumba dam. However, that will not be very successful if other dams are not built to help maintain our water requirements.

Mr Malone: What about jobs?

Mr STEPHAN: Jobs go hand in hand with building a dam. But this also affects jobs in the fruit and vegetable industry, the dairy cattle industry and many other industries. We must keep our feet on the ground and ensure that what we are doing is not only for this generation but for future generations.

I hope that in his reply the Minister refers to the relationship between primary industries and the marketplace. We cannot have one without the other. If we bring in produce from other parts of the world, we will do ourselves a disservice and we will undermine our primary industries.

At times, the vegetable industry takes part in marketing campaigns, such as explaining to people the disadvantages in not eating vegetables every day and instead banking on eating them only once or twice a week. That marketing campaign asked people, "Are you getting enough?" Another marketing campaign was in relation to the just-in-time mentality.

Mr Pearce interjected.

Mr STEPHAN: The member is referring to the dairy industry. It also asks, "Are you getting enough?" Members can draw their own conclusions as to the strategies that the industry is adopting.

Mr Palaszczuk: What are you talking about? Can you be more specific? I just can't seem to get what you are talking about.

Mr STEPHAN: I am trying to say that the marketing programs also ensure that we have quality produce, which starts with the growers, then goes to the transport industry and finishes with the retailers.

Mr Palaszczuk: You are after the integrity of the supply chain.

Mr STEPHAN: Yes, that is right. It is a far larger process than a lot of people realise. I am not trying to be funny or trying to be difficult, it is just that a lot of times we think that the structures are put in place and that they will be there when they are required. If we do not ensure that those structures are in place, we will be going down the wrong track.

We have to make sure that there are sufficient funds for the industry to undertake cutting edge research, such as the programs that are under way to improve market access through the development of new disinfection technologies for citrus fruit and the heat disinfection of mangoes before they are exported to Japan. Our other export markets include China and other countries to our north, including the potential to export to countries such as the ones to which we are going to send troops.

Representatives of the Queensland Fruit and Vegetable Growers are also going overseas not only to spread their knowledge but also bring back new ideas. By going overseas, those producers get to know the types of vegetables that people from overseas are eating and the types of vegetables that they are actively looking for. Noel Harvey has assisted with the Asian vegetable workshops to help growers determine their research and development and chemical registration needs for the fruit and vegetables that will be exported to Asian markets. Noel Harvey has also conducted interviews and met with wholesalers, retailers and research agencies in Brisbane, Sydney and Melbourne to report on industry development projects and initiatives. Representatives from the Queensland Fruit and Vegetable Growers have also conducted study tours to Hong Kong and China. Such study tours make a tremendous difference for our exporters, because through them they get to know what the consumers in those markets are looking for. Noel Harvey presented a series of slides and information to Queensland Fruit and Vegetable Growers staff and delegates on the recent study tour to Hong Kong and China.

I congratulate the industry on those initiatives, because through them they have gained the respect of the people to whom they are sending their products. They have also come back with information that will enable them to make sure that they are exporting the products that the consumers want to eat, not what they think the consumers should be eating. The fruit and vegetable industry is a very large industry. For a long time, we have

been relying upon the expertise of the people involved in the industry in south-east Queensland, because they are much closer to the market than growers in north Queensland or the Northern Territory. However, each area is certainly making a big impact in the industry. For example, at the moment, we have an all-your-round program to send beans to Sydney and Melbourne. I am just not too sure what the arrangements are for the export of watermelons, but currently producers are growing them throughout the year. I thank the House for giving me the opportunity to make these few comments.

Debate, on motion of Mr Stephan, adjourned.

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

BUDGET DOCUMENTS

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (2.30 p.m.): Mr Speaker, I lay upon the table of the House the following documents—

Budget Speech;
Budget Overview;
Economic and Revenue Outlook;
Departmental Services;
Capital Statement;
Budget Highlights;
A Reader's Guide;
Queensland—The Smart State;
Delivering for Queensland—The Government's Seven Priorities; and
Ministerial Portfolio Statements, including Speaker's Portfolio Statements for the Legislative Assembly.

APPROPRIATION (PARLIAMENT) BILL

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (2.31 p.m.), by leave, without notice: I move—

"That the House will, at its present sitting, grant leave to bring in a Bill for an Act authorising the Treasurer to pay certain amounts from the consolidated fund for services of the Legislative Assembly and the Parliamentary Service for the financial years starting 1 July 1998, 1 July 1999 and 1 July 2000."

Motion agreed to.

MR SPEAKER read a message from His Excellency the Deputy Governor recommending the necessary appropriation.

First Reading

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

Second Reading

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (2.32 p.m.): I move—

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

I rise today to introduce an Appropriation Bill for the Legislative Assembly. This Bill is consistent with recent convention and ensures that the Legislative Assembly's appropriation is separate from the Appropriation Bill for the other activities of Government.

The Appropriation (Parliament) Bill will provide the necessary appropriation to ensure the continued normal operation of the Legislative Assembly, including members' salaries and allowances, committee activities and the complete range of staffing, administrative, operating and capital costs of the Parliamentary Service and parliamentary precinct.

Mr Speaker, today my Government introduces to the Parliament a new system for budgeting in this State, an accrual output Budget. Put simply, the move to an accrual output Budget will enable Government to budget for the full cost of the services it provides; to improve its management of operating expenses, revenues, assets and liabilities; and to provide for better management of the State's cash position.

As part of this significant development, my Government remains committed to the independence and primacy of the Parliament and the way in which public moneys are appropriated for the functioning of Parliament.

Mr Speaker, I commend the Bill to the House.

Debate, on motion of Mr Borbidge, adjourned.

APPROPRIATION BILL

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (2.34 p.m.), by leave, without notice: I move—

"That the House will, at its present sitting, grant leave to bring in a Bill for an Act authorising the Treasurer to pay certain amounts from the consolidated fund to departments for the financial years starting 1 July 1998, 1 July 1999 and 1 July 2000."

Motion agreed to.

MR SPEAKER read a message from His Excellency the Deputy Governor recommending the necessary appropriation.

First Reading

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

Second Reading

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (2.36 p.m.): I move—

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

I am proud to present my Government's second Budget, a landmark Budget that establishes Queensland as the Smart State by providing strategic investment in exciting new industries and education for the new millennium.

This Budget delivers our key priorities—priorities that meet the needs in our community, while at the same time ensuring strong, stable and fiscally responsible Government.

We have made these priorities abundantly clear, and we stand prepared to be judged on their achievement:

- More jobs for Queenslanders;
- Skilling Queensland;
- Building Queensland's Regions;
- Safer and more supportive communities;
- Better quality of life;
- Valuing the environment; and
- Strong Government leadership.

At the heart of these priorities are jobs, jobs and more jobs. Since taking office last year, this Government has created 49,000 new jobs, of which 73% are full time positions. Queensland in fact leads Australia in job generation, creating 31% of the full time jobs created since June last year.

Such a performance on full-time employment creation underlines the success of our policies. Moreover, in our first 12 months in office, we exceeded our jobs creation target by nearly 50%.

Last year, when we announced that the unemployment rate would fall to 8.5% by the June quarter, the forecast was attacked as unachievable.

I am now pleased to announce that we have exceeded our forecast. The average unemployment rate for 1998-1999 was 8.3%.

This is compared with 9% in the last year of the previous Government.

By August this year, the unemployment rate in Queensland was down to 7.9%, the lowest level in nearly a decade.

And we will continue to build on this exceptional record.

SKILLING QUEENSLAND—THE SMART STATE

Queensland's future prosperity lies in the development of a confident and flexible workforce that has the knowledge, skills and initiative to exploit the opportunities of the new information age.

The key to future jobs growth lies in skilling Queensland to become a Smart State, and this is the central focus of our Millennium Budget.

A Smart State means an educated State and an innovative State.

This Budget is a pioneering Budget because, for the first time in Queensland's history, we have taken a truly whole of Government approach to skilling and advancing Queensland's human capital.

This Budget brings record expenditure on education and training programs that provide the skills, knowledge and attitudes required in the information economy.

It nurtures emerging, knowledge-based industries such as biotechnology through strategic investment in Queensland's research infrastructure.

And it promotes the development of the Communications and Information industry to provide sustainable, highly valued employment.

Mr Speaker, this Budget will see us develop an industry culture focused on innovation and the adaptation of our research and knowledge for commercial purposes, through Cooperative Research Centres and technology incubators.

And it will enhance the effectiveness of Government service delivery to Queenslanders through the use of new technology.

Mr Speaker, people have a better chance of getting—and keeping—a job if they have the right skills.

My Government therefore places the highest priority on the investment that needs to be made in skilling Queensland to become the Smart State.

The 1999-2000 Budget will lay the foundations for Queensland's development as the technological and intellectual hub of the Asia Pacific region.

We will achieve this through increased funding in areas including telecommunications, biotechnology, information technology and far-reaching education initiatives.

We will build on our natural and human resources to develop one of the strongest and most diversified economies in Australia.

As part of this, initial funding is provided towards the Queensland Government's \$270 million, ten year plan for investment in bioindustries that will create thousands of sustainable jobs long into the next century.

The Government's strategy is underpinned by historic investment in research facilities and industry development policies. During 1999-2000 alone, \$20 million will be allocated to major new biotechnological research centres being established in South East Queensland.

Highlights include:

- \$3.75 million in 1999-2000, and \$77.5 million over 10 years, towards an Institute for Molecular Bioscience which will be the largest biological research facility in Australia;
- \$8 million over four years for the Centre for Biomolecular Science and Drug Discovery at Griffith University's Gold Coast campus; and
- \$5 million in 1999-2000, and \$20 million in total, for the Comprehensive Cancer Research Centre at the Queensland Institute for Medical Research.

Mr Speaker, education is the most vital component of our Smart State package.

This Budget provides \$40 million over four years, including \$5 million in 1999-2000, to the Networked Learning Community initiative of Education Queensland. The program is designed to enhance learning outcomes through information technology, with the initial focus on professional development of teachers and provision of technical support in schools.

My Government will target a ratio of one computer for every five students. The first milestone towards this strategy will be the achievement of one computer to every 7.5 students by 2001.

Through the Department of Employment, Training and Industrial Relations, a record \$438 million will be invested in Queensland's vocational education and training programs.

This includes \$6 million in 1999-2000 (\$24 million over four years) to TAFE Institutes. This Safeguarding TAFE Initiative aims to improve

the quality of vocational education and training; implement National Training Packages; and reduce Queensland skills gaps.

There is also an \$81 million commitment from the \$283 million Breaking the Unemployment Cycle initiative, which will create 2,400 public sector trainee positions in 1999-2000 and fund 500 apprenticeship places created in 1998-1999. Over four years, around 24,500 apprentice, trainee and job placement employment opportunities will be created.

The IT&T industry currently represents Queensland's fastest growing sector and the fourth largest industry in the State. The 1999-2000 Budget will support the growth of Queensland's IT&T sector by developing the State's skill base, providing investment in infrastructure and fostering innovation.

In particular, the Government will allocate \$10 million over three years to enhance super computing facilities for Queensland, based on new equipment funded by the State Government and located at the University of Queensland.

Mr Speaker, this Budget also includes a \$5 million boost to the State's literacy and numeracy program, lifting total spending to \$114 million.

Funding will also be provided for Queensland's world class Enterprise Distributed Systems Technology Centre, and for State telecommunications management and development.

Biotechnology provides great opportunities for Queensland's primary producers to enhance their competitiveness and improve the sustainability of rural communities.

The Department of Primary Industries, through the new Agency for Food and Fibre Sciences, will continue to develop biotechnology nodes around Queensland and contribute to research conducted within a range of centres.

In this context, more than \$2 million will be provided in 1999-2000 to extend the Centre for Dry Tropics Agriculture in Bowen.

Part of being a Smart State also involves using new technology to improve the accessibility of Government services and enable the public to transact their government business on line.

Under a \$17 million, four year Electronic Service Delivery Strategy, a range of projects will be implemented to support new and more effective ways of providing government services.

In addition, \$4.8 million is allocated in 1999-2000 to develop the concept of a single

window or shopfront for Government transactional, information and referral services.

BUILDING QUEENSLAND'S REGIONS

Mr Speaker, my Government is a Government for all Queenslanders.

Queensland is the only mainland State in Australia in which the majority of the population lives outside the capital city. As such, Queensland's regions are the beating heart of the State.

That is why 54% of the capital expenditure detailed in this Budget will be spent outside the Brisbane region.

In our last Budget, we reinstated and provided additional funding for the Rural Living Infrastructure Program.

The program has provided valuable assistance with community projects such as recreational, tourist and community facilities in small communities throughout Queensland.

In last year's Budget, we also established the Regional Communities Program. This is an innovative scheme, designed to give regional communities greater input into, and understanding of, Government decisions.

This Budget builds and strengthens our commitment to rural and regional communities.

That is why this Budget seeks to redress some of the neglect of recent years. In 1999-2000, over \$10 million will be spent on redevelopment in regional centres. Building on this, a further \$50 million will be allocated over the following three years for a new Regional Centres Program.

This pioneering program will assist local governments with a population in excess of 15,000, to provide better economic and social infrastructure and facilities in larger regional centres. This scheme focuses on community infrastructure programs such as city centre rejuvenation. It is designed specifically to improve the standard of living for Queenslanders in our regional cities.

The program will see more than \$100 million invested in regional city infrastructure over the next four years, with the State Government matching Local Government funding for projects on a dollar for dollar basis.

The Statewide regional infrastructure projects funded in the 1999-2000 Budget will include:

- \$9 million for the Cairns Esplanade project;
- \$8.2 million for Stage 2 of the Cairns Convention Centre;

- \$1 million towards the Edmonton Police Station due for completion by the end of 2000;
- \$4.3 million for the Townsville Strand;
- \$4 million capital investment for the Malanda Stadium at Townsville;
- \$2.8 million to assist the Bowen Shire;
- \$8 million for Vision Airlie which will see the creation of a man-made lagoon at Airlie Beach;
- \$2 million to enable the Mackay Port Authority to complete construction of the Mackay Small Craft Harbour;
- \$2 million to commence an \$8.6 million upgrade of the Rockhampton Police District Headquarters;
- \$28 million for the \$39 million Awoonga Callide Water Pipeline near Gladstone;
- \$2.7 million towards the Bundaberg Campus of Central Queensland University;
- \$14 million towards the construction of a new Correctional Centre in Maryborough;
- \$5.7 million for a new primary school, preschool and special education unit at Pialba, Hervey Bay;
- \$4.3 million this year, as part of major projects to improve mental health services in Toowoomba;
- The first \$2 million of \$10.5 million project to replace the Toowoomba Police Station; and
- \$39 million provided over three years for the Heritage Trails Network to benefit the whole of Regional and Rural Queensland.

There is also an initial provision in this year's Budget to meet the Government's commitment towards a Gold Coast Convention Centre.

Furthermore, more than 50% of my Government's current record \$5.3 billion five year Roads Implementation Plan will be spent outside the South East corner of the State.

SAFER AND MORE SUPPORTIVE COMMUNITIES

What sets this Government apart from its predecessor is our commitment to safer and more supportive communities.

Government must have a conscience. And my Government is committed to addressing the wrongs of the past.

Mr Speaker, I am proud to lead a Government that had the courage to establish the Forde Commission of Inquiry into the abuse of children in Queensland institutions.

And I am proud to lead a Government that is committed to meeting the challenge of implementing its recommendations.

Today, I am announcing my Government's commitment to increase child protection spending in Queensland by almost 50% over the next four years.

This will amount to a record \$100 million over four years and represents one of the largest recurrent funding initiatives of this Budget.

The implementation of the Forde recommendations will begin with an initial injection of \$10 million this financial year, building up to annual funding of \$40 million over four years. This significant injection is the largest by any Queensland State Government and confirms our commitment to improving the way we care for and protect our children.

In this financial year alone, the increased spending will see 70 new professionally trained child protection workers added to the frontline.

This progressive funding program will see real change, real improvements and create real jobs, as we work towards a better system for Queensland children and families.

In addition, \$24.6 million will be spent this year as part of the Government's \$63 million infrastructure program to continue rebuilding Queensland's youth detention system, as supported by the Forde Inquiry.

The Forde Inquiry revealed a broken system starved of resources. It will take time and careful planning to build up its strength. The funding I am announcing today is just the beginning of a thorough overhaul of child protection in this State.

Mr Speaker, I give my commitment that my Government will revisit the Forde Inquiry funding recommendation year after year, to lift our spending toward the national average.

It is essential that the funding we direct to improved child protection in Queensland be spent on real services and real infrastructure. Unfortunately, we can not solve all of the problems relating to child protection overnight by simply throwing vast sums of money at it. This would only lead to inefficient delivery of services.

The problems relating to child protection, like all healing processes, will take time and careful attention. We are committed to this process.

We must ensure, however, that this money goes to funding improved services, not building bureaucracy. A progressive implementation of our reforms will ensure real delivery of the measures recommended in the Forde Inquiry.

Mr Speaker, a compassionate Government cannot ignore past injustices.

This is why we have taken a progressive step towards smoothing the path to reconciliation in Queensland, by implementing a process that will see compensation paid to former State Government employees who were unlawfully underpaid.

We unreservedly acknowledge that thousands of Aboriginal and Torres Strait Islander people formerly employed by the Queensland Government during the period 1975 to 1986 were paid less than the award wage simply because of their race. Funding of \$6.3 million in 1999-2000, and \$25.4 million over three years, is provided to address this issue.

Mr Speaker, clean, vibrant communities—communities with jobs and local pride—are safe communities. Building strong communities is one of the most effective crime prevention measures a Government can take.

That is why funding of \$15 million is provided in 1999-2000, as part of the total funding of \$52.5 million over four years, for the Community Renewal Program. This program supports local communities in addressing social and economic needs and helps promote a safe environment for individuals, family and the community.

Other crime prevention initiatives of this Government include:

- a new State Penalties Enforcement Registry and fine enforcement system which will reduce the number of fine defaulters in prison;
- continuation of a Safe Station Program, involving \$39 million over four years, to improve the safety of railway passengers; and
- the continued improvement of security infrastructure in public places through the \$2 million per annum Security Improvement Program.

A \$1 million Domestic Violence fund for innovative programs to assist female victims of domestic violence will be continued in 1999-2000.

An additional \$2.5 million will be provided to Legal Aid Queensland to meet the increased demand for legal services and to provide additional funding to Community Legal Centres.

The 1998-1999 Budget provided for the implementation of a long term plan to boost police staffing numbers. In our first year, police numbers increased by 341, to a total of 7,519. This Budget maintains that momentum, with

police numbers to increase by an average of 325 per annum for the next six years.

FOSTERING A BETTER QUALITY OF LIFE

The defining nature of a true Labor Budget is the delivery of education, health, family and community services that combine to improve the quality of life and promote full and equitable participation of all Queenslanders.

In this Budget, the Queensland Government will contribute more than ever before to the provision of education and health services.

The 1999-2000 Education Budget provides for net expenditure of \$3.8 billion, an increase of 3.7%.

\$274 million will be spent on Education capital works, including \$50 million per annum on the Building Better Schools program, which now will be extended beyond this year for a further three years and will include high schools. At the same time, planning will commence for the development of a rolling Education capital program for the future.

To continue to enhance services to students with disabilities and learning difficulties, \$10 million, including \$2 million to non-State schools, is provided in this year's Budget.

Continuing education initiatives include \$5 million to improve literacy and numeracy outcomes in primary schools, and \$5 million for behaviour management support services and professional development resources.

Health services continue to be a priority of the Government. Like Education, the 1999-2000 Health Budget provides for net expenditure of \$3.8 billion. Health services rebuilding projects will amount to \$563 million in 1999-2000.

Funding of \$79.6 million is provided over four years, including \$19.9 million in 1999-2000, for the operation of new hospitals at Noosa and Robina. The funding is provided to improve access to health care services within these communities. Public health care services will be purchased from private hospitals at Noosa and Robina, increasing cooperation with the private sector in the provision of health care.

Other Health service enhancements in this Budget include \$4 million to the Blood Bank for the collection, production, management and delivery of blood products and \$1.5 million for additional resources at the John Tonge Centre for Forensic Services.

Quality of life is also about having top class emergency services. The State's Fire and Rescue Authority will use additional funding of \$25.5 million per annum to enhance infrastructure and services and a further \$4.8 million per annum will meet growth in demand

for urgent ambulance services. In addition, \$2 million will be provided for the provision of ambulance services to Aboriginal and Torres Strait Islander communities.

All this complements our highly successful initiative commenced in 1998-1999 to provide free pensioner ambulance services, which involves funding of \$24.5 million in 1999-2000, and \$118 million over five years.

People with a disability need special assistance in order to enjoy the same rights as other Queenslanders and to live as valued and participating members of the community.

1999-2000 will see the full implementation of our \$35 million Unmet Needs initiative which addresses family support and lifestyle needs of people with a disability living in the community.

In order to continue day options for people currently receiving support through the Moving Ahead Program and post school demonstration projects, an additional \$12.5 million over four years has been allocated, including \$2 million in 1999-2000.

Critical to improving the health and well being of our indigenous communities is good basic infrastructure such as water supply and waste disposal. Additional funding of \$18.5 million over the next four years is allocated to improve such infrastructure.

In addition, \$12 million will be invested over four years in building new retail store facilities in the Torres Strait Islands.

Mr Speaker, my Government is concerned by the enormous costs which illegal drugs represent to our communities. We recognise the pressing need to find new solutions to the growing drug problem in our society.

A trial project will be conducted over the next three years to divert drug offenders at the court level from prison to intensive rehabilitation. This will be a cooperative project across several agencies, at a cost of \$3.2 million over three years.

The 1999-2000 Budget will strengthen the safety net in our community by delivering much needed investment in public housing.

During the year, \$173 million of public housing capital works will be undertaken, including:

- \$97.3 million to undertake 700 new public housing commencements and complete an estimated 702 public housing dwellings commenced in previous years;
- \$20 million for acquisition of land that will accommodate 400 housing solutions; and
- \$55.8 million to upgrade existing public housing, including installation of

evaporative air cooling in Western Queensland.

VALUING THE ENVIRONMENT

In December 1998, my Government established the Environmental Protection Agency to achieve real and long-term improvements in the way our State develops, and to preserve the precious asset that is our environment. This Budget provides an additional \$6.8 million in 1999-2000 and \$27.5 million over four years towards the activities of this new agency.

The high priority which we place on the environment is further underlined by a range of other initiatives.

Funding of \$7 million is provided over four years, including \$2 million in 1999-2000, for enhanced protection of biodiversity and endangered species. This initiative began in 1998-99 to fund specific projects, including the implementation of a Nature Search program using volunteers to identify native fauna and flora, development of a program involving landowners in conservation, and the preparation of a State Conservation Strategy.

Funding of \$41 million is provided over four years, including \$10 million in 1999-2000, for a Rural Water Use Efficiency Initiative. The major elements of the initiative are rural adoption programs, financial incentives, reducing water losses in storage and distribution, and asset management.

PROMOTING STRONG AND STABLE GOVERNMENT LEADERSHIP

Mr Speaker, how we operate and what we achieve defines the leadership we provide as a Government. Stability, integrity, accountability and honesty are the hallmarks of a good Government, and good Government earns the confidence necessary to build a better Queensland.

Confidence creates a business environment where people can invest with certainty and surety. It creates optimism, it promotes investment, and it helps drive growth.

Already, our record of achievement is impressive. Queensland's economic growth in 1998-1999 was 4.75%, surpassing the national average. As for the State's finances, we produced a net operating surplus (in Government Finance Statistics terms) of \$27 million in 1998-1999, and increased the State's net worth to \$57.7 billion.

Mr Speaker, only my Labor Government could have achieved this environment of stability, growth and confidence.

We have provided the fiscal settings, infrastructure and incentives which are vital for the business sector to undertake new investment and create employment.

By getting on with our job of providing stable Government, we have recognised the trust placed in us by the Queensland public at the 1998 Election. We've brought back to Queensland strong, stable and accountable Government after two and half years of turbulence.

CREATING MORE JOBS FOR QUEENSLANDERS

As I have already indicated, our job record to date has been impressive—employment growth around 25% higher than the national average, resulting in 49,000 new jobs since we came into Government.

Even more importantly, there has been a significant fall in the State's average unemployment rate—from 9% in 1997-1998 to 8.3% in 1998-1999. Latest employment statistics show Queensland's jobless rate at 7.9% in August.

This did not happen by accident, Mr Speaker. The programs we have put in place have revitalised employment in Queensland.

But there can be no room for complacency. Much more remains to be achieved, and this Budget lays the groundwork for further gains.

Against a background of moderating national and State economic growth, we expect to see a further 41,000 new jobs in Queensland in 1999-2000.

This target is some 37% higher than the job creation target we set ourselves in last year's Budget.

This will make further inroads into the State's unemployment rate, which is expected to fall to 7.75% in 1999-2000, the lowest average rate in a decade. We have broken the 8% barrier and will head towards my Government's target of 5%.

Last year, my Government established the Breaking the Unemployment Cycle initiative to assist unemployed Queenslanders in gaining valuable work experience and training.

This initiative has succeeded beyond all expectations, and to continue this impetus, this Budget will deliver a further \$81 million for targeted labour market programs, an increase of \$38 million from last year.

Mr Speaker, this is just part of an overall program of \$283 million over four years. That is more than a quarter of a billion dollars directly targeted to job creation.

In addition, further funding of \$20 million over four years, including \$5 million in 1999-2000, is provided to establish the Worker Assistance Program. This new initiative is an early intervention labour market program to provide direct financial assistance to displaced workers seeking new employment.

My Government also will never lose sight of the next generation of young people and ensuring that there are adequate opportunities available to school-leavers to learn new skills.

Funding of \$24.9 million is provided over four years, including \$6.2 million in 1999-2000, for the QBuild Apprentice Program. This funding will enable QBuild to employ 238 apprentices this year, over and above the industry standard.

We understand the importance of assisting business and industry to create secure and sustainable jobs.

My Government is using every means possible to attract investment and nurture new industries and employment opportunities.

That is why we have allocated funding of \$50.7 million over five years, including \$10.9 million in 1999-2000, for the Queensland Investment Incentives Scheme. Importantly, this funding will allow the scheme to be better targeted to promote regional development and knowledge-based investment.

The scheme began in 1998-1999, to assist Queensland projects where there is a net economic benefit and a demonstrated need for Government support to overcome an impediment to the project's development.

Funding of \$20 million will be provided over the next three years, including \$8 million in 1999-2000, for the Queensland Meat Processing Development initiative. This initiative is aimed at providing assistance to industry proponents establishing value-added activities. We acknowledge the importance of the meat processing industry to Queensland, and have identified a clear role to work with business to develop a revitalised, world-competitive industry.

The Government's capital works program is also an integral element of our jobs strategy.

Again this year, the Queensland Government will be pragmatic about what can actually be delivered in capital works expenditure.

While we have identified \$5.4 billion in capital works infrastructure spending, we recognise that due to normal exigencies, as demonstrated in all previous years, it is unlikely that the entire program can be fully delivered.

Accordingly, we have made a contingency adjustment of \$268.5 million to the program.

Therefore, in 1999-2000, net capital expenditure including Public Trading Enterprises, is estimated to be \$5.2 billion, up from almost \$5 billion achieved last year. This capital program will support some 68,000 jobs, most of them ongoing. This expenditure is unprecedented in the State's history.

Of this expenditure, some \$1 billion is for new energy projects, mainly in regional areas.

ECONOMIC OUTLOOK

Mr Speaker, my Government has charted a course that will keep Queensland at the forefront of economic performance in Australia.

Against a background of slowing economic activity nationally, Queensland is again set to outperform the rest of Australia in 1999-2000.

Queensland's rate of economic growth in 1999-2000 is expected to be 3.75%, compared with a national average of just 3%.

While domestic consumption and business investment activity will ease slightly, economic growth will be boosted by an improvement in dwelling investment and a return to more normal trading conditions overseas, as the Asian region recovers from the financial crisis of 1997.

Our rate of employment growth is expected to be 2.5%, once again a solid margin over the national rate of 1.75%.

As a result, we again will lead the way in creating new jobs and securing the future for all Queenslanders who want to work.

I reiterate that Queensland's average unemployment rate in 1999-2000 will fall to its lowest level in a decade, as we redouble our efforts to reach our 5% unemployment target that even the cynics now acknowledge is achievable.

NATIONAL REFORM ISSUES

Mr Speaker, whilst the worst effects of the Asian financial crisis have now abated, there are other significant economic changes occurring both nationally and globally that have profound impacts on Queensland, and from which we cannot be insulated.

While it is true to say that many of the Asian economies which are so important to us are recovering, the economic problems in Asia are still impacting adversely on sections of Australia's international tourism market.

This is why, Mr Speaker, this Budget includes an extra \$6 million in funding over three years for new and improved domestic and international tourism marketing plans. This

money is vital to safeguard the future of our tourism industry, to create new jobs and to protect the 125,000 Queenslanders whose jobs depend on tourism—a sector already threatened by the adverse impact of the Federal Government's looming Goods and Services Tax (GST).

Mr Speaker, at a national level, economic reform issues have a major bearing on the vitality of the Queensland economy. Two issues in particular are set to discriminate against all Queenslanders, and make our task to deliver services so much more difficult.

We are especially concerned that Queensland will be disadvantaged by the introduction of the GST from 1 July 2000.

There is the potential for economic growth in this State to be retarded because the GST will impose a new burden on service industries, such as tourism, which have a greater relative importance to Queensland than the rest of Australia.

But the most iniquitous aspect of this new tax is that despite our best efforts, the GST package means that, in 2000-2001, Queenslanders will end up paying higher indirect taxes to subsidise the spending of other higher taxing State Governments.

My Government has rallied long and hard for a better deal for Queenslanders from national tax reform.

In fact, Mr Speaker, we walked away from the Premiers' Conference in April with \$350 million in additional compensation from the stand we took. That is \$350 million more than the Opposition—who wanted us to lie down and accept a raw deal—would have ever achieved.

Our commitment to a competitive tax system remains unshakeable, but national tax reform makes our task that much harder.

And we have not been helped by the unfortunate legacy of our predecessors who failed to stand up for Queensland as we have done. As a result, we are losing about \$60 million a year under the Queensland Fuel Subsidy Scheme to avoid extra fuel excise taxes in this State.

GOVERNMENT FINANCES

In 1999-2000, we are budgeting for a small net operating surplus (again in GFS terms) of \$21 million, and we will increase the net worth of the State yet again.

As a result, we will meet the fiscal principles we have enunciated as part of our Charter of Social and Fiscal Responsibility, and we will maintain the State's AAA credit rating.

Moreover, we will not be selling off our assets to fund operating expenditures.

Total Budget expenditure in the 1999-2000 year is a record \$16.8 billion. By the end of the year, we expect to have increased the State's net worth to \$58 billion.

The Government is committed to ensuring that State taxes and charges remain competitive with those of other States and Territories. Therefore, the aim of the Budget is to deliver the level of services expected by the public at the lowest possible cost. This will be achieved by improving the efficiency with which the Government delivers services and by continued fiscal restraint.

To this end, agencies have been required to achieve savings on administrative overheads without adversely affecting service delivery, and to absorb the effect of cost increases in a low inflation environment.

The Government also has undertaken a rigorous and searching review of the expenditure patterns of agencies and identified surplus funding that is unlikely to be utilised fully during the year.

These measures have allowed the reallocation of some \$300 million in 1999-2000 for other initiatives, to meet Budget priorities across agencies.

The Commonwealth's peculiar approach to GST compensation for the States is highlighted under the accrual basis to the Budget. By providing compensation in the form of a loan rather than a grant in 2000-2001, the Commonwealth has created a nominal cash shortfall in that year.

Under accrual budgeting, while this will support our balance sheet, it will leave a shortfall in our operating position. If the Commonwealth had provided a grant rather than a loan, an additional \$68 million revenue would be recorded in the operating position, resulting in a surplus of approximately \$20 million.

REVENUE MEASURES

Mr Speaker, I turn now to revenue issues.

Some revenue measures that have previously been announced have impacts on the 1999-2000 Budget.

The Government has fulfilled its commitment from last year to provide a further reduction in land tax. Legislation has already been enacted to provide for an increase in the general rebate on land tax from 5% to 15% with effect from 1 July 1999. This delivers benefits to land taxpayers of around \$23 million in 1999-2000.

As part of the sale of TAB Queensland, the Government has agreed to replace the

existing totalisator tax with a wagering tax at significantly lower rates. This will reduce tax revenue by about \$33 million per annum, which will improve the competitive position of the racing industry.

My Government is concerned to ensure that Queensland's tax system is not only competitive, but also fair and equitable.

Accordingly, amendments will be made to payroll tax legislation to include all employer contributions to superannuation in the payroll tax base, effective from 1 January 2000. This will not only bring Queensland into line with the rest of Australia, it will also close off an avenue for tax minimisation. As superannuation becomes an ever-increasing component of workers' salary packages, the scope for tax minimisation also increases without these changes.

Queensland's payroll tax system will remain clearly the most competitive of any State or Territory. Although we are broadening the payroll tax base with the inclusion of superannuation, we are compensating businesses by reducing the base rates of payroll tax. The rate of payroll tax is to be reduced from 5% to 4.9% from 1 July 2000, with a further reduction to 4.8% from 1 July 2001.

This rate compares with 6.4% in NSW and 5.75% in Victoria.

As a further initiative, the Government will provide a stamp duty exemption for shares of Queensland incorporated companies traded on foreign stock exchanges. This exemption will remove the impediment that currently exists for Queensland firms to access capital offshore. It is particularly relevant to new and emerging high technology industries, such as bioindustries.

The net effect of taxation measures contained in this Budget is to reduce the tax burden on Queensland by \$27.7 million.

The bottom line, Mr Speaker, is that Queensland retains the most competitive tax regime in Australia. We have not introduced any new taxes or charges, and we have restricted any increases in existing charges to CPI movements.

ACCRUAL BUDGET

Mr Speaker, there are some important changes in the way this Budget has been framed. It is the first Queensland Budget to be prepared on a full accrual output basis.

This demonstrates our commitment to transparency and accountability—to presenting the State of Queensland's finances in an

open, clear and consistent fashion, which is unprecedented since this State began.

No longer will the Budget use outmoded cash accounting practices that can be used to hide the real, underlying financial position of the State.

The State's financial position is now presented on a full accruals basis—the same basis long used by the private sector and now being adopted by most other responsible Governments around Australia.

More importantly, Mr Speaker, the move to accrual output budgeting is about delivering services that Queenslanders want. It is about Managing for Outcomes.

It demands a Government that listens to people, understands their needs and provides services to meet those needs.

The new system provides the foundation for better corporate governance within the public sector. It clearly states the Government's priorities, the outcomes that support them and the mix and level of services that are aimed at achieving them. And, for the first time, Mr Speaker, departments will identify the level of performance that they expect to deliver.

This 'results' focus will apply consistently through the planning, budgeting, accounting and reporting processes within departments.

Accrual budgeting also will reveal the full cost of services and confirm that this is a prudent Government, providing cost-effective services to meet the needs of all Queenslanders.

CHARTER OF SOCIAL AND FISCAL RESPONSIBILITY

Mr Speaker, this Budget sets new standards in public accountability and transparency for another reason.

It is the first Queensland Budget to be prepared in accordance with a Charter of Social and Fiscal Responsibility.

My Government has shown genuine leadership and initiative in passing legislation requiring all Queensland Governments in future to prepare and table in Parliament, a Charter of Social and Fiscal Responsibility.

As a result, Government in Queensland is now subject to greater public scrutiny than ever before. Indeed, it is subject to much closer scrutiny and is more accountable than any Government ever before in Australia.

The Charter requires a Government to announce its objectives and how it will achieve those objectives. However, rhetoric about the future direction of government policy is not enough. The legislation also requires a Government to report on its performance in meeting its objectives.

I had the honour of releasing Queensland's first Charter of Social and Fiscal Responsibility last month, which I tabled in the House. The Charter draws together the Government's key policy priorities, addresses our social responsibilities, outlines our guiding financial principles, and specifies how we will report on delivering our commitments.

The Charter will also see an end to the days when Treasury was used as a political football in the costing of election promises. It sets forward the requirements for financial information which is to be made available prior to an election.

The Charter is a unique document because, for the first time, it commits a Government not only to adhere to strict fiscal principles, but also to deliver on social policy objectives.

In other words, a strong financial position is not an end in itself, but a means to achieving a broader range of objectives necessary to advance the prosperity, welfare and quality of life of all Queenslanders.

A BUDGET FOR THE SMART STATE

Mr Speaker, in our first year in office, we have returned Queensland to strong, stable and responsible Government.

We have set priorities which respond to community needs.

And we have delivered on our commitments.

The results are plain to see.

As we approach the dawn of the new millennium, Queensland has a healthy, vibrant economy well placed to take advantage of new emerging opportunities in exciting fields such as IT&T and biotechnology.

In this new era, Queensland's competitive advantage lies in our human, natural and biological resources.

The new century will reward the societies that invest in, and develop, these resources.

This is a landmark Budget that establishes Queensland as the Smart State in order to reap those rewards.

It is a smart Budget for a Smart State, with its focus firmly on enhancing the future prosperity and quality of life for all Queenslanders.

Mr Speaker, I commend the Bill to the House.

Debate, on motion of Dr Watson, adjourned.

The House adjourned at 3.24 p.m.