TUESDAY, 30 NOVEMBER 1999

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

ASSENT TO BILLS

Mr SPEAKER: Order! I have to inform the House that I have received from His Excellency the Governor a letter in respect to assent to certain Bills, the contents of which will be incorporated in the records of Parliament—

(sgd) Peter Arnison

GOVERNOR

Message No. 5199

The Governor acquaints the Legislative Assembly that Bills intituled:

"A Bill for an Act to amend certain local government legislation, and for other purposes"

"A Bill for an Act to amend the Health Services Act 1991, Medical Act 1939 and Tobacco Products (Prevention of Supply to Children) Act 1998"

"A Bill for an Act to amend the Trade Measurement Act 1990"

"A Bill for an Act to provide for the regulation of private health facilities and for other purposes"

having been passed by the Legislative Assembly, and having been presented for the Royal Assent, were assented to by the Governor, in the name of Her Majesty, on the Twenty-Ninth day of November, 1999.

The Governor now transmits the Bills to the Legislative Assembly, to be numbered and forwarded to the proper Officer for enrolment, in the manner required by law.

Government House, Brisbane, 30 November 1999.

PRIVILEGE

National Road Rules

Hon. S. D. BREDHAUER (Cook—ALP) (Minister for Transport and Minister for Main Roads) (9.33 a.m.): I rise on a matter of privilege. On page 3 of today's edition of the Queensland Times newspaper, a claim is made that the National Road Rules brochure, being distributed by Queensland Transport, contains errors of fact. This claim by an unnamed police officer is wrong and may unnecessarily alarm members of Queensland's motoring public. The fact is that the new Australian Road Rules to come into effect tomorrow substantially mirror existing Queensland road rules.

To print all of the road rules would require a major publication; therefore, a decision was taken by Queensland Transport, in consultation with the Queensland Police Service and other stakeholders including the RACQ, to print a brochure containing those significant changes to the road rules with which motorists would need to become familiar. The State Traffic Support Branch of the Queensland Police Service have advised my department today that they were fully consulted on the brochure—which I also table—and are satisfied with its accuracy and presentation. That brochure is written in language designed to be easily understood by all Queensland motorists. All of the statements in the brochure are correct and identify the major new road rules that Queensland motorists are required to abide by from tomorrow, 1 December. Of course, all other road rules which govern driving in Queensland continue to apply.

PETITIONS

The Clerk announced the receipt of the following petitions—

Prostitution Laws

From **Mr Feldman** (37 petitioners) requesting the House to rigorously reject any proposals to further liberalise the current laws relating to prostitution.

Prostitution Laws

From **Mr Reynolds** (171 petitioners) requesting the House to reject any move to legalise brothels in Queensland and do all in its power to restrict and contain this immoral practice which is so harmful to society.

A similar petition was received from **Mr Horan** (4 petitioners).

Petitions received.

PAPERS

The Clerk informed the House of the tabling of the following documents—

PAPERS TABLED DURING THE RECESS

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

29 November 1999—

Bore Water Boards, Drainage Boards, Water Boards—Summarised Annual Report 1998-99

Queensland River Improvement Trusts—Summarised Annual Report 1998-99

Gladstone Area Water Board—Annual Report 1998-99

Late tabling statement by the Minister for Environment and Heritage and Minister for Natural Resources (Mr Welford) relating to the Gladstone Area Water Board Annual Report 1998-99

STATUTORY INSTRUMENTS

The following statutory instruments were tabled by The Clerk—

Charitable and Non-Profit Gaming Act 1999—

Charitable and Non-Profit Gaming Rule 1999, No. 298

Environmental Protection Act 1994—

Environmental Protection (Noise) Amendment Policy (No. 1) 1999, No. 296

Environmental Protection Act 1994, Justices Act 1886—

Environmental Protection Amendment Regulation (No. 2) 1999, No. 297 and Explanatory Notes and Regulatory Impact Statement for No. 297

Gas Act 1965, Petroleum Act 1923—

Gas and Petroleum Legislation Amendment Regulation (No. 2) 1999, No. 294

Hospitals Foundations Act 1982—

Hospitals Foundation (Townsville General Hospital Foundation) Repeal Rule 1999, No. 293

Hospitals Foundations Amendment Regulation (No. 1) 1999, No. 292

James Cook University Act 1997—

James Cook University Statute No. 3 (Fees) 1999

James Cook University Statute No. 4 (Making and Notifying of University Rules) 1999

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

Traffic and Other Legislation Amendment Regulation (No. 1) 1999, No. 299

Local Government Act 1993—

Local Government (Implementation of Reviewable Local Government Matters) Amendment Regulation (No. 1) 1999, No. 291

Marine Parks Act 1982—

Marine Parks (Cairns) Amendment Zoning Plan (No. 1) 1999, No. 295

Transport Operations (Passenger Transport) Act 1994—

Transport Operations (Passenger Transport) Amendment Regulation (No. 4) 1999, No. 300

Transport Operations (Road Use Management) Act 1995—

Transport Operations (Road Use Management—Driver Licensing) Regulation 1999, No. 301

MINISTERIAL RESPONSE TO A PETITION

The following response to a petition, received during the recess, was tabled by The Clerk—

Response from the Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities (Mr Mackenroth) to a petition presented by Mr Bredhauer from 509 petitioners, regarding the constitution of a local government for the township of Weipa—

I refer to your letter of 28 October 1999 referring to me a petition lodged by Mr Ian McNamara regarding the constitution of a local government for the township of Weipa.

I have responded directly to Mr McNamara and have enclosed a copy of my response for your information.

24 Nov 1999

Mr I A McNamara
5 Cumrumja Close
WEIPA QLD 4874

Dear Mr McNamara

I refer to your petition to the Legislative Assembly concerning the creation of a local government for the township of Weipa, which has been referred to me by the Clerk of the Parliament.

The request expressed in the petition has been noted.

As you are no doubt aware, officers of my Department have been discussing with Comalco Aluminium Limited its position regarding the constitution of a town commission for the township of Weipa.

It is understood the Comalco Board supports the process in principle, however, is considering a number of issues prior to making a formal request for the town commission to be constituted. Consideration can then be given to seeking the approval of the Governor in Council to the establishment of a town commission.

The Weipa Citizens' Advisory Committee will be kept informed as matters progress.

Yours sincerely

TERRY MACKENROTH

MINISTERIAL PAPER TABLED BY THE CLERK

The Clerk tabled the following paper, received from the following Minister during the recess—

Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading (Ms Spence)—

Queensland Building Tribunal—Annual Report 1998-99

MINISTERIAL PAPER

The following papers were tabled—

(a) Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities (Mr Mackenroth)—

Copy of a reference issued to the Electoral Commission of Queensland on 24 November 1999 in relation to a review of the composition of Aramac Shire Council and the assignment of councillors to divisions

(b) Minister for Health (Mrs Edmond)—

Townsville District Health Foundation—Annual Report for the year ended 30 June 1999

Written statement in accordance with section 46KB of the Financial Administration and Audit Act 1977.

MINISTERIAL STATEMENT

Premier's Millennium Awards

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.36 a.m.), by leave: It gives me great pleasure today to announce the establishment of the Premier's Millennium Awards for Excellence. The aim of these awards is to recognise Queenslanders who have made a significant contribution to this State over the last 25 years of this century, to celebrate Queensland's living legends. It is only fitting that we show our appreciation to these people for playing their part in shaping Queensland into the great State we proudly call home. The calibre of recipients will no doubt follow in the footsteps of other great Queenslanders like former Premier of Queensland and lawyer T. J. Ryan; singer Gladys Moncrieff; aviator Bert Hinkler; and Neville Bonner, the first Aboriginal person to sit in Federal Parliament.

I am seeking bipartisan support for this initiative and have written to the leaders of the various political parties in this House seeking that, because I believe it is important to recognise the great achievers and inspire others to succeed. The categories for the Premier's millennium awards include business leadership, education/science, primary industries, mining, tourism, local government, environment, charity/welfare/health, indigenous affairs, multicultural affairs, arts/culture, and sport.

All Queenslanders will be invited to nominate people they believe have performed exceptionally well or who have made an important contribution to Queensland. One important way to contribute to society is by volunteering. A recent piece in the Australian newspaper pointed to a decline in volunteer work—particularly in the welfare sector. I urge members of this House to encourage nominations and to nominate people. Nominations will close on Friday, 7 January 2000. I hope these new awards will play a part in turning around this trend against people being prepared to volunteer. A panel of eminent Queenslanders including former Federal parliamentarian, Sir James Killen; former Queensland Governor, Mrs Leneen Forde; Mayor of Cairns, Councillor Tom Pyne; director-general of my department, Dr Glyn Davis; Queensland Newspapers Editor-in-Chief, Chris Mitchell; and former President of the Premier's Community Welfare Committee, Lyn Comben, will judge the winners. They will decide who will receive the Premier's Millennium Awards for Excellence.

Those living legends will then be honoured at a ceremony at Parliament House on 26 January, the day we celebrate another momentous occasion, Australia Day. Australia Day 2000 will be the day we recognise and reward the special qualities of those ambassadors who have helped make Queensland the great State that it is. I look forward to the assistance of all Queenslanders in celebrating Queensland's living legends. For the information of the House, I table a copy of one of the advertisements that will appear in the Courier-Mail seeking nominations from Queenslanders.

MINISTERIAL STATEMENT

Smart State

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.40 a.m.), by leave: Honourable members will be well aware that my Government proposes to make Queensland the Smart State to guarantee our future. This will be achieved through increased research and development, improved curriculums and education facilities and a sharper focus on policies that ensure Queensland is ready to take advantage of opportunities when they arise. At the same time, we are also supporting our traditional industries. Queensland's economic wealth, and therefore our quality of life, will continue to be generated by miners, primary producers and the tens of thousands of people employed in the tourism industry—rocks, crops and our beautiful environment.

It was in this light that I initiated discussions yesterday with entrepreneur Richard Branson to locate the headquarters of his Virgin Australia airline in Brisbane. The launch of Virgin Australia gives us the

opportunity to create hundreds more jobs for Queenslanders through cheaper airfares to our tourist destinations. I am determined to do what I can to attract the headquarters to Queensland because Mr Branson is predicting the creation of 300 new jobs in the first year of operations. I know this will be difficult, but we are prepared to give it our best shot.

I spoke to Mr Branson yesterday and I told him that Queensland is very keen to have the Virgin Australia headquarters here in Queensland, along with the maintenance base and the call centre, notwithstanding bids from Victoria and New South Wales. I also told Mr Branson that my Government is prepared to offer an incentives package to his company which will cover payroll tax concessions and relocation costs. This would include normal commercial incentives as well as helping to find hangar space for the airline's planes. The presence of the regional headquarters of Boeing in Queensland will help our push for the headquarters of Virgin Airlines because of the high quality skills associated with aircraft maintenance, and I will come back to that in a moment.

The introduction of the Federal Government's goods and services tax will mean at least a 7% jump for domestic airfares to Queensland's tourism destinations. Therefore, we are concerned about its impact on tourism. Ironically, the Federal Government's GST will not affect flights to destinations such as Noumea, Bali and Fiji, which makes those destinations more competitive with the Sydney and Melbourne markets. Tourism is one of the most competitive industries in the world. Queensland cannot afford to start with a 7% cost disadvantage. If Mr Branson can reduce domestic fares and therefore help to offset the GST slug, Queensland tourism and tourism jobs will be the winner. It is our second biggest industry.

Mr Branson told me that he was investigating the possibility of operating services between cities with a population of 50,000 and more. That has very specific benefits and relevance to this State, the most decentralised mainland State of Australia. If Virgin Australia gets permission to fly to these centres—we know that it will not happen overnight; there will be introductions as part of the Olympic Games where they will be seeking, along with other airlines, to take advantage of the Olympics, and no doubt this will spread to the regional centres over time—it will mean cheaper fares to Cairns, Townsville, Mackay, maybe Hervey Bay, Rockhampton, the Sunshine Coast, the Gold Coast, Toowoomba, as well as Brisbane. We are the most decentralised mainland State. This is another reason why it would make sense for Virgin to have its headquarters here.

I told Mr Branson that Boeing has located its Asia-Pacific headquarters in Queensland. My Government is now examining the possibility of establishing a training facility for aircraft maintenance staff. My message to Mr Branson was that we want him here and that he should talk to us before he makes any decisions. In fact, to borrow a line from the Tourism Queensland advertising campaign, which the Minister for Tourism, Sport and Racing and I launched, what I said to Mr Branson was simply this: where else but Queensland?

MINISTERIAL STATEMENT

Gold Coast, Convention Centre

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.43 a.m.), by leave: In the past few years, the Gold Coast has become one of the most favoured destinations for delegates of conventions of all sizes. This growth has largely proceeded on the back of the coast's outstanding natural facilities and the very large hotels which do not have convention centres. However, this Government has seen the need to provide a dedicated convention centre on the Gold Coast to consolidate the growth that has occurred so far and put the Gold Coast in a position to attract further large-scale conventions.

The Government received several proposals for a convention centre in the second half of last year and early this year. We formally called for expressions of interest so that we could test the market. From here a short list of four contenders was compiled in March. This was reduced to three in August and then two when some of the consortia which had been short-listed left the process. Despite the urgings of those opposite, this Government remains committed to having a convention centre on the Gold Coast. Consequently, I am pleased to announce to the House that Jupiters Limited will be the preferred tenderer for a $145m Convention and Exhibition Centre on the Gold Coast. The convention centre should be ready by March 2002, subject to the project gaining the necessary approvals from the Gold Coast City Council.

The Government received two very good proposals. Jupiters was judged the better of the two, and we will now go into detailed

negotiations on formal binding agreements for the construction and operation of the convention centre. A major point of the Jupiters proposal is that it will help provide a great economic stimulus to the Gold Coast. It has a strong focus on the convention market but will also provide a venue for exhibitions, entertainment and sporting events. There will be considerable benefit for existing hotels and associated retail and service industries on the Gold Coast. It is proposed that the facility will be built off the Gold Coast Highway close to the existing Jupiters Casino at Broadbeach. Having this facility here means that it will be accessible to existing businesses and commercial development, and that in turn will benefit the broader Gold Coast business community.

I realise that there has been a great deal of discussion and speculation about this matter, but it is the Beattie Government which is giving the Gold Coast its long awaited convention centre which will be a huge boost for the coast's traditional industry—tourism. The centre will be owned by the State Government and operated by Jupiters and will be able to host conventions of up to 2,000 delegates. In combination with its existing facilities, Jupiters will actually be able to host two conventions of this size at the same time and provide a venue for concerts and sporting events for 6,500 people. It could also host exhibitions requiring up to 7,000 square metres of indoor space with an additional 2,000 square metres outdoors. In planning terms, the Gold Coast City Council will retain the responsibility for normal local authority approvals for the centre. It is this Government's intention that this will be done through the Integrated Development Approval System of the Integrated Planning Act.

The Jupiters proposal also involves the re-routing of Little Tallebudgera Creek so that the centre is accessible to the Gold Coast Highway. This in turn involves the relocation of the boat ramp and the senior citizens centre. What this will mean in practice is that some parkland will be given up for the convention centre, but Jupiters in turn intend to donate other land to public parkland so that overall there is an actual net gain in public space and public parkland in the area.

This facility has been sorely needed for some time now as the Gold Coast is entering a new phase of its development and needs to concentrate more on value adding to its traditional industries. Those opposite seem to think that they have a monopoly on representing the Gold Coast. However, we promised to be a Government for all Queenslanders, and that is what we are doing here. It is the Beattie Government that is delivering to the Gold Coast a facility it needs and one which will create more jobs in the future.

MINISTERIAL STATEMENT

Lang Park Redevelopment, Impact Assessment Study

Hon. R. J. GIBBS (Bundamba—ALP) (Minister for Tourism, Sport and Racing) (9.37 a.m.), by leave: On 31 August the Government announced that Lang Park was the preferred site for Brisbane's new world-class stadium. At that time, the Premier and I gave a public commitment that the Lang Park redevelopment would involve a comprehensive planning and assessment program and extensive community consultation. We are honouring that commitment. Senior officers from my department have already conducted a number of public forums on the planned redevelopment with local residents and other interested parties. Tomorrow the Government will advertise a public tender for a consultant to conduct the impact assessment study into the Lang Park Stadium development. That study is expected to begin in February. Today I am releasing for public comment the draft terms of reference of that study.

This comprehensive impact assessment study is being undertaken to ensure that the final outcome meets the needs of the whole community and the stadium users. Key issues to be addressed in the IAS include transportation, traffic and pedestrian access requirements; impacts on local residents and the broader community; noise, lighting and air quality; economic issues, including impacts on local businesses; visual and social impacts; and impacts on surrounding land uses and land use planning. Other potential environmental impacts include soils, water quality, waste management and infrastructure needs and requirements to facilitate the project.

The terms of reference is like the recipe for the study and, once finalised, will form the framework for the studies that will be conducted to look at the impacts of upgrading the site. For those who have an interest in the proposed stadium development and its potential impacts, now is the time to have a say on the issues that will be addressed in the technical studies themselves.

Public comments on the draft terms of reference are encouraged and must be received by 15 February 2000. During the period when the draft terms of reference are

being publicly displayed, an independent community consultation team will be working directly with the community to help identify community issues, promote understanding of the IAS process and facilitate public response to the draft terms of reference. At the same time, preliminary investigations will also be conducted on the stadium design, transport planning and the development of commercial models.

Interested parties can telephone the Lang Park Stadium information line on 3235 9084 to arrange for a copy of the draft terms of reference of the impact assessment study to be posted. Copies of the terms of reference can also be collected from Sports House, corner of Castlemaine and Caxton Streets, Milton; the office of the member for Mount Coot-tha, Ms Wendy Edmond, 76 MacGregor Terrace, Bardon; the Department of Tourism, Sport and Racing, Level 3, 85 George Street, Brisbane; or the stadium web site, www.dtsr.qld.gov.au/stadium.

MINISTERIAL STATEMENT

Bank of Queensland

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (9.50 a.m.), by leave: This morning I would like to thank the Treasury officers, the joint lead managers and those who provided specialist advice, as well as the 30,000 Queensland investors, who helped make the recent sale of the Government's shareholding in the Bank of Queensland such a success. The shares sold by the Government in the recent Bank of Queensland public offering began trading on the Australian Stock Exchange yesterday morning.

Again, like the Government's recent float of the Queensland TAB, the Bank of Queensland stock debuted at a respectable premium to their retail issue price of $5.15 a share. The shares, which are trading on a deferred settlement basis, closed yesterday at $5.25. This price is lower than the price for the head stock in the bank because it is trading ex-entitlement. That is, buyers of the deferred settlement stock are not entitled to receive the bank's 13c a share final dividend which, after taking into account franking credits, is worth about 19c on a bulked up basis.

The sale of the Government's 40% shareholding in the Bank of Queensland honours a binding commitment given by the previous Government to the Commonwealth to sell down our holding in the bank. By completing the sell-down we have not only honoured that commitment but also delivered future certainty for the bank.

The bank's board and management had wanted a resolution of the Government's shareholding position since the time of the Suncorp-Metway merger in 1996. They had argued that the ongoing uncertainty surrounding the Government's intentions was inhibiting the bank's long-term strategic planning and, ultimately, its growth prospects. We have removed that uncertainty and passed ownership of the Bank of Queensland to where it truly belongs—that is, to the private investors of Queensland and to the employees of the bank itself, who were enthusiastic participants in the share offering.

Throughout the sale process and the lead-up to the offering we sought the Bank of Queensland's views and structured the sale to ensure that it preserved the 125 years of tradition for the Bank of Queensland as a strong, vibrant and independent Queensland financial institution. We took our time making sure we got the right outcome at the right time.

This sale process was not about maximising profits or rationalising the Queensland financial services sector. It was about preserving a viable and energetic Queensland institution with more than a century of tradition. It has preserved career opportunities in the financial services sector for future generations of Queenslanders. The very strong response to the offering reflects positively on the Bank of Queensland, which is one of the most recognised and respected financial institutions in this State. I wish the Bank of Queensland board, its management, staff and customers and all those who participated in the offering all the best for the future.

MINISTERIAL STATEMENT

Regional Arts Development Fund

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (9.53 a.m.), by leave: Last Saturday, I opened the 1999 Regional Arts Development Fund conference in Yeppoon. Entitled Re-visioning Regional Arts, this conference on Saturday and Sunday, 27 and 28 November was an historic occasion. It was the first time representatives of local government and regional communities from around Queensland have been brought together to determine how funding is spent on arts and culture at a grassroots level, by regional communities for regional communities.

The strength of Queensland's cultural life lies in its regional diversity. Art is not something solely for the winter palaces of the capital. It is

the brilliance of the Mornington Island dancers, the rich tradition of outback bush poetry, and the innovative story-telling of the panels of tiles in the Innisfail River Reflections public art project.

The importance of regional arts funding was reflected in the high turnout of delegates from around Queensland at the conference. One hundred and fifty delegates attended from 50 local council areas in Queensland and 60% of speakers came from regional areas, indicating the level of regional support for this partnership between Arts Queensland and local government councils.

The RADF program was first introduced by Labor in September 1991, and one of the first acts in office of the Beattie Government was to honour this commitment to regional and rural Queensland by increasing RADF spending in 1998-99 from $1.5m to $2m. In 1999-2000 this Government again increased RADF funds, this time by $250,000 to $2.25m.

RADF has to date funded over 4,000 individual arts and cultural development projects across regional Queensland since 1991. Local government support for RADF is high and continues to rise. Ninety-three per cent of Queensland local councils lodged RADF bids in February 1999 for the 1999-2000 financial year.

The scheme is growing. In 1998-99, 107 local government councils and 14 community councils in far-north Queensland partnered the State Government in funding local and regional arts and cultural projects. In 1999-2000 that grew to 115 local councils, and it is hoped that a drive to include more indigenous community councils will see 18 participating across the State in 2000. This increase in State funds to regional Queensland was met by a 1999-2000 increase in local government funding of $200,000 to $872,171.

The Beattie Government's focus on regional development and the creation of jobs in our regional communities is nowhere more clearly demonstrated than in our commitment to those who live in and foster the arts and cultural life of Queensland's regions. Through forums such as this recent Yeppoon conference, this Government is giving those communities a say in their own future growth.

MINISTERIAL STATEMENT

Annual Toy Survey

Hon. J. C. SPENCE (Mount Gravatt—ALP) (Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading) (9.56 a.m.), by leave: The Office of Fair Trading has just completed its annual toy survey and the results are encouraging. Consumer safety officers surveyed several major toy traders and discount stores in Brisbane and on the Gold Coast. They also surveyed stores in Rockhampton as an example of a city that typifies the unique variety of traders found in most Queensland regional centres. The survey concentrated on toys in the $1 to $20 price range because there is a greater risk of problems with low-cost toys.

The purpose of the annual survey is to identify and remove unsafe toys from sale and to test others that are considered suspect. The Office of Fair Trading will use this valuable marketplace intelligence to provide guidance to consumers to help them make informed, safe choices about toys in the lead-up to one of the busiest consumer periods—Christmas.

In addition, our consumer safety officers provide valuable advice to suppliers on safety deficiencies. The Office of Fair Trading has introduced mandatory safety requirements for toys. By law, toys judged as suitable for children under three must not contain small parts as they are a choking hazard. In other words, if it cannot be bitten, tugged, sucked, chewed, jumped on and thrown about, forget it. Also, projectile toys for all ages should not be powerful enough to cause eye injuries.

Thirty-five retail toy suppliers were surveyed and around 350 different toys were examined. As well as determining if toys comply with mandatory manufacturing requirements, the Office of Fair Trading is also concerned about labelling on toys that could affect child safety. Labels should be accurate; otherwise consumers lose faith in them and in the toy market generally.

I am very pleased to report that only two of the 350 toys surveyed were regarded as dangerous and needing to be withdrawn from sale. One of these was a $3.95 toy submachine gun set—a toy gun and four suction darts. Consumer safety officers were concerned that the toy gun could also discharge other, more lethal projectiles such as sharpened pencils. The toy store that supplied the toy gun has voluntarily agreed to remove it from sale. The consumer safety section is taking steps to identify the importer and pursue the voluntary removal of the toy from any other suppliers.

Eleven toys of the 350 surveyed were sent for safety testing. Of these, only one failed the test—a small wooden wheel toy shaped like a turtle. It is a simple push toy for

infants. When the toy was subjected to tests to simulate biting, dropping and twisting, it broke into parts that were small enough to choke a child. The Office of Fair Trading has asked the toy retailer to stop supplying this toy and to remove and check other wooden toys to ensure their standards are intact. A further 16 toys were either incorrectly labelled or lacked safety warnings. The retailers concerned have been advised about these deficiencies.

Although these failings are not regarded as serious enough to warrant withdrawal of the products, the practice of alerting retailers is expected to ensure improved performance in the future. Consumers must have confidence in labelling. Of course, many toys suitable for older children pose dangers for the younger ones. Much Christmas paraphernalia—such as fabric Christmas stockings with attached adornments—are also potentially hazardous.

The survey results are pleasing in that they show a generally high level of marketplace compliance with toy safety standards. Only two products withdrawn from sale out of 350 surveyed shows a high level of safety awareness. And for this, I commend retailers throughout Queensland. And lastly, but most importantly, I wish all consumers a happy and safe Christmas.

MINISTERIAL STATEMENT

River Improvement Trusts

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (10.01 a.m.), by leave: Today I would like to take this opportunity to highlight to the House the outstanding work of thousands of people around Queensland involved in river improvements trusts. With the knowledge of this Government's commitment and support, dedicated people in communities around Queensland are acting to protect our rivers, streams and flood plains from severe flood damage and degradation. The work of these river improvement trusts is particularly important in north Queensland, where heavy rain in the wet season has the potential to cause flooding.

I am pleased to inform the House that the 18 river trusts throughout Queensland will this year access $3.8m in funds for improvements to waterways. This is a combination of integrated catchment management, Rivercare and NHT grants, State Government subsidies and river trust funds. The approved funding will be divided amongst trusts in north Queensland—$2.5m; central Queensland—$726,000; south-west Queensland—$270,000; and south-east Queensland—$267,000. In north Queensland, important flood mitigation works will be carried out on the Herbert, Johnstone, Burdekin, Russell and Douglas Rivers.

This financial year, the Beattie Government has committed $486,000 towards the River Improvements Trusts Program. This is an increase of $236,000, or almost 50% on last year. One of the reasons for these additional funds is to enable the trusts to become more proactive in preventing problems rather than repairing damage after it has occurred. At the same time, I am encouraging river trusts to take an integrated approach to managing our river catchments to provide more effective and sustainable outcomes.

I want to particularly congratulate the North Queensland River Trusts Association, chaired by Mrs Pat Botto, for taking a lead in this proposed whole-of-catchment approach to natural resource management. The association is actively encouraging and facilitating individual trusts to develop stream management plans and works programs in close consultation with catchment groups. The recently completed North Queensland River Trusts Association conference in Innisfail provided a significant step towards achieving these outcomes.

I have asked the association to work closely with the Landcare and Catchment Management Council and my Department of Natural Resources to develop plans for an integrated catchment-based management approach. A steering committee is now working on the preferred model for integration of planning and management activities and the role of Government in these new arrangements. It will provide recommendations to me on options for a new structure. Such strong partnerships, and more powerful management structures, will provide a lead in addressing whole-of-catchment issues and more integrated natural resource management.

I congratulate the river improvement trusts on their contribution to catchment management and flood mitigation and, most importantly, the protection of lives and property. The natural synergy between these trusts and like-minded organisations, such as catchment management groups, provides an opportunity for strong partnerships and even more effective resource management. The winners from such arrangements will be local communities throughout Queensland.

PUBLIC WORKS COMMITTEE

Report

Mr ROBERTS (Nudgee—ALP) (10.04 a.m.): I lay upon the table of the House the Public Works Committee's report No. 61 on public sector backflow prevention programs. The Minister for Public Works and Minister for Housing requested the committee to consider inquiring into the issue of public sector backflow prevention programs following a period of intense media and parliamentary debate. The committee was unable to produce a unanimous report on this issue. The majority report has focused solely on matters relevant to the inquiry's terms of reference. Several other issues were raised by witnesses, which were considered by those supporting the majority report to be peripheral and, in some cases, unrelated to the terms of reference.

In summary, the committee found that, whereas high-risk sites do exist, overall backflow presents a minimal risk to public health, it is easily prevented, and current public sector programs are an appropriate and proper management response. The committee found that public sector agencies were efficiently managing their programs and that they were effective in minimising the risk of backflow incidents occurring in public sector buildings. During the inquiry, a number of witnesses and submissions alleged that serious health consequences had arisen from backflow incidents within Queensland public sector facilities. The committee conducted its own research into these incidents and determined that they were unfounded.

The committee hopes that the publication of this report will provide some balance to the debate on backflow and help allay some of the unnecessary fear that was generated during the public debate on this issue. I commend the report to the House, and I give notice that, on Thursday next, I will move that the House take note of the committee's report.

NOTICE OF MOTION

Tree-clearing Guidelines

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10.05 a.m.): I give notice that tonight I shall move—

> "Recognising the threat of mandatory tree-clearing guidelines and the unresolved question of compensation for loss of property values and viability, this State Parliament supports:
>
> (1) protecting Queensland's environment and putting an end to 'panic clearing' by declaring a moratorium on any plans to introduce mandatory tree-clearing guidelines on freehold land;
>
> (2) the introduction of voluntary, scientifically-based tree-clearing guidelines on a regional basis to be prepared over the next 6 months;
>
> (3) the State providing full compensation for any loss in property value or viability for the protection of areas of high conservation value;
>
> (4) the State Government and industry groups conducting an education campaign to inform producers of the voluntary guidelines and recommended practices;
>
> (5) continued satellite monitoring by the State Government and collaborative scientific studies with industry to ensure such guidelines facilitate sustainable vegetation management; and
>
> (6) a commitment by the State Government that if such studies prove to result in sustainable vegetation management practices being adhered to, the voluntary tree-clearing guideline program be maintained."

PRIVATE MEMBERS' STATEMENTS

State Government Achievements

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10.07 a.m.): Last week in this Parliament, the can't do Premier detailed to the House his non-achievements to celebrate his 17 months in office. And going through those particular achievements one by one—the achievements of the can't do Premier—some of them go back to the Bjelke-Petersen era, some of them go back to the Cooper era, some of them go back to the Goss era, and some of them—indeed, the majority of them—go back to the two and a half years of minority coalition Government in this State. In fact, the only project that the Premier can claim as his own is the Lang Park superstadium. He has taken credit for everything that every Government has done in Queensland for well over a decade.

So what do we see? Because this Government needs to cover up this absolute charade of non-performance, we see the weekend stuntman in action. We have a Government of stunts, not of substance. We had some beauties over the course of the weekend. We had the $100m ransom note to

Senator Hill, which was faxed through to his office on Saturday morning with a demand for payment by sunset on Sunday. We then had the incredible admission that we are going to revisit daylight saving, that that is now Labor Party policy in Queensland. And then we had the juiciest of the lot: this Premier is going to do what no other Australian leader has been able to do; he is going to take on the tobacco giants, and he is going to win. So Premier Beattie is going to take on Philip Morris. He is going to take on all the others. Never mind about the jobs, never mind about the billions of dollars that will be wasted by a stuntman, not a Premier.

Time expired.

Club Premier of Australia

Mr PEARCE (Fitzroy—ALP) (10.09 a.m.): Mining communities are again being targeted by sales representatives pushing tax-driven investment schemes or timeshare options, such as the one that has been brought to my attention in recent days. The latest scheme that people have signed up for is a timeshare option offered by a company called Club Premier of Australia. Sales representatives acting for and on behalf of Club Premier have been signing up prospective unit holders in timeshare units in Bali.

I do not have time to go into the finer details, but Club Premier offers for purchase timeshare units for one week per year. The prices vary from $16,000 for a studio apartment to $18,900 for a one-bedroom unit and $23,500 for a two-bedroom unit. These figures were confirmed as late as 4.30 p.m. yesterday by Club Premier management. On top of this, there is an annual management fee of $410, $435 and $512, respectively. If honourable members do the sums, they will see that the promoters will receive $832,000 for a studio apartment when 52 weeks are sold. The management fee alone for the same period is $21,320.

For a one-bedroom apartment, the company will earn $982,800 if it sells 52 weeks, while raking in $22,620 in management fees. If one looks at the same scenario for a two-bedroom apartment, one will see that we are talking about $1,222,000 with $26,624 in management fees. The current seven-day accommodation and flights package to Bali is around $1,130.

On page 8 of the company's unprofessionally presented prospectus, under the title "Risk Factors", unit holders will see that the units are not freehold. The document states—

> "Whilst it is the current intention of the developer and trustee to renew the lease, circumstances such as changes to time share law might arise where the lease is not renewed and the right to use accommodation will cease."

Whilst this time share offer may comply with Australian Securities and Investment Commission rules, I strongly urge my constituents not to sign up before they obtain reliable, independent advice. It could be a wise decision for those who have already signed up to exercise the five-day option and get out of the contract.

Time expired.

Caboolture Electorate

Mr FELDMAN (Caboolture—ONP) (10.11 a.m.): I rise today to formally express the gratitude of the Caboolture electorate to the leaders and front bench members of the Beattie Labor Government, the National Party and the Liberal Party because never before—at least not in the last 10 years—have the Caboolture people seen such bipartisan interest in Caboolture. Call the community cynical, if one will, but they see this intervention as a desperate grab for the voter base that the major parties lost at the last State election.

Community leaders wish me to pass on their total appreciation and their request that the major parties continue to fight over who gets credence for what project and who receives kudos for what lobbying. The people of Caboolture are so thankful for the pennies from heaven that keep falling into this electorate—an electorate that is so under pressure from the reduced infrastructure inflicted upon it that the recent approvals are just catching up with the abuse and neglect from both sides of this House over the last 10 years.

In the last two weeks, we have seen $350,000 fall out of the back pocket of the Minister for Transport for the Bribie bridge. Mr Don Craig, the real lobbyist in the electorate, wishes to thank the Minister for that little bit of money that fell out of his back pocket. The Elimbah State School P & C Committee wishes to thank the Minister for Education for the $820,000 that fell out of his back pocket last week. He must have had a big tear in his back pocket. The school was very much under strain because of its inadequate toilet facilities. The new facility was badly needed. I have already thanked the Minister for Police for the extra 10 police who have been assigned to the area since February this year.

My electorate has been so under pressure from increased population numbers and increased student numbers that it is hoping that the pockets of all Ministers on the front bench are as deep and have as many tears as those of the Ministers I have mentioned because it will take a lot of chaff to buy back the votes from this disempowered, disfranchised and disgruntled voter base. The people in my electorate are looking forward to the ministerial pockets being as big and as torn as those I have mentioned and for the money to keep falling on the electorate and making it as green as grass once again.

The people of my electorate do not want to see neglect any longer; they want to see the money, which they have been wanting for the past 10 years, coming into the electorate.

Time expired.

Pine Rivers Shire Council

Mrs LAVARCH (Kurwongbah—ALP) (10.13 a.m.): I know elections bring with them a silly season, and the local government election scheduled for 25 March 2000 is no exception. Even though the elections are four months away, the silly season has already struck in the Pine Rivers Shire Council.

The season was kicked off by a letter sent last week by Mr John Matthews, the Chief Executive Officer of the Pine Rivers Shire Council, to Division 6 candidate, Michelle McJannett. I seek leave to table that letter.

Leave granted.

Mrs LAVARCH: In this letter, Mr Matthews firstly points out to Mrs McJannett that he is aware that she has announced her intention to stand as a candidate, but as he has not formally announced the election he must, of necessity, regard her announcement as a statement of intention only. What does this mean? He does not explain himself, but it can be reasonably inferred that he is saying that, in his view, no-one can refer to themselves as a candidate until he calls the election.

But it gets better! Mr Matthews goes on to say that he is also aware that Mrs McJannett has commenced campaigning and has attempted to rectify resident grievances by attending at the council and speaking to staff. The CEO's response to this is: "I require you to cease this practice."

Do honourable members know why the CEO issued this directive? It is not because the grievances are not worthy of being followed up, not because they are not genuine, not because they cannot be rectified and not because they are not council concerns. Mr Matthews says—

> "At the last election in 1997 there were 47 candidates and I expect a like amount for the year 2000 election. Council resources and staff are always functioning under considerable pressure. I simply cannot have staff deviating from their normal duties to satisfy the zeal of such a number of aspiring councillors. The system simply will not bear 47 separate attacks on its day to day functioning."

Well, excuse me! It is not a matter of these concerns or problems being manufactured. The CEO is indulging in arrant nonsense. What I want to know is who directed the CEO to write this letter.

Time expired.

Local Government Funding

Mr HOBBS (Warrego—NPA) (10.15 a.m.): I wish to advise this House about finance, Labor Party style. In a desperate need to fund the Budget, this Government raided departments of $568m. This money was taken from departmental working funds. I wish to advise the House of the impact of these cuts on local government. Some $26.9m was handed back to the Government and was thus lost to local government.

The Minister for Local Government, Mr Mackenroth, is a member of the Cabinet Budget Committee. He irresponsibly led an unwilling pack of Ministers to undertake these refunds to Treasury. One would have thought that a Minister with his experience would have realised the long-term consequences of his actions. That was money which the Minister's department may require this year if local government applications come in on time.

Mr MACKENROTH: I rise to a point of order. The member is misleading the House about what I have told him. I have told him on at least 15 occasions that if local governments ask for money, they will be paid. I do not know why the honourable member continues to mislead the House.

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

Mr HOBBS: The Minister's department may require this money this year if local government applications come in on time. Most importantly, how is the Minister going to fund local government next year and the year after when the Government has to find in excess of $500m in order to catch up when other departments call on their funding? This

money will have already been spent in the 1999-2000 financial year.

Minister Mackenroth has placed local government in a precarious financial position for the future. The Minister said that it would be okay because he was on the CBC. He said that he would fund any shortfalls. However, other Ministers may have other ideas. Mr Mackenroth will not be the Minister for Local Government forever. His tenure is only temporary. The positions of the Minister and the Government come up for review in one and a half years' time. The way this Government is performing, the prospect of it being returned is becoming very questionable.

Local government in Queensland has been aware of delays in the uptake of grants and subsidies. For some time, local government has put in train measures to speed up applications. As a result, the funding needs to be available. Many years ago, we did away with the strict guidelines—

Time expired.

Centenary Highway

Mrs ATTWOOD (Mount Ommaney—ALP) (10.17 a.m.): From about 7 a.m. to 9 a.m. on week days, the Centenary Highway bottlenecks for about 2 to 3 kilometres from the Toowong roundabout. In the afternoon, the bottlenecks occur at the Ipswich Road end of the highway. This amount of traffic places a great strain on the highway. Brisbane's Western Gateway Environmental Quality report indicates that numbers of vehicles will increase from 35,000 to 65,000 by 2011.

People living along the highway are already suffering from the trauma of increasing traffic, noise and fumes. The Department of Main Roads is currently trialling a reduction in the speed limit on part of the highway close to residential areas. The problem has no simple solutions. If we add an extra lane to the highway, a bottleneck will still occur at the Toowong Cemetery and onto Milton Road. However, at the other end of the highway, Federal Government funding needs to be provided to improve the Ipswich Motorway roundabout to facilitate easier traffic flow onto Ipswich Road. An alternative and less expensive solution would be to increase and encourage the use of public transport.

The Lord Mayor of Brisbane has long promoted clean air policies, particularly in relation to the use of public transport and reducing the number of cars on roads. According to 1996 census data, 50% of households have 2 to 3 motor vehicles. If one has a car, one is more inclined to drive to work, particularly if public transport is not reliable.

A review of public transport usage in the Centenary suburbs is warranted. This review could identify the number of people who would access public transport if it were more reliable and more frequent. This should be followed by a public transport promotion campaign. I urge the Minister for Main Roads to work in consultation with the Brisbane City Council to undertake this essential review.

Gun Laws

Mr HORAN (Toowoomba South—NPA) (10.19 a.m.): When the new gun laws were introduced in Queensland, very strong indications were given to people that they would be able to have the number of guns they required under category A or category B. On page 1 the Government's formal document stated—

> "As long as you have the appropriate licence, there is no restriction to the number of firearms or amount of ammunition you can own."

At the moment, people who are applying for firearms under category A and category B are being severely questioned about or denied the additional firearms that they are seeking. We in the Opposition are receiving reports from all over the State about this. This is particularly concerning for those who are seeking category A firearms, because under the legislation there is no need to state a particular need for a firearm as long as the applicant has the licence. With respect to categories B, C and others, there is a need for people to state their need for any additional firearms they require. It has always been the spirit of the legislation that people should be able to have any number of category A or category B firearms that they require and wish to obtain under the permit system.

I call on the Beattie Labor Government to tell this Parliament in a statement whether or not it has provided any political direction to the Weapons Licensing Branch and whether or not it will stand by the legislation so that decent, law-abiding people who have licences to own firearms, and who under the legislation have every right to obtain additional firearms under categories A and B, can do so without being harassed and made to feel like criminals when they are questioned about or denied firearms additional firearms.

We want to know what political direction has been given. This side of the House stands by the legislation. We guarantee that the

legislation will ensure that people can obtain the firearms that they need. We demand to know what direction has been given.

Time expired.

Smithfield State High School

Dr CLARK (Barron River—ALP) (10.21 a.m.): Two weeks ago, I joined Education Minister Dean Wells on a very special occasion—the opening of the new Information Technology Centre at the Smithfield State High School. Honourable members may remember that last October I told the House of the arson that destroyed the IT building, which also housed the radio studio. Students and staff lost vital resources and thousands of hours of work. The Cairns community and other schools rallied behind Smithfield, coming forward with offers of support and replacement computers, and the Far North Queensland Assistance Fund initiated a fundraising appeal. The Education Minister flew to Cairns days after the fire, and I am proud to say that the Government made a commitment to the principal, school council and the P & C not just to replace what was lost but to create a state-of-the-art building designed with input from the school to take advantage of recent advances in technology so that students could continue to produce award-winning work at the cutting edge in multimedia and information technology.

The result is the centre opened by the Minister, which houses three fully equipped computer labs, space for teaching and technical staff and a sophisticated lecture theatre for multimedia preparation and presentation. The radio studio has been restored and incorporated in another teaching block with upgraded facilities, and a new computer lab has been added to the arts building, where creativity and technology will be melded into multimedia productions—all at a total cost of approximately $1.1m.

I take this opportunity to thank Minister Dean Wells for his commitment to the Smithfield State High School and to congratulate the Principal, Larry Gallagher; Elaine Oliver, the President of the School Council; Brendan Delargy, the President of the P & C; and IT staff, in particular John Hamilton for his vision and commitment. Under this leadership the school has dedicated itself to ensuring that Smithfield and its students will continue to be at the forefront of IT education and achievement in Queensland schools.

I have no doubt that students from Smithfield will make a significant contribution to Queensland's goal to become the Smart State and I look forward to updating this House on their future success. The capability of the IT centre will be put to the test in the New Year, when the Smithfield State High School will be the first State school in Queensland to offer Years 11 and 12 students with a Certificate II in Arts, Interactive Media in conjunction with the prestigious QANTM Corporation Multimedia Centre, Queensland's largest multimedia company.

Rosslyn Bay Boat Harbour

Hon. V. P. LESTER (Keppel—NPA) (10.23 a.m.): I wish to make a couple of comments in relation to the attitude of one or two Ministers opposite. Recently, the construction of a new trailer park at the Rosslyn Bay Boat Harbour has raised some issues that people were not happy about. Over about 18 months, we did all that was possible to have those issues resolved. We invited the Minister to the area. Unfortunately, there was almost an open confrontation between the Transport Minister and the Wilson family of the Keppel Bay Marina.

Mr BREDHAUER: I rise to a point of order.

Mr LESTER: No! Come on, you cannot get out of it.

Mr SPEAKER: Order! The Minister has a point of order.

Mr LESTER: You cannot get out of it.

Mr SPEAKER: Order! The member for Keppel!

Mr BREDHAUER: To suggest that there was confrontation between me and anyone is wrong and offensive. I ask that it be withdrawn.

Mr LESTER: Rather than—

Mr Borbidge interjected.

Mr SPEAKER: Order! No, the Minister asked for a withdrawal. The honourable member will withdraw.

Mr LESTER: There is nothing to withdraw.

Mr SPEAKER: Order! The honourable member was asked to withdraw those statements.

Mr LESTER: Withdraw what?

Mr SPEAKER: Order! The honourable member was asked to withdraw those statements which the Minister finds offensive.

Mr LESTER: I do not know how I can withdraw something that I cannot withdraw.

Mr SPEAKER: Order! You can withdraw; that is in the Standing Orders.

Mr LESTER: If it suits the Minister, I will withdraw it. I tried to save three Norfolk Pine

trees on a mound. However, the Minister did not just shift them, he smashed them down. That is what happened. The residents of the marina and the people of Yeppoon were very angry. For the Minister to turn around—

Mr Bredhauer interjected.

Mr LESTER: The Minister cannot get out of it.

Time expired.

Queensland Sports Award

Mr REEVES (Mansfield—ALP) (10.25 a.m.): Last night, along with a number of my colleagues on both sides of the House, I had the pleasure of attending the Sports Federation of Queensland 1999 Queensland Sports Award. The night was to showcase the 1999 Sports Award. The night also was used to present the Queensland sporting heroes of the century. Never before—and, may I say, perhaps never again—will such Queensland sporting legends be in the one place at the one time. Among others in attendance were such legends as Mal Anderson, Lisa Curry, Peter Gallagher, Ian Healy, Joyce Lester, Craig McDermott, Tony Shaw and Vicki Wilson.

I have been to many sporting functions or events but never have I witnessed a longer standing ovation than when the names of the Queensland sporting heroes who were attending were announced. This standing ovation was matched only during the speech of the legend of Queensland sport, Rod Laver.

Mr Schwarten: A Rocky boy.

Mr REEVES: As the Minister said, he was a Rocky boy. He is a man who epitomises what Queensland sport is all about. He talked about his early days at Rockhampton and the great heights that he has achieved, including his personal triumphs over the past year. I think I speak on behalf of many of the honourable members who were at the Sports Federation awards last night when I say that it was an absolute privilege and an honour to attend and be in the company of such great sportspeople.

The Sports Federation of Queensland, under the guidance of Peter Cumiskey as Chief Executive and his assistants—Nadine Dennis and Ingrid Keates—should be congratulated on putting on what surely must be regarded as the greatest sporting night of the century. To me, one of the highlights of the evening was the fact that we not only acknowledged the great sportspeople of the year and the century but we also acknowledged the great sports administrators, coaches and officiators, volunteers and service to junior sport as well.

The night will stay long in my memory as the night that Queensland sport honoured itself—and so it should—with the successes it has had over a number of years. One point that stands out for me was the number of sportswomen who, either individually or as a team, were nominated or who were successful in the categories of sport. A few years ago, I think the awards would have been dominated by the Rugby League players and cricketers of the sporting world. I believe sport has come a long way in this State. In the year 2000 and beyond the future looks terrific for sport.

International Day of People with a Disability

Mr TURNER (Thuringowa—IND) (10.27 a.m.): Next Friday is the International Day of People with a Disability. On that day we celebrate their progress, achievements and their improved quality of life. In 1981 we celebrated the Year of the Disabled. In that year, we opened the closet doors to bring disability services out of the Dark Ages. Changes have been made to laws, funding, support services, building codes and attitudes, bringing about positive improvements to their quality of life.

Access to recreational activities is on the increase, with community understanding and awareness contributing greatly towards providing specifically designed leisure activities and equipment. The user friendly Strand development showed a lot of forethought and understanding, allowing easy access to the beach, along with the much longed for disability accessible jetty, which will be great for fishing.

In my maiden speech in Parliament I declared my commitment to creating equal opportunity for the disability sector of the community. Changes in community attitudes have gone a long way to empowering people to see their abilities instead of their disabilities. Many now enjoy careers, study and participate in sporting activities, drive their own cars, live alone and travel. Although there are still a lot of gaps to be filled, these people can see a light at the end of the tunnel.

It was Sara Henderson who said, "If you can't see a light at the end of the tunnel, slide right down there and light the bloody thing yourself." Today many people are doing just that, but there are still others who are unable to do that. They need us, as a conscious caring body, to slide right down that tunnel and, on their behalf, light the biggest bonfire we have ever seen. We need to light that

flame not only for people with a disability but also for the family carers who take up the shortfall of Government assistance. They carry the burden of meeting the needs of their loved ones, and their voluntary sacrifice does not go unnoticed. Awareness, understanding of the challenges met every day by people with a disability, a little of our time and assistance where needed—this is how we can celebrate the International Day of People with a Disability. It is an honour for me to be invited to open this celebration for Thuringowa.

QUESTIONS WITHOUT NOTICE

Energex

Mr BORBIDGE (10.30 a.m.): I ask the Minister for Mines and Energy: why has he endorsed business plans of Energex to consider moves into credit cards, home loans and the telecommunications industry?

Mr McGRADY: I have said many times in this place in relation to the activities of the Government owned corporations that the board is there to make decisions as to how they can grow that particular business best. I think we are creating a very dangerous precedent if the Minister of the day becomes involved in every single decision of those boards. I also say that my understanding is that the Energex board discussed some of those proposals and rejected them.

Virgin Airlines

Mr BORBIDGE: I refer the Minister for Transport and Minister for Main Roads to the Government's efforts to entice Virgin Airlines to locate its Australian base in Queensland, and I would make the point at the outset that those moves enjoy bipartisan support.

Mr Elder: But!

Mr BORBIDGE: No, I ask a very simple question: what assurances have been obtained from Qantas, Ansett and their affiliates that they will maintain services to rural and regional Queensland at current frequency and cost levels in light of the prospect of a price war on major east coast capital city routes?

Mr BREDHAUER: I would have thought that of all the people in this Parliament who would have been supporting the Premier's initiatives to attract a new airline—a third airline—to this State, the member for Surfers Paradise might have been one of those who was lending a bit of support.

Mr BORBIDGE: I rise to a point of order.

Mr BREDHAUER: Why does he not make a personal explanation instead of interrupting my answer?

Mr BORBIDGE: I find the suggestion that I am not supporting the Government's moves offensive and I ask that it be withdrawn. I am seeking information in regard to the future of Qantas and Ansett services.

Mr SPEAKER: Order! It is not a debate.

Mr BREDHAUER: Anything he finds offensive I withdraw.

I come from Cairns; I live in Cairns and my seat covers an area to the north and west of Cairns. We have representatives in this Parliament who remember the shot in the arm that Compass was—while it lasted—to the tourism industry. We have an opportunity here to develop a significant boost to regional tourism on the Gold Coast, on the Sunshine Coast, in Mackay, in Rockhampton, in Townsville, in Cairns, in Toowoomba, in Longreach—in centres throughout the State of Queensland in our second biggest industry, our second biggest employer, and the Hanrahan over there says, "We'll all be roon'd."

Mr BORBIDGE: I rise to a point of order. I did not realise Virgin was going to fly to Longreach.

Mr BREDHAUER: If we can attract a third airline to the State of Queensland, it will provide tourism benefits across the length and breadth of this State. The people in the outback, the people whom the Leader of the Opposition purports to represent—although not him and his mates from the Gold Coast, I appreciate—and the people on the Gold Coast would benefit from a third airline coming to Queensland. We could make the Gold Coast more competitive with those destinations overseas which are going to become cheaper in relative terms because his mates in Canberra introduced the GST which will bump up domestic air fares by 7%.

This is the responsibility of the Premier, who I understand spoke with Mr Branson yesterday, and the Deputy Premier and Minister for State Development. They will be looking at a package that might be used to lure Virgin Airlines to base its headquarters here. We will undertake initiatives to try to attract a third airline here. I would be confident that, if we could get a third airline up and running, it would improve air services throughout Queensland, improve air services to regional centres, and improve business and employment opportunities for people throughout the State. It is a crying shame that the likes of the member for Surfers Paradise

come in here and start putting obstacles in the road, undermine, whinge and whine and carp right from the very first day.

Mr BORBIDGE: I rise to a point of order. Those remarks are offensive and I ask that they be withdrawn. It is clear that the Minister has not received assurances from Qantas and Ansett that they will maintain their regional services.

Mr SPEAKER: Order! The Leader of the Opposition has asked his question. He will resume his seat.

Mr BREDHAUER: I withdraw.

Queensland's Sporting Achievers

Mr SULLIVAN: I refer the Premier to Queensland's outstanding sporting success in the past 12 months, and I ask: is he aware of any new rising stars to join the ranks of Queensland's great sporting achievers?

Mr BEATTIE: Last night, along with other members, I had the pleasure of attending the Queensland Sports Federation Awards, where world women's triathlon champion Loretta Harrop was announced as the Queensland sportsperson of the year. Loretta, who is 24 years old, has won five firsts, a second and a third in international competitions this year. On behalf of all members of this House and all Queenslanders, I congratulate her on being an outstanding athlete and on her success, as I passed on to her father and sister last night.

I also had the pleasure of presenting the Patron's Award for Service to Sport. Interestingly, it is the first time in five years that the patron, who is the Premier, actually attended the awards. The winner of that award was Castlemaine Perkins, a company that has done much to support sport.

Dr Watson: Goss didn't attend.

Mr BEATTIE: Wayne Goss was the last Premier before me who did attend the awards. The Leader of the Opposition when he was Premier never did.

I am told that this was the first time that the patron was able to present the award, so it was great to be there last night. The coming of a new millennium is an appropriate time to reflect on the future of sport in Queensland. Sport largely personifies what we have believed an Australian to be: strong, determined and big-hearted.

Sport has been increasingly important in fashioning our identity. Even people who do not consider themselves sporting fans have a fair idea who won the Rugby World Cup and the world netball title this year and who the stars were: Vicki Wilson, John Eales—the list goes on. Most even know that both teams were captained by Queenslanders. If honourable members look at the international performance of Queensland athletes in 1999, less than a year out from the Sydney Olympics, they have every reason to feel confident of more sporting success in the future.

The national spending on sport 15 years ago was $8m. Now it is more than $150m. The obvious question is whether we should keep funding high performance sport at that level once our shot at glory in Sydney next year has passed. One argument is that elite sport is one of our great national products and that funds should not only be maintained but increased to ensure we keep our place on the international sporting ladder. Another is that we should be channelling funds into our communities, giving priority to areas such as junior development and promoting widespread participation and physical activity for all of us. I would argue that the Federal Government needs to do both: keep supporting the elite sports system and attend to community needs as well.

The Queensland Government is reviewing its funding to sport. We have made significant contributions and we intend to continue to do so. We want to make sure that opportunities are made available to build and to provide opportunities for talented young people. We are also acting on the ever present threat of drugs in sport. Next year we will develop drugs in sport legislation to support the testing of Queensland athletes, but Government and sport will need to remain ever vigilant.

Last night I had the pleasure of sitting next to Rod Laver. What a great Queenslander! I am happy to report to the House that his health has improved significantly and he is a gentleman—a great ambassador, not just for tennis and not just for Queensland, but for Australia.

Bank of Queensland Float

Mr SLACK: I refer the Treasurer to Saturday's issue of the Sydney Daily Telegraph, which reported that more than 3,000 general pool applications for Bank of Queensland shares were left stranded in brokers' in-trays when he closed the Government's offer two days early, and I ask: does he believe that it is fair that mum and dad investors across Queensland should miss out when they had clearly lodged applications with their brokers before his unannounced closure; can he explain why he departed from

accepted industry practice in not advising brokers of his intention to close the offer early to avoid this kind of unfortunate situation; and will he review his arbitrary decision to reject those mum and dad applications lodged with brokers prior to last Tuesday's early closure?

Mr HAMILL: That is a very timely question by the member for Burnett, considering that I made a ministerial statement in this place announcing the decision last week. It has taken the Opposition a week to catch up with the news.

Mr Bredhauer interjected.

Mr HAMILL: If he actually read the Hansard as opposed to the Sydney Daily Telegraph, he might be up to date. In relation to the particular matter to which the honourable member refers, I could firstly refer him to my ministerial statement last week in which I made it abundantly clear why the action was taken to have the offer closed when it was. The offer closed to those retail investors as announced. It also remained open for Bank of Queensland shareholders and employees up until 5 p.m. on Thursday. The reason for that action was that, by the time the announcement was made, it was already heavily oversubscribed. If the member for Burnett spent more time reading the offer document than he spends reading newspaper reports that are about a week late, he would know that the offer document made it absolutely clear that applications had to be received by the share registry. Therefore, one would expect that people who put applications into their brokers would expect that their brokers would put the applications across to the share registry.

As I said, the decision was taken because the offer was already heavily oversubscribed. The action that I took on behalf of the Government was exactly in line with the offer document and the provisions in the offer document. I took legal advice on the matter. The legal advice confirmed to me that the action that was being taken was not only proper but was appropriate and was in keeping with industry practice. If the member for Burnett suggests that those applications that were with brokers should now be included, then that would represent an enormous breach of faith with the investing community. It would, no doubt, also give rise to certain legal entitlements for some sort of measure of compensation. All that would be wholly inappropriate and quite contrary to the legal advice that was taken.

The offer of the Bank of Queensland has been extraordinarily successful. As I indicated in my ministerial statement this morning, the stock is trading strongly. There is a lot of investor confidence. The Bank of Queensland can be justly proud of the outcome and so can the people of Queensland.

Pacific Motorway

Mr PURCELL: I refer the Premier to yesterday's official opening of the first stage of the Pacific Motorway. I ask: what is the timetable for completion of that massive project?

Mr BEATTIE: I am delighted to tell this House that the first stage of the Pacific Motorway is a reality. Yesterday the Transport Minister, the Honourable Steve Bredhauer, and I officially opened the first of six sections of the motorway. We did it with style as well. The $52m, 2.5-kilometre section delivers a long-awaited improvement to an important economic and residential district. The Nerang section stretches from the Nerang River to Pappas Way. The other five sections of the world-class $750m, 43-kilometre motorway that will link Queensland's two biggest cities are due to open by March next year. We are on target. What a can-do Government!

The motorway will provide eight lanes between the Logan Motorway and the Smith Street Motorway and six lanes from the Smith Street Motorway. It forms part of the national highway system. I am pleased to acknowledge the Federal Government's input. Senator Boswell was at the opening yesterday. He made a reasonable speech, too. It is good to see the Federal Government in partnership with the State Government on that issue. It has been a massive project and a massive feat of engineering. The Pacific Motorway is Queensland's smart road. New technologies, new materials and new construction methods have been introduced during its completion. I have to say that the member for Cook is one of the best Transport Ministers this State has ever seen. What an impressive performance from this Minister!

Information technology has been perfected and applied, with video cameras improving security and the supply of information. The environment has also been given top priority, with the protection and enhancement of wildlife corridors, rivers and streams along the route. Construction has involved literally moving hillsides and imprinting a new super highway—

Mr Johnson: Did you invite any koalas?

Mr BEATTIE: Is the member opposing this road?

Construction has involved literally moving hillsides and imprinting a new super highway right in the midst of one of the busiest travel connections in the nation. Up to 85,000 cars have continued to use the road each day as workers got on with the job of creating a new highway. The motorway has also been a major provider of jobs, almost 2,000 at the peak of construction and a further 4,000 in industries supplying the project. This motorway will not only benefit the Gold Coast tourism industry but it will also enhance the potential for development and economic growth along the corridor between Brisbane and the Gold Coast. Everyone associated with this road—the State and Federal Government departments, the contractors, private industry suppliers and, most importantly, the workers—have been trailblazers in constructing this highway. I congratulate them all for their hard work. When all stages are completed, this project will rank among Australia's great national developments. This is the Beattie Government delivering again. It was built by us. We have carried on and delivered. We will make certain that the Gold Coast gets the attention it deserves. We are building new convention centres and new roads. The Gold Coast has never seen such activity.

Bank of Queensland Float

Dr WATSON: Talk about superficial! I refer the Treasurer to the Government's sale of its 40% stake in the Bank of Queensland. Can he confirm that mum and dad investors—to use his terminology—have received a maximum of 245 shares each? Can he confirm that, by way of comparison, the ALP's investment company, Labor Holdings Pty Ltd, has received in the order of 10,000 additional shares? Can he confirm that that will take Labor Holding's total stake to almost 90,000 shares? Does he believe that it is fair that his Labor mates can get an extra 10,000 shares when small investors are restricted to 245 and many missed out altogether through no fault of their own?

Mr HAMILL: In response to he who purports to be the shadow Treasurer, I make the following comments. No, I cannot confirm those figures that the member for Moggill has rolled out this morning, because I suggest to him that they are probably incorrect. Secondly, as we indicated from the outset, the offerings that were made to retail investors gave preference to Queensland investors and that indeed occurred. In relation to institutional investors, I am not aware of the detailed list of institutional investors. There were quite a number. They included major Queensland investors. I say to the member for Moggill—

Mr Borbidge: Bad luck for mum and dad, isn't it.

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

Mr HAMILL: The Leader of the Opposition would be the last person who should be concerned about the interests of mum and dad investors in the Bank of Queensland. It was the Leader of the Opposition, when he was the Premier, who tried to sell out the whole of the Bank of Queensland into the Suncorp-Metway merger. In fact, were it not for the Labor Opposition at the time with the support of the member for Gladstone, the Leader of the Opposition would have sold out the Bank of Queensland lock, stock and barrel. So much for his crocodile tears for so-called mum and dad investors. The man has no shame, no honour, no morality and no decency.

Mr BORBIDGE: I rise to a point of order. Why does the Treasurer not explain to the House how he rigged the rules to assist Labor Holdings?

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

Mr HAMILL: As I said, he has no decency, no morality, no integrity and no honesty. To make the claims that he has just made further demonstrates that point. The whole process in relation to the allocation of shares in both the TAB and the Bank of Queensland was conducted to the highest possible standards undertaken under the supervision of a probity auditor, a feature in these offers that never featured whatsoever in some of the stranger dealings that went on when the coalition Government was dealing with Suncorp-Metway.

Gold Coast Convention Centre

Mr REEVES: I ask the Minister for State Development and Minister for Trade: can he tell the House of the employment implications of the construction of the convention centre on the Gold Coast?

Mr ELDER: What a happy day it must be for those opposite—The member for Surfers Paradise, the member for Merrimac, the member for Nerang and the member for Southport—because a new convention centre is on the way. Who delivered it? This Government delivered it. They failed; we delivered.

The only thing that those opposite ever did in terms of the convention centre—I will tell those opposite their record, because I have it—was nothing. Those opposite had a report done and they then gave it to the member for Nerang. That is probably why nothing happened. He wanted it in his electorate and the rest of them, of course, wanted it in their own electorates. They all jacked up. What happened was that giving it to the member for Nerang gave it the deep six. It went nowhere and it has been nowhere since the day he looked at that report. Make no mistake: this will be a big project for the Gold Coast and it will be a big boost for the traditional tourism industry on the Gold Coast. In direct terms, it is likely to employ around 1,800 people in construction and up to 300 people when it is up and running. This is a big job generator for the Gold Coast. The indirect stimulus is immeasurable. Occupancy rates in hotels will go up. It will also assist the service industries.

Mr Beattie: Money for the economy.

Mr ELDER: It will be money for the economy. All those small businesses will benefit from what will be a significant economic opportunity for the Gold Coast. It also provides a natural boundary for the Surfers Paradise/Broadbeach precinct. It integrates all the Broadbeach infrastructure and in fact the broader Gold Coast tourism infrastructure—the hotels, the bars and Pacific Fair. This is a great day for the Gold Coast and a great day for the small businesses, the tourism operators and the hotel operators on the Gold Coast. By any standard, this is a huge boost for Surfers Paradise, Broadbeach and the southern Gold Coast.

Mr Beattie: A great day for Merri Rose.

Mr ELDER: It is also a great day for that member who has been part of the Government decision that has delivered a project to the Gold Coast when the member for Surfers Paradise, the now very temporary Leader of the Opposition, could not. He had a chance. He could not deliver it. He failed. It has again been up to this Labor Government to deliver outcomes for the Gold Coast. There has been nothing accidental about it. We have delivered time and time again for the Gold Coast. That effort has been recognised by the council and by the business community. They have been highly complimentary of this Government in terms of delivering for the Gold Coast. They have been miserably disappointed in the Opposition, particularly when they were in Government. Minister after Minister after Minister and the Premier could not deliver one large infrastructure project for the Gold Coast. Those opposite failed. We delivered.

Local Government Water Charges

Mr PAFF: My question is to the Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities. As a consequence of the recent Supreme Court decision that invalidated the two part water charges by local government and invalidated the previous Government's National Competition Policy, how will the Minister address the serious problem facing local authorities? How will he address the court's decision facing local authorities with reimbursements of approximately $1 billion of water rates and charges?

Mr MACKENROTH: The first part of the question is in fact wrong because I do not believe that the decision of the court invalidated the legislation nor the National Competition Policy. The court decision found that the Logan City Council did not apply the two part tariff policy under Chapter 10 of the Local Government Act correctly. So the honourable member's proposition is wrong. At this stage I am obtaining legal advice in relation to the court decision to see whether the decision of the court affects any of the other 16 councils that have applied this policy. Once I receive that information, I will then make a decision as to how I believe we should go about it and take that decision to Cabinet.

The situation as I understand at this stage is that the Logan City Council still has the opportunity to lodge an appeal in the court. Having done that and until that appeal is heard, I do not believe that any council in Queensland would be in danger of having to pay back any money. There is a period of time in which we can consider this issue, but I can tell the Logan City Council that I will give them far more consideration than they have given us.

Additional Domestic Airlines

Dr CLARK: My question is directed to the Minister for Tourism, Sport and Racing. I refer to the announcement that Virgin Airlines plans to launch a no-frills domestic airline in Australia. Can the Minister advise the House whether the Beattie Government is negotiating with another major UK airline to establish a new Queensland-based holiday airline that will offer highly competitive fares to our State's tourism destinations?

Mr GIBBS: The honourable member asks a very important question this morning. Yes, I can confirm that we have been in negotiation with a major airline currently based in the UK in relation to providing the same sort of service to Queensland that Virgin Airlines announced a couple of days ago. Honourable members would be aware that this Government went to the last State election with a policy that we would not only investigate but also become as involved as much as we possibly could in encouraging a third airline into Queensland and Australia to ensure that we were competitive in terms of domestic airline fares.

There has been a perception in the tourism industry for many years that we are disadvantaged in this country, particularly in relation to the leisure market, for the travelling public who wish to utilise air services at holiday times but find it cost prohibitive. With that in mind, the major reason I recently visited the UK was for discussions with a particular airline. I am pleased to say that Tourism Queensland and the airline have completed a joint feasibility study and business plan to assess the possibility of commencing operations here as a schedule charter leisure carrier. The study itself has been highly positive and the business plan has recently been endorsed by the airline's board as a result of those recent discussions in London.

I am obviously not in a position today to identify the airline for reasons that are commercial in confidence, but I want to expand a little on the question that the Leader of the Opposition asked of the Transport Minister this morning in relation to regional air services being affected by a decision of this nature. The simple reality is that, whether those opposite are in Government or we are in Government, once negotiations of this nature are opened it is always predictable that there can be a reaction against regional air services by Qantas and Ansett. I would hope that that would not be the case. What we are essentially talking about here is an airline to service the leisure industry, which is a growing industry, which does not attack the traditional market held by Qantas and Ansett—that is, primarily the business traveller. We are interested in looking at the leisure market to get more tourists into Queensland.

I would hope that there would be a bipartisan attitude adopted in this Parliament regardless of who is on this side of the House that, if either major airline in this country started with the shenanigans of threatening regional air services in Queensland as a retaliatory measure, the full force of the parties here and the parties in Canberra would come together and say, "It's simply not on. It's not acceptable." The reality is that this country is deprived of good air services in terms of competitive airfares, and this is a way to go about rectifying it.

Tree-clearing Permits

Mr SPRINGBORG: My question is to the Honourable Minister for the Environment and Heritage and Minister for Natural Resources. I refer to the Premier's comments in Saturday's Courier-Mail where he said—

> "Mr Beattie said no resolution would be possible without a Commonwealth commitment to compensate owners of more than 1.5 million hectares who already held tree clearing permits."

This is in relation to the Government's prohibition on tree clearing. A commitment along these lines was also reaffirmed in today's Courier-Mail as well. Given these extraordinary comments from the Premier, when will the Government start this unprecedented process of revoking pre-existing tree-clearing permits from leaseholders? What compensation will be paid?

Mr WELFORD: Our Government has been engaging in very extensive consultations with rural industry leaders and other stakeholders in this issue. This was something started by the previous Government. Like so many other major issues which they had a responsibility to address, they squibbed it. They never got around to addressing it, notwithstanding the fact that, as part of the NHT partnership agreement entered into by Mr Borbidge and the Federal Government, they had a responsibility to address the scale of vegetation clearing in Queensland to protect rural land in Queensland and to protect the State's biodiversity.

Our Government proposes to work through the issues closely with all stakeholders. We have been doing that over the last few weeks. What the Premier says is absolutely right: if the Federal Government is serious about addressing biodiversity in Queensland, the last State in which substantial biodiversity in vegetation remains, then it should make a commitment of $100m to support our Government in providing assistance to rural producers to make the adjustments that are necessary to bring about that outcome. If the Federal Government is serious about addressing the greenhouse implications of Queensland vegetation clearing, accounting for 80% of all vegetation clearing in Australia and up to 18% of

Australia's greenhouse impacts, then it should commit $100m, partly out of the $400m of greenhouse funds it has available to it, to address that issue and achieve that outcome.

Our State Government, unlike the previous one, is taking responsibility for this issue. We are not avoiding our responsibility, but we are not going to carry that burden alone. It is a shared responsibility of the Federal and State Governments. The Premier and this Government stand solid behind the rural producers of Queensland in expecting the Federal Government to fulfil its commitment to support that transition and protect rural producers.

Rural producers are entitled to the respect and support they are receiving from our Government to achieve this outcome which all stakeholders have agreed needs to occur—that is, better management of vegetation across the landscape. They agree with that outcome. It is a question of providing support for that outcome to be achieved. We will get that support from the Federal Government if the Opposition joins us in making that call on the Federal Government to achieve that outcome. I challenge the Opposition to put its support behind its complaints and support our Government in getting $100m from the Federal Government to assist rural producers to achieve a sustainable outcome.

Wivenhoe Dam, Pollution

Mr ROBERTS: I ask the Minister for Mines and Energy: has the hydroelectric station at Wivenhoe Dam polluted the waters with oil, as alleged by the Leader of the Liberal Party last week?

Mr McGRADY: I thank the honourable member for the question. The hydroelectric installation at Lake Wivenhoe is one of the great success stories of this State. It has been operating continuously since 1984. I am happy to acknowledge that it was an excellent concept. It was built during the coalition years in Government. I am happy to give credit where credit is due. However, it surprises me to hear Dr Watson rubbishing this installation and painting it as an environmental disaster simply waiting to happen.

Dr Watson has been suggesting that there have been oil spills into Lake Wivenhoe. He is terribly wrong. The simple facts given to me by Tarong Energy show clearly that there has never been any oil contamination of Wivenhoe Dam from the hydro power station. Oil contamination is an environmental management issue for the hydro power station. Naturally there is equipment in place to handle the possibility of oil spills. It would be irresponsible of the power station operators to not take these precautions. Dr Watson may have had something to complain about if these safeguards were not there, but he chooses to knock them simply because they are there.

I would like to make this perfectly clear to Dr Watson and to the Opposition. They have spent the past two weeks opposing gas-fired power stations. Their colleague Senator Hill has spent the past couple of weeks opposing coal-fired power stations. Now, to finish the trifecta, those opposite have decided that a hydro station, which was a coalition Government project, is no good either.

The facts are there. There has never been an oil spill from the hydro installation into Lake Wivenhoe. Dr Watson refers to three incidents at Wivenhoe. None of them involved any oil spills into the lake. Tarong Energy tells me that these accidents were recorded as part of a very firm commitment to environmental management. They have recorded even the most minor event as part of their overall commitment. What is more, two of these incidents happened during the coalition years in Government. Of course, we heard nothing from Dr Watson at that time.

This comes down to Dr Watson's political games. Proposals for a gas-fired power station as part of a billion dollar scheme will greatly assist the environmental balance of power stations in this State. I keep on saying to Dr Watson that he is terribly wrong.

Flood Boats

Mr MALONE: I refer the Minister for Emergency Services to an answer given in Parliament last week in relation to the Collins class flood boats not meeting positive flotation requirements for registration and her subsequent statement to the media that any boat not up to standard would not be allowed to respond to an incident, and I ask: given that there are 45 rescue boats that do not meet the survey safety standards for flotation and that the annual flood season is almost upon us, can the Minister indicate which areas in this State will not be covered by SES flood rescue boat operations and can she provide an estimate of the number of Queensland residents who will be exposed to this added risk?

Mrs ROSE: I thank the member for the question. Standing offer arrangements are now in place for the provision of flood rescue boats and the supply and fitting of outboard

motors. Of the $1.5m provided for the flood boat replacement program, $250,000 was expended or committed in 1998-99, $500,000 has been provided for 1999-2000, $500,000 has been provided for 2000-01 and $250,000 has been provided for 2001-02.

The flood boat compliance program, which is what the member refers to, revealed that there were a total of 46 flood boats currently in use that did not comply with the Transport Operations (Marine Safety) Regulation 1995. Due to this situation, priority has been given during the current financial year to replacing all non-compliant boats.

It should be noted that on 14 October 1999 Queensland Transport granted the non-compliant SES flood boats an exemption from marine regulations up until 1 August 2000. This exemption allows for the continued use of these boats for operational and training purposes.

Of the 46 non-compliant boats, 11 boats can be upgraded, leaving a total of 35 to be replaced. The current status of the program is that 11 boats have already been replaced, 16 boats are currently on order and it is hoped that a further eight will be ordered in the near future. The 11 boats already supplied have gone to Condamine, Normanton, Babinda, Morven, Tiaro, Nebo, Hinchinbrook, Eidsvold, Pittsworth, Kilcoy and Imbil.

Orders for six 4.6-metre v-hulls for St George, Ayr, Augathella, Tully, South Kolan and Brisbane southern group have been placed and are expected to be delivered in the first week of December. Six 5.3-metre flat-bottomed work punts have been ordered for Rockhampton, Lowood, Chinchilla, Weipa, Surat and Dalby. Expected delivery is approximately the same. One 5.3-metre Yamba flat-bottomed work punt has been ordered for Winton and three 6-metre work punts have been ordered for Birdsville, Karumba and Bedourie. Indications are that they should be delivered during the first couple of weeks of December. I am more than happy to provide the locations for the outstanding ones.

Queensland Building Services Authority

Mrs ATTWOOD: Could the Minister for Fair Trading advise the House as to whether the Queensland Building Services Authority has made use of the anti-phoenix company provisions in the newly amended QBSA Act?

Ms SPENCE: The member for Mount Ommaney has shown a genuine interest in the Queensland building industry. I am pleased to announce that the Queensland Building Services Authority has made good use of its powers in preventing so-called phoenix building companies. Phoenix companies are those which, like the bird in ancient mythology, rise from the ashes after ruination. Unfortunately, there is nothing mythical about these building companies. The original phoenix reinvented itself every 500 years or so, but these phoenix companies are more likely to reinvent themselves only months after the builders' original demise. For instance, a director of a failed building company might be found pulling the strings behind the scenes of that building company while having the company registered in friends' or family members' names.

Obviously, these companies have had the potential to cause a lot of damage to Queensland's consumers, subcontractors and suppliers in the past. So when we were framing new building services legislation, both Government and industry felt that it was very important to pre-empt phoenix businesses. The anti-phoenix provisions of the new legislation came into effect on 1 October this year. Individuals, directors, secretaries and anyone else involved in a failed company, that is, a company that has had to action bankruptcy proceedings, is prohibited from entering the industry for five years. They are labelled as excluded individuals or excluded companies and will retain that status for five years after a bankruptcy event. In future, companies must not have an excluded individual working or being associated with that company.

Less than eight weeks into the new law, the BSA has now given notice to two industry operators that they are excluded individuals. They face a five-year ban unless they can satisfy the BSA. The latest is a director of Marbret Pty Ltd. This company has been active in commercial construction on the Gold Coast, but this month was placed in administration and stripped of its licence by the BSA. Marbret owes creditors about $1.3m and is itself owed $1.1m by a developer.

The other builder which is liable to feel the anti-phoenix sting is a director of Aramah Homes, a company in which the member for Ipswich West has taken some interest. The liquidators moved in on Aramah on 3 November, about a month after it was placed in administration. In the two years before that company's collapse, the liquidator has reported that Aramah directors drew an estimated $750,000 from that company. An Aramah director has been threatened with a five-year ban from the industry.

Tallebudgera Recreation Camp

Mrs GAMIN: I refer the Minister for Tourism, Sport and Racing to his assurance in this House that the Tallebudgera Recreation Camp would not be sold and his statement that the camp deserves money being spent on it, and I ask: can the Minister confirm that, last financial year, his department had identified $7m as its contribution towards the upgrade of the Tallebudgera Recreation Camp and asked Treasury to contribute another $7m? Can the Minister also confirm that Treasury not only knocked back his application for additional funding but also took the department's $7m from its budget? I ask the Minister: will he seek to have Treasury's blatant grab of departmental funds overturned and ensure that these funds are rightly used to upgrade the Tallebudgera Recreation Camp, which is a project that he supports so strongly?

Mr GIBBS: I thought that that was actually an extract from Blue Hills. However, I will answer the question in the best way I can. The reality is that I have given the member an undertaking, as I have to this Parliament, that there is no intention by the Government to sell the Tallebudgera Recreation Camp. The reality is that it is an icon throughout Queensland in terms of recreation centres. In fact, if we undertook studies throughout the State, we would find that many of those people who tend to be in the 60 or above age bracket actually honeymooned at Tallebudgera.

Mr Johnson interjected.

Mr GIBBS: I never honeymooned there, but I can remember, as a young man in the surf club, going up there a few times. I can remember distinctly seeing the member haunting the beach close by. I must say that, in those days at least, the member did look reasonably good in a pair of Speedos, but we would never get him into a pair of them today.

The Government is undertaking a full review of recreation camps throughout Queensland. I believe that members should have some concern about some of them and the condition they are in. In fact, one in particular in this State has an occupancy rate each year of about 5%, which means that, overall, we are subsidising that particular recreation camp, which is serving very little purpose, to the detriment of other recreation centres throughout Queensland where the Government could be spending money.

There is a commitment that, ultimately, the Tallebudgera Recreation Camp will be upgraded. I think we started that and sent a very clear signal last year when the Playroom was demolished to make way for works that will commence down there at some time in the future. As the Minister responsible, I will continue to do my best before the Budget Review Committee to get funding for that area. As I said, it is an icon.

I am aware that Governments, including the former coalition Government, have been approached on a number of occasions by people in the private sector who want to buy that land and develop it themselves. That is something that we simply will not allow to take place. That is an assurance that I give the member again today. And immediately my department is in a position to do so, money will be put in there for the redevelopment to take place as quickly as possible.

Meat Exports

Mr MULHERIN: I ask the Minister for Primary Industries: can he outline what action the Government has taken to promote the international trade of Queensland meat processed in abattoirs which have only domestic accreditation and which previously could not tap into overseas markets?

Mr PALASZCZUK: As the Minister for Primary Industries, I am committed to advancing Queensland's food and fibre to the world. Soon after the election of this Government, I was alerted to the possible export eligibility of Queensland meat processed in domestically accredited abattoirs to certain overseas markets.

In December last year, the Queensland Livestock and Meat Authority announced that it would issue health certification for product eligible for export to New Zealand from domestically accredited works which complied with relevant Australian meat processing standards. The QLMA advised that this move was in line with the Trans-Tasman Mutual Recognition Agreement enacted by Australia and New Zealand. The QLMA also advised that it intended to examine the possibility of extending these arrangements to other countries.

This move had enormous benefits for our pig industry, which for some time had only one export-accredited abattoir, and that was at Cannon Hill here in Brisbane. In less than 12 months under this arrangement, more than 260,000 kilograms of high-value Queensland smallgoods have been exported, principally to New Zealand, with some product being sent to the Solomon Islands. Our success, coupled with the State Government's support for the wider pork industry, including its more than $1.8m support for the Darling Downs Bacon

expansion, sparked calls from New Zealand to ban Queensland pork earlier this year.

I can announce to the House today that a similar arrangement for domestically accredited abattoirs will now operate for Queensland meat and meat products into East Timor. I am advised that Queensland meat and meat products eligible for export are beef, veal, lamb, mutton, goat meat, pork, venison and poultry. Again, the QLMA will be responsible for the health certification for exported domestic product.

As is the case with the trade to New Zealand, meat intended to be exported to East Timor must be produced in accordance with prescribed Australian standards and have an easily identifiable trace-back system. It will then be the responsibility of the prospective exporter to identify the clients for such product. Our country is working hard to assist the people of East Timor to rebuild their homeland. I am pleased to announce that our Queensland meat industry may also have the opportunity to play a part in this effort.

Tarong Power Station

Mrs PRATT: I direct a question to the Minister for Mines and Energy. With reference to the Tarong coal power extension and the gas units at Wivenhoe, and the Premier's statement that the gas units will not be sited at Wivenhoe if there is any threat to the Brisbane water supply, I ask the Minister: what alternative sites have been given priority? With the existence of a water pipeline—currently unused—carrying water from Wivenhoe to Tarong, would this not solve the anxiety displayed concerning Wivenhoe by combining all units at Tarong? As Tarong already has permits for two coal and one gas unit, is consideration being given to having these permits altered to two gas and one coal to accommodate both the coal and gas extensions? And will the coal extension be started before Christmas, as was stated during the media conference at Kingaroy?

Mr SPEAKER: Order! Before calling the Minister, could I say to the group of Independents at the back of the Chamber that questions are becoming a bit long. I would ask that questions be more precise.

Mr McGRADY: The question was a bit long, but I will do my best to answer it in the order of the points raised. First of all, the member for Barambah appreciated the work that the Government undertook. In fact, she supplied me with a bottle of wine to thank me for the work that we did. Being an honest member—which I am—I want the whole of the State to know that it was Rosemount chardonnay, which is my favourite, so obviously she had done her homework.

A Government member: You mean it wasn't a local product?

Mr Foley: You chardonnay socialist, you!

Mr McGRADY: Honourable members can refer to me as the chardonnay socialist from now on.

Mr Borbidge interjected.

Mr McGRADY: I will not repeat the comment that was made after the Leader of the Opposition said to make sure that she did not spike it.

Coming back to serious matters—as the Premier said, we have plans for one 450 coal-fired extension to the Tarong Power Station and two 350 units of gas. There has been some discussion as to the exact location of the gas units. As I have said in this place on many previous occasions, environmental studies will be undertaken. If there is the slightest threat to Brisbane's water supply the project will not go ahead. I have made that perfectly clear.

As to when the gas-fired project will start, my understanding from the officers at Tarong was that it would actually start before Christmas. Coming back to the main gist of the question—

Mr Elder: Coal.

Mr McGRADY: Coal, sorry—when the coal would start. Coming back to the main question: obviously, if there are some concerns about the water supply, we would look at some other site. However, at this point in time it will certainly be in the South Burnett, and that is where I believe it will happen.

This Government is expending $1 billion in the electorate of the member for Barambah. There was jubilation in the community when we had the Community Cabinet meeting in Kingaroy. The Beattie Government will not let down the people of the South Burnett.

Government-funded Housing

Mrs NITA CUNNINGHAM: My question is directed to the Minister for Public Works and Minister for Housing. I refer to the State Government's housing programs, and ask: can the Minister outline recent initiatives taken to expand the availability of Government-funded housing in the State, especially in rural and regional areas?

Mr SCHWARTEN: This Government has recently been involved with bringing a number of projects to completion. We were just

speaking about Kingaroy. At the Community Cabinet meeting in Kingaroy, the member for Barambah joined the Premier and me in opening the $694,000 units which had been constructed in the area. Although I did not receive a bottle of wine—Chateau Kingaroy—I did receive a great quote from the honourable member. She said that the project rose like the phoenix from the ashes. That was a tribute to everyone who worked on the project.

Another project which rose like the phoenix from the ashes was one which was built in your own electorate, Mr Speaker, in Margate. I was thinking of naming it "Phoenix" until you came along with a better one, namely, the Arthur Mason units. This was a tribute to a local singer who has made an enormous contribution to the community. This action highlighted the importance of local people remaining in local communities. I congratulate you, Mr Speaker, on that wonderful opening ceremony. I have received some good feedback. This project will provide quality accommodation for at least 16 couples.

The Laura Johnson home also rose like the phoenix from the ashes. The honourable member for Mount Isa was behind that project. The Government contributed $1.4m and the council and the local community contributed $100,000. I opened that project a couple of weeks ago. It was a very big event in the area.

Mr McGrady: You got some mangoes.

Mr SCHWARTEN: I got some very nice mangoes out of that, yes, from the honourable member's tree. I can tell the honourable member that the mangoes disappeared like the phoenix.

Such projects as this have the support of honourable members on this side of the Chamber. It is pleasing to see that members opposite support the projects as well. For example, this weekend the member for Warrego, Mr Hobbs, on my behalf will open a set of units at Dirranbandi. It is pleasing to see Mr Hobbs embracing, as he always does, public housing in his electorate.

However, there is a bit of a dark side to all this. The Government had to contribute an extra $30,000 to the project. One would never call that a phoenix project, because it has taken three years to build. This highlights the problem that one has with such projects.

The reality is that the project was welcomed by Mr Hobbs, who said, among other things, that it was great to see that it was air-conditioned. He agrees with that now, but in September he was saying that we did not want airconditioning in public housing units throughout Queensland. I have here the Triple H award for him. I am more than happy to present him with the certificate for the Howard Hobbs hypocrisy award. Three weeks ago he was saying that it was a project which he would not support.

Time expired.

Caloundra Hospital Operating Theatre

Mrs SHELDON: My question is directed to the Minister for Health. As the operating theatre at the Caloundra Hospital is to close at Christmas for 10 months in order to allow for the hospital upgrade, I ask: will she guarantee that the theatre will close for only 10 months; guarantee that all existing surgery sessions will be reinstated; guarantee that, with the upgrade, further surgery sessions will be made available to accommodate the growing need; and pay transportation costs for the many elderly patients and pensioners who over this period will have to travel to Nambour for surgery?

Mrs EDMOND: I find it amazing that here we have one member who does not seem to want her hospital upgraded. That is disappointing, because the people of Caloundra and the Sunshine Coast want the upgrade. They are very confident that the Government will provide the services for which they have waited so long.

We all know that the member for Caloundra took money from the Nambour upgrade budget and put it into the Caloundra Hospital. The member for Nicklin knows very well that the member for Caloundra siphoned off some $4.5m to put into her electorate. She was not content with all the funds that went from every other portfolio into her electorate while she was Treasurer. Pity help the poor people of Queensland who did not live in Caloundra! The member for Caloundra, however, could not make it happen because for the first six months we had the absolute freeze on capital works in Health. That action saw every project in the State go backwards. This Government is up to scratch. We are getting on with the job. Last year, the Government—

Miss SIMPSON: I rise to a point of order. The Health Minister is misleading the House. She took these programs out of the first budget and delayed them by 12 months. There was no capital works freeze under us.

Mrs EDMOND: Last year, the capital works program spent not only everything it was meant to spend, but it was actually ahead of time. We will be doing everything we can to

get the Caloundra Hospital finished ahead of time.

Mrs SHELDON: I rise to a point of order. There has been $14.8m in the budget for the last three years for the Caloundra Hospital and it is still unspent.

Emergency Service Workers; WorkCover

Mr PEARCE: My question is directed to the Minister for Emergency Services. I draw the Minister's attention to the thousands of Rural Fire Division volunteers, State Emergency Service volunteers, auxiliary firefighters, honorary ambulance officers and other Emergency Services personnel and their need to often respond to an emergency during their hours of work. I ask: are these men and women covered for compensation for injury or death incurred while travelling to an Emergency Services centre or incident from their place of work and while returning to their place of work on completion of their duties?

Mrs ROSE: The short answer is yes. I thank the member for his question; I know he is a great supporter of the Emergency Services. I am happy to inform the member that paid and volunteer emergency workers who perform approved duties for the Department of Emergency Services are covered by WorkCover policies or contracts of insurance with WorkCover Queensland. Statutory benefits include journey claim cover which commences when the paid worker or volunteer leaves his or her residential property boundary or the property boundary of their place of non-Emergency Services employment to travel to where they are required for Emergency Services-related duties. The cover continues until they return to their place of residence or the property boundary of their place of non-Emergency Services related employment. Similarly, they are covered by statutory benefits when they start on the journey if they respond to a call-out received while away from home or work. If they live on large rural properties, the residential property boundary is the boundary of the house yard, not the property boundary.

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

MATTERS OF PUBLIC INTEREST

Tree Clearing

Mr HOBBS (Warrego—NPA) (11.30 a.m.): Recently, much has been said about tree clearing in Queensland. The perception given by this Government and conservationists is that irresponsible farmers are wrecking public land in Queensland. However, the facts indicate otherwise.

Honourable members may not realise it, but there is more standing woodland in Queensland today than there was at the time of white settlement. History tells us that, when Captain Cook sailed the east coast, the first things he saw were fires. In that era, the Aborigines used to burn off areas. Also, lightning would start fires in woodlands and grasslands. The whole countryside was vastly different. For example, Grassy Hill at Cooktown is now covered in woody vegetation. If we go to Cape York and most other parts of Queensland, we find a thickening of vegetation. When the stage coaches used to run in western Queensland, they took hessian screens for privacy when people needed to go to the toilet. Today there is so much timber along those roadways that a dog can't bark. That example serves to illustrate that the vegetation is thickening.

The carrying capacity of rural land is also being affected. In the past, whereas a certain number of sheep or cattle were on a run, the thickening of vegetation means that there is now less grass and, therefore, they no longer have the same capacity.

Dr Bill Burrows has documented this change in a scientific assessment. Anybody who wishes to look at it can do so. The Minister's figures indicated that from 1995 to 1997 some 340,000 hectares per year, or an 18% increase, was cleared, 40% of which was on leasehold land and 57% of which was on freehold land. Interestingly, for 1991 to 1995 the figure was 289,000 hectares, of which 53% was leasehold land and of which 44% was freehold land. However, the figures given to me when I was the Minister indicated that between 60% and 70% of regrowth was included in that overall calculation. How has the figure suddenly gone down to 18%? One imagines that some sort of calculation has been made in relation to the long-term permits that have been issued. However, not enough time has elapsed for those to have any real effect. This suggests that there is something wrong with the Minister's figures.

Also, each year in excess of 40% of all clearing reverts to regrowth. I will cite some of the figures for this year. Of the 340,000 hectares of land cleared each year, 40% reverts to regrowth, which gives us 136,000 hectares. That leaves 204,000 hectares. If 65% of that is regrowth, that leaves 61,400 hectares of cleared land. If we take into consideration the 72 million hectares of woodland in Queensland, that represents

0.0008 of a per cent of the area. We are not talking about a lot of land in this instance.

Research has identified that Queensland's grazing industry is also a net sink for greenhouse gas carbon dioxide and not a net source, as has been promoted by many. Research also indicates that the thickened Queensland vegetation absorbs approximately 140 million tonnes of carbon dioxide each year—more than double the volume being emitted by the land use and forestry sectors. Therefore, the previous national greenhouse gas inventory figure which attributes land use and forest industries as contributing 24% of the total national carbon dioxide emission is absolutely incorrect.

Today the Minister quoted some figures. He stated that land clearing in Queensland contributes to about 18% of Australia's greenhouse impacts. In reality, that figure is not correct. Also, the Kyoto talks found that emissions by land clearing had by 1995 already fallen to 78,000 megatons. Thus Australia could increase emissions from land clearing and still meet the Kyoto targets. That is the situation.

Also, more research needs to be carried out on crops—for instance, cane and cotton—and various grasses to determine their capability as carbon sinks. After all, cotton is a woody weed. Those are issues that we need to assess. Through thickening, trees also cause land degradation. People do not often realise that. They think that the more trees we have the better off we are. That is not the case. In many instances, where we have more trees we have less grass, because there is not enough moisture for it to grow. That produces more run-off. At the end of the dry season, the rain comes down and the topsoil is washed away. That is basically because there are too many trees. In my region of Warrego there is now double the number of trees that there were previously.

Mr Lucas: You've got to be cruel to be kind, have you, when you're knocking down trees?

Mr HOBBS: Sometimes you have to be. Out in those areas they do a lot of clearing in the mulga country and the natural grasses and vegetation come back. They have to manage it to make sure that they do not get too many trees. It is a real problem. People must understand that situation. People also think that we must have trees to stop erosion. That is not the case. Buffel grass and binding-type grasses are more effective in binding the soil together to stop the erosion of creeks and gullies. On major river systems trees are also needed. There needs to be a mixture. I have used a dozer to smooth out a wash-out. Once the grass takes hold, it will bind the soil and water will not erode it.

It is important to state that land-holders are responsible. This has been the case for the past 10 years in particular, since Landcare has been operating and property plans have been put together. The modern farmer knows a lot about sustainable management. Labor has an agenda to stop all vegetation management in Queensland. Its media campaign on tree clearing, salinity and endangered species is total misinformation. Outrage was expressed by the Minister about the permits that have been issued. Those permits were sustainable permits issued by his own department. Not one endangered tree would have been lost under that process. Any trees of concern or vulnerable species are taken into consideration. The permits were issued under very strict guidelines. There is no sense in suddenly becoming upset by the number of permits that have been issued.

Today, when asked whether he was going to revoke those permits, the Minister did not answer the question. Therefore, it is clear that the Government is going to revoke those permits. How low can they go? He also expressed outrage about the areas of trees cleared. There has never been a qualification by the Minister in relation to regrowth. As I said before, he cites a figure of 18%. Under our Government, the figure was 65% of the calculations. Something has gone wrong. The figures are not right. We need some explanation of them. We should be able to compare them with the briefing notes that I had when I was the Minister.

I turn to the issue of salinity. The Minister said, "Shock, horror. There is a report about salinity in the Nindigully region—7,000 hectares which has not been found before." However, in truth it was only 2,000 hectares—an ancient lake that has been there since time began. Everyone has known about it. The local farmer knew about it and conducted a Landcare operation there. Seven years ago, while monitoring it the way any good, responsible farmer would do, he applied for NHT funding and received money to put down some bores. They were monitoring the water, because they were also farming on some of the land. After three applications for NHT funding—and the first two times they were knocked back because it was not classified as significant—they were given some money. That is the way misinformation is being peddled out there. The salinity audit states that this information is yet to be independently

reviewed and it should be considered preliminary in nature and that it is not expected that dry land salinity in Queensland will dominate the landscape within the next 100 years, as observed in southern and Western Australia. In respect of those regions, it is being stated that salinity may occur through tree clearing. However, we now have double the number of trees in that catchment than at the time of white settlement. What they are saying is illogical.

Mr Lucas: What's your basis for saying that?

Mr HOBBS: The number of trees has doubled. The country is thickening because there are no fires to burn the suckers and they keep growing. That is the reason. We recognise that salinity is an important issue and that we should plan accordingly. However, this Government should not impose unreasonable standards. The most damaging event to Queensland was the introduction of rabbits.

Time expired.

Chronic Fatigue Syndrome

Mr PEARCE (Fitzroy—ALP) (11.40 a.m.): Today I wish to revisit an issue that I raised in this place on 17 August. I spoke about the difficulties confronting a marginalised group of chronically impaired persons within our community whose needs are being ignored and who are constantly being attacked by insurance companies. These same insurance companies are using every weapon in their dirty tricks arsenal to stall payments on claims for total and permanent disablement for sufferers of myalgic encephalitis—ME—or chronic fatigue syndrome—CFS. I highlighted the obvious and proven intent of private insurers to vigorously protect a "no precedent" policy of not awarding TPD payouts for CFS claims. I talked about insurance companies not being accountable for their actions, about claimants having no rights, and I highlighted the impact of the bad faith behaviour of the insurance industry.

Parliament heard how one insurance company—National Mutual, now trading as AXA Australia—has treated a constituent of mine and how the company had put this decent woman through an immoral, obscene and unjust process to victimise her. I have information which identifies Hanover Life, Australian Casualty and Life, Lumley Life, Royal and Sun Alliance, Tindal Life, Royal Insurance, FAI Life and Colonial Mutual as all playing the same dirty game of killing off the sick in preference to payouts. Following my earlier speech, which somehow found its way onto the Internet, I have received an enormous and unexpected response from people who are recognised as sufferers of CFS and who have been dealt with in the same way as my constituent.

I wish now to move on and deal with several matters of which I have become aware as a result of personal interviews, letters and telephone calls I have received from CFS sufferers in Queensland and New South Wales. A database has been activated and much of what I will speak about today has come from surveys, supporting documentation and personal interviews with men and women diagnosed as CFS sufferers. If time permits I will be talking about collusion between the insurance industry doctors and the consumer watchdog, as well as about approaches made to me by CFS sufferers for the support of voluntary euthanasia. Let me start with the latter.

It may come as a shock to hear that a number of CFS sufferers have put it to me that, for them, voluntary euthanasia would be the best option. Why, members may ask, would they consider such an option? Because CFS sufferers are victims! They are the victims of a society that sees them as lazy layabouts. A recent example was the very public promotion of Hamilton Island as a place to lay about by using the words "chronic fatigue syndrome". CFS sufferers are the victims of unethical and illegal activities by insurance companies that are not accountable to anyone for their actions. CFS sufferers are the victims of possible collusion between the insurance industry and the Life Insurance Complaints Board, now known as the Financial Industry Complaints Service. They are the victims of doctors "for sale", that is, doctors who will write reports that insurance companies want.

They are the victims of insurance companies that deny valid claims and then prolong and protract the process in the hope that the claimants will drop out—even commit suicide. This is despite the sufferer having reports from numerous doctors and specialists confirming their CFS diagnosis. I am aware of one CFS sufferer who has had her illness diagnosed and supported by one professor of rehabilitation and occupational medicine, two physicians, two psychiatrists and three general practitioners. She even had one of the insurance companies own examiners agree that she was a CFS sufferer, yet her claim is still being denied.

As victims, they have no rights to access reports supplied to the insurer by so-called

medical experts. As victims, they are required to disclose everything about themselves. The victims are forced into financial hardship, despair, frustration and, finally, submission because of the deliberately extended and unsympathetic claim process. These victims are discriminated against on the basis of a specific impairment, which is now recognised in the questionnaire of insurance companies requiring the medical history of a person to be insured. They are victims of an insurance industry culture that will use the lowest of gutter tactics to protect a "no precedent" agenda. They are the new lepers of our society.

CFS sufferers do not want to be sick, cut off from the world or unable to sustain a loving relationship, go shopping, go to a movie or go to the beach. Why would a person suitably qualified and capable of earning in excess of $100,000 a year spend their time fighting an insurance company for a $30,000 payout for a permanent disability? Before becoming ill, many CFS sufferers were highly paid professionals. On top of this, CFS sufferers know that, owing to the lack of funding for genuine medical research, there is no known cause, diagnostic test, treatment or cure for their condition. There is no respect for them or their illness. The lack of Medicare funding for testing and treatment and the high cost of specialist services mean that many CFS sufferers are left to beg, borrow and sell up to cover the cost of care and services.

The unwillingness of superannuation funds, workers compensation and disability insurers to compensate CFS sufferers means they often do not have the resources to afford specialised care. This, of course, only exacerbates their feelings of hopelessness. They then become victims of financial debt which, like a cancer, eats away at any savings they may have from the forced sale of homes and other personal belongings. They lose confidence in themselves. The odds are stacked against them.

CFS sufferers are aware that the insurance industry is spending millions of dollars to protect its "no precedent" policy of TPD claims for CFS sufferers. These are sick people with a disease, fighting a system that smells of collusion, lies and abuse. It is no wonder that I have them requesting consideration to be given to the proposal that they be allowed a choice of final solution. To many CFS sufferers, voluntary euthanasia represents a more dignified and humane option than the current process of torture, deprivation and despair. They feel like an unwanted animal that has been abandoned and left to die. CFS sufferers are put through so much pain and humiliation that they are forced to feel abandoned and unwanted, and that is why there is overwhelming evidence of many of them committing suicide. Voluntary euthanasia is therefore a more dignified option. The medical profession who fail to recognise CFS underestimate the corresponding suicide risk, but the list of victims grows.

Doctors nominated by insurers are selected and portrayed as independent, but when we start looking at the collected data the real picture begins to emerge. I want to talk about one particular doctor who has been used on a regular basis by insurance companies in assessing CFS claims. This doctor, whom I will not name here today, holds a very powerful position as an examining doctor. He has an alleged history of poor behaviour when examining insurance claimants. He uses his power to humiliate women in particular by forcing them to obey his instructions as part of his examination. He seems to get a thrill out of women dressed only in their nickers tiptoeing around so that he can check their posture and balance.

I have been made aware of one alleged sickening incident, which is too disgusting to go into detail about in this place. Even if it were only half true, then we have a leading doctor in a major Brisbane hospital who is a dirty, perving old man. He is a problem. He is biased against CFS and should be immediately taken off the insurers' preferred list of so-called independent medical examiners. My understanding is that complaints have been lodged with the Queensland Medical Board.

Insurance companies need to understand that I am prepared to name this doctor and those companies that are allowing women to be abused in the interests of protecting their immoral "no precedent" policy, of not accepting liability for claims made by CFS sufferers who, because of their illness, can no longer work to provide for themselves. I intend to keep pursuing this bad faith behaviour of insurance companies. I will name the doctors regularly used by the insurers. I will name the insurance companies and produce the victims.

I give this word of warning to doctors who do not believe in CFS: the Federal Government has commissioned draft guidelines for the evaluation of prolonged CFS and the diagnosis and management of this disease. The National Health and Medical Research Council understands and recognises that ME—CFS—is a serious and debilitating

condition that impacts on its sufferers and causes considerable hardship for families and carers. The continual denial of independent examiners that CFS exists raises the question of professional negligence.

This is one of the most sickening issues that I have had to deal with as a member of Parliament. I am just fed up and disgusted with the way that CFS sufferers have been treated. It is about time that people in the profession and people in Government looked at the way that the insurance industry has been treating these people. In this place today I again—as I did on 17 August—call for a full investigation into the way that the insurance industry is dealing with the sufferers of CFS.

State Government Performance

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (11.49 a.m.): As this Government stumbles towards the halfway mark of the life of this Parliament, we see increasingly that Queensland is slipping back into a public administration mediocrity disguised by a massive but empty public relations effort on the part of the Premier. What we have witnessed in recent days is an example of the massive sensitivity of the can't do Premier over his performance since he was commissioned. What we saw today was quite curious. We saw the leader of the Labor Party in Queensland seeking to take credit for the coalition initiative that destroyed the Goss Labor Government. We saw the Premier of the day trying to take the credit for the Pacific Motorway presided over by my colleague the member for Gregory, who I understand was not even invited to the formal opening ceremony of Stage 1 at Nerang on Monday.

Mr Cooper: The City Watch-house.

Mr BORBIDGE: I will go through this, because what we have is mounting evidence of just how paranoid this can't do Premier is becoming. In a ministerial statement on 26 November 1999, he named in this place his crowning achievements. Let us go through them. Firstly, he named the light rail project. Do we remember Briztram? Do we remember the proposal put forward by the previous coalition Government and the then Minister for Transport, the honourable member for Gregory, to the Centenary of Federation funding proposals of the Commonwealth that resulted in the Prime Minister signing off on funding for that particular project, which, unlike what we have now, was not tampered with by the Minister for Families, Youth and Community Care? Under the Briztram proposal we had a real light rail network that serviced the growing demand areas of the City of Brisbane. What we have now is a half-cute, half-smart proposal from a half-cute and half-smart Premier.

Let us consider the redevelopment of South Bank. It was all announced during the period of the previous coalition Government and detailed in the Budget documents. The redevelopment of the Roma Street rail yards goes back to Premier Goss. There have been variations on the theme, but even Mr Beattie's claim that it would be the lungs of the city was not original; they were the exact words of his Labor predecessor, the former member for Logan in this place. Airtrain Citylink from the airport into town—who signed it? Who negotiated the deal? Who announced the start of the project? Again, it was the previous coalition Government. This Government had nothing to do with it, except to install an incompetent Minister for Transport who delayed the start of construction by over 12 months.

Australia TradeCoast was first announced as the Brisbane international trade development zone by the previous National Party Government in 1987. Nothing happened during the six years of Labor Government in Queensland until it was resurrected by the member for Burnett in his capacity as Minister for Trade and Economic Development in the State of Queensland. Who did all the hard yards in relation to the Port Road? Again, it was the member for Gregory as Minister for Transport and Main Roads in the previous Government.

As to Tarong—I seem to remember a Cabinet meeting at Nanango in about April/May of 1998. The $1 billion coal-fired expansion was given the nod, the tick, the go-ahead by the previous coalition Government. That was before this incompetent Minister for Mines and Energy, who says on the one hand that it is okay for him to interfere in the salary package of the CEO of Energex but on the other hand, when it comes to Energex going into the telecommunications industry or going into credit cards, it is none of his business. That was before the power industry was plunged into an emerging State bank by the incompetent Minister who now presides over the Mines and Energy portfolio in this place.

In his ministerial statement, the member for Brisbane Central, the pretend Premier, the acting Premier, went on to say—

> "We have delivered a new Brisbane Watch-house."

That is news to a lot of people in this Parliament, a lot of people in the Police Service, a lot of people in the justice system and a lot of people in the legal fraternity.

Mr Cooper: Even Amnesty International came out for us.

Mr BORBIDGE: As the member for Crows Nest said, even Amnesty International came out and gave the previous coalition Government credit. It is all very easy to unveil a plaque when someone else has done the negotiations, found the money, started the work and got the approvals going. It is all very easy to come along and unveil the opening plaque and try to get a bit of political mileage. The record shows that Premier Beattie had nothing more to do with the delivery of the new Brisbane watch-house than he did in orchestrating the lunar mission of Apollo 11, although we will wait for him to take credit for that, too.

During the Premier's ministerial statement, we heard the curious interjection by the Minister for Mines and Energy. He decided that the Government should try to take credit for Callide C as well. What short memories those opposite have. When they came to Government, they called for the contracts for Callide C to see whether they could get out of building it. Now we have this extraordinary effort by the Minister for Mines and Energy to seek to take credit for that project.

Mr McGrady: Not true.

Mr BORBIDGE: While the Minister for Mines and Energy is interjecting, I am reminded of his criticism of the peak loaders that we put into Townsville. He said that they were a massive liability for the power industry in Queensland. In its annual report, the Queensland Power Trading Corporation states—

> "These stations are a key element in providing security of electricity supply—and their commissioning was a major achievement for Queensland."

Those are not the words of the coalition or the Opposition; they are the words of the annual report of Labor's Queensland Power Trading Corporation to this Parliament. In fact, at the time, the member for Mount Isa was so keen and so anxious to try to take some of the credit that he described the commissioning of the peak loading power stations as a master stroke. He told Peter Morley that it was a master stroke.

Halfway through this term, a Premier who was elected on the sole platform of jobs, jobs, jobs has been able to deliver net bet and the Technomart fiasco. I note that the well-oiled Technomart team is now leading negotiations with Mr Richard Branson to attract Virgin to Queensland. We have an unemployment rate in this State that is now as high as it was when Labor came to office. We know the problem: all the big development projects, all the big infrastructure projects that are no longer happening, have approximately a two-year lead time. All the major projects, the remnants of the Goss era, the remnants of the coalition era, have been delivered. Now we have the emperor with no clothes.

We have a Premier who cannot put his moniker on one major project, except Lang Park. Does anyone seriously believe that the EIS announced by the Minister today will not be a forgone conclusion, because the Government said that Lang Park is the site of the super stadium? Increasingly we have a Left Wing Labor Premier delivering on Left Wing social issues and forgetting about the basics of what he was elected to do in this State. He is forgetting about jobs and forgetting about major projects. Then he is so super sensitive that he has to come into this place and mislead the Parliament in regard to projects that are not his.

Time expired.

Casual Employment

Mr ROBERTS (Nudgee—ALP) (11.59 a.m.): More than a quarter of Queensland's work force is employed on a casual basis. Some estimates place the figure as high as one third. This has significant social and economic implications for our State and our nation. In this speech, I want to outline the extent of the occurrence of casualisation, discuss some of the social and economic impacts and also canvass options for addressing this growing phenomenon. Casual employment has a proper and legitimate place in our industrial landscape. It is a convenient form of employment that suits many employees and employers. However, in recent years, its proportion of the total work force has grown dramatically. Current research indicates the number of casual workers expressed as a proportion of total workers in Australia has increased from around 13% in 1982 to 25% in 1997. One study places the proportion in Queensland as being around 31%.

Casual employment of males has more than doubled in the past 10 years. However, despite this increase, casual work is still more heavily concentrated among females, with around 38% of employed females being employed on a casual basis. Between 1988

and 1998 almost 70% of net growth in the number of employees in Australia was in casual employment. Over the same decade, full-time employment numbers increased by only 7%. These are significant numbers which, in my view, indicate a need to properly analyse the impacts such a dramatic change in traditional employment patterns are having on our society and economy.

Traditional full-time employment has been the means by which families have prospered and where individuals have gained the opportunity to meaningfully participate in economic activity. Stability in employment has been a factor which has played a key role in stimulating other economic activity of individuals such as major purchases of houses, cars, holidays, education and health services. Increasingly, more and more people within our community are unable to participate in such economic activity due to their precarious employment situation, with casual employment being a major player in this regard, as well as unemployment.

The growth in casual employment fits neatly within the increasingly competitive environment now established within most aspects of economic life. To succeed economically, our system requires individuals and enterprises to be competitive. Those who cannot compete often fall behind and are forced to rely upon an increasingly diminishing social security system for their sustenance. The pros and cons of a competitive versus a cooperative and more interventionist economic model are too complex and contentious for the short time available to me today. Suffice it to say, I believe that the growth in casual employment is but one undesirable consequence of an economic system that relies too heavily on the virtues of competition as opposed to a model with a stronger emphasis on cooperation and intervention.

But what are the real costs of an excessive use of casual employment and what can or should be done to address the matter? Casual employment was traditionally a means of topping up the work force to perform one-off tasks or to meet an increase in demand. Recent trends indicate that it has now transcended this to one of being a preferred choice of employers, particularly in some industries. The dramatic growth in casual employment and the impacts it is having on communities has, in my view, lifted its status beyond that of just another industrial issue to be resolved by industrial tribunals. Given its impacts on the community and the economy in general, it should be the subject of closer Government scrutiny.

Casual employment is the most precarious of all employment patterns. Employees can be hired and fired at will, with no notice and generally no ongoing entitlements. Job insecurity has flourished since the slash and burn era of the late 1980s and early 1990s. In many respects, the insecurity created by downsizing is now being replaced by insecurity caused by the widespread use of casual employment. Excessive job insecurity is one of the scourges of modern times. It is insidious and eats away at an individual's self-esteem and sense of worth. It has flow-on effects on not just the health of the individual but also relationships and families.

In terms of the cost of all this, our health and social security systems wear the burden of social security payments and hospital and other health costs and families and individuals pick up the social and emotional costs. I believe that an analysis of the real costs of the overuse of casual employment will reveal that the costs to the community as a whole will outweigh the benefits accruing to industry. To reiterate my earlier point, for many individuals casual work is a convenient means of earning or supplementing their income. The lack of commitment to an employer, and vice versa, is a flexibility which suits the circumstances of many. However, for a growing number of individuals, casual work is becoming the only means by which they can access an income to enable them to participate within our economic system, albeit at a reduced level.

The irregularity or uncertainty of receiving a regular pay packet has enormous implications in everyday life. Banks are reluctant to lend to such employees, irrespective of the length of their engagement. Casual workers are also reluctant to make longer term financial commitments, which has a flow-on detrimental impact on local economies. Casual workers are also less likely to engage in structured training related to their employment or be seeking avenues for skill enhancement to progress through career paths which are becoming a feature of modem dynamic enterprises. Most casual labour is employed on the basis of simply providing a set of skills or performing a set task for a set period of time. The large growth in the proportion of casual employment must have a detrimental effect on the development of our skills base as a State and a nation.

So what are the solutions to this growing employment inequity? Should we allow the growth in casualisation to proceed unhindered or should we develop a broader policy response which recognises the significant

impacts this issue is having on our communities? I suggest the latter. There are some who suggest that our industrial relations legislation is responsible for the rapid growth of casual employment. I reject this totally, as similar rates of growth are evident in other States and also internationally where more deregulated industrial systems exist. Our current industrial relations system has mechanisms to regulate the engagement of individuals on a casual basis. Provisions in awards provide for additional payments to compensate for the loss of general entitlements to sick leave, holiday leave, notice periods, etc. Our Industrial Relations Act has also recently extended long service leave and family leave entitlements to casuals in certain circumstances. The latter measures seem to indicate some acknowledgment that casual employment on a longer term basis has become a feature in our economy. However, our awards and legislation do not address the fundamental problems that arise from the practice.

One of the interesting observations that can be made about the extent of casualisation in certain industries is that it is generally lower in unionised sectors. Unions have traditionally opposed employment practices which disadvantage workers. I believe that history will judge the union movement well in its trenchant opposition to the widespread abuse of casual employment provisions. The declining levels of union membership in some industries may be an explanation for a part of the growth in casual employment. In effect, declining unionisation has removed an obstacle for employers to impose more casual work placements in their labour force. Additionally, most awards do not, nor indeed does our industrial legislation, place any restriction on the proportion of employees at an enterprise that can be employed in this way.

The solution to this issue can only be determined after gaining a full understanding of the extent and the implications of the problem. The first step towards that is to have the parties acknowledge that a problem exists. Unfortunately, the practices within some industries suggest that, far from being seen as a problem, the availability of large pools of people willing to accept casual employment is viewed as a positive force in our market economy. Our first hurdle, therefore, is to highlight the costs of this phenomenon and then encourage the relevant parties to discuss appropriate solutions. There are good reasons for Governments to take an active interest in this issue, not the least being the significant economic and social costs which can arise from job insecurity and under employment.

In its pre-election New Directions Statement, the Labor Party identified working time reform as a significant issue worthy of further examination by Government. Specific reference was made to the increasing number of casual workers who are wanting more work. In that document, Labor committed itself to establishing a process to investigate working time issues, including casualisation, and to put forward modern, progressive options to address them. I applaud this proposal and encourage the Government to implement it as soon as practicable. I believe that a proper resolution of this matter is achievable through cooperation with employers, unions and Government. It is a significant social and economic issue which deserves an appropriate policy response from Government. It is in the public interest for us to address it as soon as possible.

Tariff Equalisation

Mr ROWELL (Hinchinbrook—NPA) (12.09 p.m.): The tradition of guaranteed, uniform, low power prices for Queensland householders is dead thanks to this Labor Minister for Mines and Energy and this Beattie Labor Government. The Beattie Labor Government and this Minister have abandoned the battlers of this State for the forces of the free market. Free market forces mean that, in all probability, there will be significant increases in power bills for all Queenslanders, possibly as early as the end of this financial year.

The Minister is in denial about this fact. He has refused repeatedly in this House to tell the truth about what he has done—to explain and to admit to the householders of Queensland. The reason is obvious. The Minister knows that the first Government of this State of Queensland that abandons the policy of tariff equalisation will be hurled from office at the very next opportunity Queenslanders have to go into the polling booths. The facts are undeniable. That is the fate that awaits the Beattie Government.

The facts establish beyond all shadow of doubt that, despite the denials, Queenslanders have been abandoned to the market by this Minister and by this Premier. This is how it has happened. The member for Mount Isa and the member for Brisbane Central dropped tariff equalisation at the end of the last financial year like a hot brick. They dropped it in a state of panic, because the

national electricity market did not perform the way they expected it to.

Instead of the cost to Government of meeting tariff equalisation last financial year being its estimated $93m, it ended up costing at least $420m. That blow-out occurred as a result of a massive miscalculation by the Government of the cost of power for the year. The Minister said that it would be $37 a megawatt hour, but what did it come to? It came to $60 a megawatt hour. Instead of having hundreds of millions of dollars from dividends and from the taxes that the Government charges the industry under the corporatisation regime that it created, massive sums had to be diverted to subsidise equal power bills across Queensland.

Those opposite did not like it. They wanted the money. It hurt so much that the Government abandoned Queenslanders to the market. It did so by setting a limit on the extent to which it would meet tariff equalisation from this financial year onwards. It was the directors of Ergon Energy who let the cat out of the bag in the annual report. The truth is that the Government has established a preset limit in relation to its preparedness to meet the tariff equalisation subsidy. I ask the Treasurer: is that right? He gives no comment.

Mr HAMILL: Mr Deputy Speaker, I rise to a point of order. The honourable member asked a question of me and I am happy to provide the answer. The matters of which he complains are matters that his Government put in place.

Mr DEPUTY SPEAKER: Order! That is not a point of order. There are other ways of handling that, Minister—not through a point of order.

Mr ROWELL: If the cost of power for the year comes in under the preset limit, then the tariff equalisation will be met. But if it comes in above that level, then Ergon Energy and Energex—not the Government—will have to meet the cost.

Interruption.

PRIVILEGE

Electricity Industry

Mr HAMILL (Ipswich—ALP) (Treasurer) (12.13 p.m.)**:** Mr Deputy Speaker, I rise on a matter of privilege suddenly arising. The member for Hinchinbrook makes various assertions about my preparedness to answer questions in relation to the electricity industry which I find terribly hurtful and very offensive. The matters of which the member for Hinchinbrook complained are not matters which I have been responsible for in putting into policy. They are the very matters which former Minister Gilmore and the coalition Government put in place to govern the electricity industry when they restructured it back in 1996-97. The member for Hinchinbrook should either learn that or apologise.

Mr DEPUTY SPEAKER: Are you asking through your matter of privilege suddenly arising—

Mr HAMILL: I did actually ask for an apology, but I will be happy to accept a withdrawal of the comments which he made concerning me.

Mr ROWELL: I simply asked him if it was a fact.

Government members: Withdraw!

Mr ROWELL: If he finds it offensive, I withdraw.

Mr DEPUTY SPEAKER: I thank the member for Hinchinbrook. The member can get on with his speech. He has five minutes left.

MATTERS OF PUBLIC INTEREST

Tariff Equalisation

Mr ROWELL, continuing**:** Last year, for example, Ergon would have had a massive trading loss if it were not for the $251m the Government paid to the corporation to meet the cost of tariff equalisation. Energex would have been deep in the red also if it were not for the $150m rebate for tariff equalisation and the $22m for provision of below-cost electricity to pensioners that it got from the Government.

A miscalculation of the power price again this year at any level, even vaguely in line with the miscalculation last year, means that Ergon and Energex will have to carry the can. The plain fact is that they have nothing to carry it with. Their cash reserves are exhausted by Government's demands for cash via dividends and income tax equivalents. There is no fat with which to meet the cost of tariff equalisation if there is another bad year for prices. The Minister knows that. The Premier knows that. Nonetheless, they have abandoned their constituents, and thus their political futures, to the vagaries of the market.

There are only two ways in which Energex and Ergon will be able to meet tariff equalisation costs. The first option is, of course, to borrow. A very interesting point is that this was very strongly hinted at as the likely course by none other than the former member for Cairns and former Treasurer, Keith De Lacy, in Cairns, where he is now the

Chairman of Ergon Energy. Ironically, Mr De Lacy was one of the principal architects of the Goss Government's corporatisation policy which decreed that the sole reason for being for Government owned corporations such as the power industry and public corporations such as Ergon was to meet a commercial rate of return for the shareholders.

Making a profit was their sole reason for being, and here was the architect of this creed being reported in the Cairns Post as saying that it was of no moment if Ergon had to operate at a loss to fund tariff equalisation. Well, of course it is of great moment. It involves a great contradiction of one of the cornerstones Mr De Lacy and his other shareholding Minister, the member for Mount Isa, set when they corporatised Queensland's power industry in relation to a commercial rate of return. More than that, it contradicts one of the branches of the trilogy Mr De Lacy loved to quote: low tax, full funding of public liabilities and borrowing only for projects that would service their debt from their revenue flow. It is impossible for them to service debt if they have to sell a product—the Government's product—at below cost. Borrowing to fund a forgone revenue is like quicksand, but still the Premier and the Minister abandoned the battler to the market.

The other option is, of course, to raise prices. If it is a commercial entity charged with making a profit as its sole reason for being, then that is surely what Keith De Lacy would logically want to do. The only thing that will stop that happening is the Government ordering Ergon not to increase prices, and that is highly likely. The Minister knows that if Queenslanders have to confront the logical outcome of what he has done this side of the next election, he will not be a member of the Government after it. So he will drive Ergon and Energex to the very brink of bankruptcy until after the next State election so that if Labor wins tariff equalisation can die instantly, which is what the policy is intended to achieve.

The main concerns I have relate to the loss of electricity, the length of the conductors around this State and the growing aggregation of power stations at the southern end of Queensland. This will exacerbate the cost of power equalisation in the State. There is a need for a better spread of base load stations around Queensland. This is not evident at the present time. It is an absolute necessity that we reduce the length of those conductors so that loss of energy does not continue at the level we are experiencing at present.

Time expired.

Multicultural Queensland Policy

Mr NUTTALL (Sandgate—ALP) (12.20 p.m.): Today I would like to inform my parliamentary colleagues about the first annual report on the implementation of the Multicultural Queensland Policy submitted to the Premier in October 1999 by Multicultural Affairs Queensland, Department of the Premier and Cabinet. Members will be receiving this report in the mail shortly. I suggest to them that it is very good reading, and I encourage them to take the time and the opportunity to read it.

Mr Gibbs: Can I have five or six copies?

Mr NUTTALL: I will be only too pleased to provide them to the Minister, and he can give them to his friends to read over the Christmas break.

In August 1998, the Government launched the Multicultural Queensland Policy. The policy provides a central coordination framework for Government departments to manage Queensland's great diversity. Since the launch of the policy, Queensland Government agencies have individually or collectively instigated various policies and strategies to begin the Multicultural Queensland Policy implementation, which is putting policy into practice.

Multicultural Affairs Queensland, as the central coordinating agency within the Department of the Premier and Cabinet, has also undertaken extensive promotion of the policy across the public sector and established implementation mechanisms, such as servicing the Interdepartmental Committee on Multicultural Affairs. As an integral part of the implementation of the MQP, Queensland Government agencies are required to report on their performance in implementing the policy in their annual reports.

The report to the Premier provides a detailed account of what Queensland Government agencies have done and achieved in 1998-99 in addressing multicultural issues and addressing policy programs and services within their respective departments so that they meet the three basic principles of the policy, that is, access, participation and cohesion. The report includes input from 22 Government agencies. MAQ has also reported on its special initiatives and strategies as the lead agency in multicultural affairs. I am happy to highlight some of the major items here for the attention of all honourable members.

As I mentioned, an Interdepartmental Committee on Multicultural Affairs, which is chaired by the Director-General of the Department of the Premier and Cabinet, was

set up by Cabinet to drive and coordinate the Government's policy in relation to multicultural affairs. The interdepartmental committee, through its working groups on different functional areas, has significantly progressed a wide range of tasks, including the development of a community relations plan which is a flexible blueprint designed to improve the community relations environment in Queensland. These working groups are: the working group on Australian South Sea Islander communities; the working group on immigration; and the working group on the MQP implementation.

In the financial year 1998-99, which the report covers, a budget of $1.15m was allocated for grants programs under the policy's Cultural Diversity Support Strategy. These funds were primarily being used for two major strategies. The first is the Multicultural Assistance Program. This program provides assistance to community relations projects that promote and advance multiculturalism in this State, including multicultural festivals, seminars, workshops, conferences and the dissemination of information on multiculturalism and community development projects that improve organisational support within ethnic community organisations. The program also provides recurrent funding to assist peak community organisations to fulfil their advocacy and community building roles for the benefit of ethnic groups and the promotion of multiculturalism in Queensland. $750,000 was allocated to fund MAP projects. The allocation has increased to $1.28m for the current financial year.

The second major strategy funded is the Local Area Multicultural Partnership Program, better known as the LAMP Program. This program provides funding to local governments to employ workers to support communities to build positive community relations and develop strategies to facilitate equal access to Government services. The LAMP allocation for the year 1998-99 was $400,000 for six local governments, namely, Brisbane, Hervey Bay, Ipswich, Cairns, Caboolture and, of course, Mackay, as well as the Local Government Association of Queensland. The allocation was increased to $870,000 in this current financial year. In the current budget, eight additional local governments, including Gladstone, the Gold Coast, Logan, Johnstone, Maroochy, Rockhampton, Toowoomba and Townsville, will also receive funding under the LAMP Program, which will bring the total to 14 councils across Queensland.

As all honourable members may be aware, the Government has also made considerable efforts to listen to the community. Community Cabinet meetings were held in 14 locations throughout Queensland, and 85 delegations were received from ethic communities. Members of ethnic communities also contributed strongly to regional community forums and Multicultural Affairs Queensland's own Statewide consultation, which was held in 11 centres across Queensland. These consultations received overwhelming and positive responses from communities and identified a wide range of issues that needed to be addressed. A summary of the issues is included in the report.

Government agencies have actively implemented the MQP either through special initiatives within their departments or the incorporation of the MQP principles into their strategic and corporate planning. Some of the highlights include Queensland education. Education Queensland has implemented key programs and strategies, including the Community Languages Program and the Ethnic Schools Program, which now receives funds of over $130,000 from the Government. This is the first time the Queensland Government has provided direct funding to support this worthy program. There is also the English as a Second Language Program and the combating racism package.

In terms of Queensland Health—Queensland Health has developed service agreements between corporate office and health service districts throughout Queensland which now require these districts to report on: the development of a strategy for implementation of the MQP and the Queensland Language Services Policy; the number of staff attending cross-cultural awareness training; and the number of staff who are skilled to provide mental health services to people from diverse cultural backgrounds. Service agreements with non-Government health-related service providers now include requirements that organisations operate in accordance with the Charter for Public Service in a Culturally Diverse Society. In addition, Queensland Health is developing its own multicultural policy and Language Services Policy, and these will be modelled on MQP.

The Queensland Police Service has implemented a number of projects to improve services to the diverse population. They include: the development of the You, the Law and Society information package; a review of interpreter service provisions and usage; the

Queensland Police Ethnic Youth Partnership; reconciliation activities; and the Living in Harmony project.

The Department of Employment, Training and Industrial Relations initiated a community training identification project to develop training plans with ethnic communities. Plans are being developed on the Gold Coast, in north Queensland and in far-north Queensland. The department has developed the Government's Breaking the Unemployment Cycle initiative to provide better access to employment opportunities for people of diverse cultural and linguistic backgrounds. The nature, cause and solutions to long-term unemployment in ethnic communities is to be investigated in partnership with Multicultural Affairs Queensland and the Workforce Strategy Unit. The department also has been working with outworkers, predominantly from Vietnamese, Chinese and Cambodian backgrounds, to ensure that they have access to relevant award and legislative provisions.

Arts Queensland has developed its own multicultural arts policy, called the Cultural Diversity and the Arts Policy. MQP has been linked to the Arts Queensland 1999-2003 strategic plan. In 1999-2000, Arts Queensland will offer cross-cultural training for staff as part of the implementation of the MQP. Information about its programs in languages other than English will be published to increase access for clients from diverse backgrounds.

Mr Deputy Speaker, there is only a short part of my speech left, and I seek leave to have it incorporated in Hansard.

Mr DEPUTY SPEAKER (Mr D'Arcy): We would almost be prepared to grant the member an extension of time.

Leave granted.

Department of Families, Youth and Community Care

The Department's Child Care Access and Equity Strategy included the following activities in 1998-1999—

Developed new resources to support communication between families from culturally and linguistically diverse backgrounds and child care services.

Child care service staff undertook training provided by the Queensland Program of Assistance to Survivors of Torture and Trauma (QPASTT).

The Department and MAQ jointly fund the Non-English Speaking Background Youth Issues Network Project conducted by the Youth Affairs Network of Queensland.

The Report highlights the priorities for future work under the Policy. These are:

ensuring consistent implementation of the Policy across Government agencies;

more resources for multicultural activities and community advocacy;

improving access to grants funding, especially in regional Queensland;

improved access to appropriately delivered services; improved community relations;

employment; and

productive diversity.

In addition the Government will pay particular attention to the needs of the Australian South Sea Islander community. On 21 September 1999 the Premier announced the Government's intention to formally recognise the Community as a distinct cultural group. Consultations are currently underway on an appropriate Recognition Statement.

Mr Speaker, what I have highlighted are only some of the initiatives being taken in support of this important Government Policy. I strongly recommend to my Parliamentary colleagues that they read the full Report as it reflects the Government's continued commitment to implementing multiculturalism and provides a detailed account of the major achievements the Government has made in the last year as well as the future directions on further development of multiculturalism in Queensland.

I would like to take this opportunity to commend the high level of professionalism and commitment demonstrated through this Report by MAQ Executive Director and staff as well as Departmental representatives on the IDC, the Working Groups and all those involved in implementing the Policy at the service level.

Mr NUTTALL: I commend the report to the House.

PRIMARY INDUSTRY BODIES REFORM BILL

Second Reading

Resumed from 26 November (see p. 5522).

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (12.30 p.m.), in reply: I have arranged to have distributed a new set of amendments to the Bill. This set replaces that which was distributed on Friday. This new set is necessary because of two changes in the amendments which the Government wishes to make. These changes result from further discussions with peak bodies and relate to the date of transfer of the two bodies and the nature of trusts for canegrowers.

This Bill epitomises the two key approaches of the Beattie Government to policy for primary industries. Firstly, it is about

reform which benefits ordinary producers, not change for change's sake. Secondly, it is about gradual transition, not about radical change. What the Bill also demonstrates is that this is a Government that is prepared to govern in the interests of all Queenslanders, regardless of their occupation, their regional status, or their political allegiance.

As I said in my second-reading speech, it would have been very easy for the Government to have walked away from the five producer bodies provided for in this Bill. It would have been easy to say that the problems could not be solved, it was all too difficult and we should just cut them adrift. We have not taken the easy way out. We have worked hard, in consultation with the producer groups and with our legal advisers, to find a better way for the five bodies and for the producers that they represent. All of the five are ready to make the change and are very confident about the future.

My department has been in daily contact with the producer bodies and has worked closely with them to explain how this Bill will work to ensure that the transition is as smooth as possible in the circumstances. As a result of these detailed discussions between my department and the relevant industry bodies, I propose that a number of amendments be made at the Committee stage of debate.

Most of these do not raise matters of policy and are consistent with the broad thrust of the Bill. There are, however, three matters of a substantive policy nature requiring explanation, namely: an extension of time for implementation arrangements; the treatment of Canegrowers' subsidiaries; and the treatment of Queensland Fruit and Vegetable Grower local producer associations.

Firstly, let me refer to the extension of time for implementation arrangements. At present, the Bill provides for the transfer of assets and liabilities from the five statutory producer representative bodies to their respective non-statutory replacement bodies to occur one day following the date of commencement of the legislation. In other words, this was to happen on the day after assent. The Bill also provides for the termination of existing levies on assent.

Each of the bodies has different needs in terms of the timing of the change; hence the Bill is to be amended to provide extra time where it is needed. QFVG is happy to proceed on the day after assent, as is currently provided in the Bill. QCFO needs an extra week to complete its arrangements. Canegrowers, Queensland Dairy Farmers and Queensland Pork Producers will all have an additional month to effect the transfer. We cannot delay the implementation of this scheme of the Bill for too long because of the legal imperatives.

Also, the facilitating provisions of the Bill allow for extremely rapid action for transfers. For example, under the Bill, an incorporated association could be registered in one day, when this would ordinarily take around three weeks. Again, this is needed because of the urgency and makes the strict time frames a lot more reasonable than may at first have appeared to be the case.

Secondly, I come to the treatment of Canegrowers' subsidiary bodies and their assets. Following the introduction of the Bill, concern had been expressed by some canegrowers—notably in the Burdekin area—to ensure the proper future use of funds and assets which have been provided by way of levies. These decisions would be made by the mill supplier committees and district canegrower executives which are subsidiaries within the three-tier Canegrowers structure.

I want to ensure that, where assets have been acquired by local bodies for the benefit of local growers through levies on those growers, control of those assets continues to reside at the local level. It is not, and never has been, the intention of the Government to seek control of these assets moved to Canegrowers' head office in Brisbane. I do not believe this was the intention of Canegrowers, either.

As drafted, the Bill provides that assets, such as land and improvements, held in trust by Canegrowers for the mill supplier committees and district canegrower executives are likewise to be held in trust by each replacement company, along with any associated liabilities. However, not all the locally funded assets are land and buildings. Some mill supplier committees and district executives hold substantial cash reserves and other assets not covered by the trust arrangements, such as computer equipment and vehicles.

The Bill, as initially drafted, provides that these other assets become assets of Canegrowers immediately before the transfer day and then transfer to its replacement body, which is to be a company limited by guarantee. It is my understanding that Canegrowers propose in the rules of the replacement company that these assets will, once transferred to the replacement company, be held for and on behalf of equivalent mill

supplier and district executive subsidiaries to be established by the replacement company.

However, this is unlikely to satisfy the increasing number of canegrowers who are now starting to press for more legislative certainty as to the future use of their assets. It seems that there is a concern that company rules can be changed far more easily than an Act, and hence initial safeguards in the rules could be removed at some later date. I believe that these concerns need to be properly addressed.

Accordingly, amendments have been prepared by the Office of Parliamentary Counsel in regard to the treatment of all assets and any associated liabilities of mill supply committees and district canegrower executives. These amendments protect and preserve local grower interests. But they also enhance grower control of their assets. Let me repeat—local growers will have more control of their assets under this Bill than they have had for the past 75 years. I will explain these in detail during the debate in the Committee stage.

Finally, I would like to inform the House as to the treatment of QFVG local producer associations. Local producer associations are commonly described as the "base tier" of the Queensland Fruit and Vegetable Growers structure, although in a strict legal sense they are not subsidiaries of QFVG. This means that they are not the same in a legal sense as the mill supplier committees and district canegrower executives within the Canegrowers structure. Therefore, they have to be handled in a different way.

There has been extensive discussion with the Office of Parliamentary Counsel and with QFVG senior management regarding how the Bill should handle local producer associations and their assets and liabilities. In the Bill as it now stands, those local producer associations which have been constituted as cooperatives have already been excluded from the statutory transfer arrangements because they are distinct legal identities in their own right. An amendment is also proposed to exclude those few that are incorporated associations as well.

However, the difficulty has been with regard to what to do with those local producer associations—and this is by far the majority—which are unincorporated and which arguably have no proper legal status at present. More particularly, the question is how to deal with local producer associations in a manner that is both legally sound and which preserves the existing assets, liabilities and obligations of these bodies. It is, of course, recognised that the assets have been funded by the relevant local producers and not by way of QFVG levies.

I am pleased to announce to the House that agreement has now been reached with QFVG on amendments to the Bill which will enshrine local ownership and control of local producer association assets. I will explain these in detail during debate in the Committee stage.

Before leaving this matter, I wish to commend the senior management of QFVG for the responsible way in which they have handled this most difficult issue. They have sought at all times to achieve a workable outcome while recognising the Government's policy framework, on the one hand, and the need to protect and preserve the rights of local producer associations in a legally defensible manner on the other.

The consultation with the bodies themselves has resulted in 38 amendments to the Bill. I want to assist in a smooth transition, and that is why I am prepared to make these amendments. Many of them are only minor or are of a technical nature.

I now wish to address some of the issues raised by honourable members opposite in this debate. A number of these concerns have already been dealt with by the Government's amendments, so I do not intend to traverse that ground again. The honourable member for Crows Nest raised concerns about the inclusion in this Bill of amendments to the Meat Industry Act. It is not, nor will it become, my general practice to add matters such as this to legislation which deals with one topic. In this case, there is a degree of urgency to ensure that the Meat Industry Act amendments are in place by December. This is because the QAC needs the power to enter into contracts in relation to its Cannon Hill site as soon as possible. Australian Country Choice, the prospective investor in the site, needs to get the contract signed for commercial reasons and so that it can begin construction of its new kill floor on site. As this new kill floor needs to be in place by November next year, commencement of construction cannot be delayed. Hence the urgency to sign the contract. I assure the honourable member for Crows Nest that, but for this urgency, I would not have included these amendments in the reform Bill but would have awaited an omnibus amendment Bill.

The issue of the Government's legal advice has also been raised. I will not engage in a legal debate on the floor of the House. I do not think that anyone can argue seriously

that the Government would be acting with such urgency were it not extremely concerned about the doubts that have been raised. I have been asked repeatedly by members opposite to table the Government's legal opinions. All honourable members would be aware of the concept of legal professional privilege that attaches to legal advice. If the Government were to begin tabling its legal advice or passing it around freely, it would lose legal professional privilege. It is the strong position of Crown Law, the State's lawyers, that the advice cannot be released, and I will abide by its view on this matter. If members would like me to, I can get legal advice from Crown Law on the loss of legal professional privilege that would result and I will then table that advice.

The shadow Attorney-General asked who has been advising the Government and proceeded to suggest that whoever this was did not understand the law. The Government's advisers on this matter have been Mr David Jackson, QC, of the Sydney Bar, Australia's pre-eminent constitutional lawyer; Mr Cedric Hampson, QC, Queensland's most senior silk; and Mr Pat Keane, QC, the Solicitor-General. I suggest to the honourable member for Warwick that he might want to reconsider his remarks about these learned gentlemen. If they say that there is a doubt that has to be resolved, I will move to cure that doubt. Their advice is that the provisions of this Bill unequivocally cure any doubts that could arise.

The shadow Minister and the shadow Attorney-General raised the issue of a flat fee being a constitutional method of collection. It is the case that a flat fee raises fewer doubts than does the current system. However, has either member thought through their suggestion that this would solve the problem? I very much doubt it. I cite the following reasons. A flat fee is obviously the same for all producers, whether they be large producers or small producers. The question emerges: what rate would one set? For equity reasons, it would have to be quite low so as not to disadvantage the smaller producers. The revenue collected would be nowhere near sufficient for any of the organisations to continue their functions with any degree of normality. This option was canvassed and was dismissed as impracticable.

I must take issue with one comment made by the honourable member for Crows Nest, who suggested that even if the levies were found by a court to be unlawful this would not bankrupt the organisations. With respect, I believe that this shows a flippant attitude to the financial wellbeing of these bodies. I inform the House that some $18m per year is collected by the five bodies through the levy system at present. Canegrowers itself collects $6.7m and the QFVG collects about $5m. Having to repay this money, even if it is limited only to one year, would have dire effects. The members cannot seriously suggest that the Government should risk this. To do so would be irresponsible and highly detrimental to the interests of the organisation and its members. It all gets back to legal doubt. If the Government is aware that there is a doubt, it must act to cure that doubt. I can only hope that the members opposite would do the same if they were in office. I am sure that the honourable member for Crows Nest would do that, but I do have some concerns about other members on his side of the House. I would also be profoundly concerned if they were prepared to ignore such a situation and run the risk of legal challenges. This would be an abdication of responsible government.

The member for Mulgrave, always attentive to the needs of his constituents, raised a number of issues. I assure him that these will be dealt with by the Government's amendments. The issue of stamp duty was raised by the member for Gladstone, the honourable member for Crows Nest and others. I reiterate what I said in my second-reading speech, that is, stamp duty relief will be afforded. However, this will not be done by legislation, it will be done via ex gratia payment. This means that the duty is assessed in the first instance and has to be paid, but then Treasury can make the refund. Cabinet has already, on my submission, said that this will happen—and it will. This really should be sufficient for honourable members opposite.

Mr Cooper: You can't trust Treasury.

Mr PALASZCZUK: I reiterate: Cabinet has already, on my submission, said that this will happen.

The issues raised by the Scrutiny of Legislation Committee have been alluded to by many members opposite. I believe I have addressed these issues in my letter of reply to the committee. At the end of the day, the committee's comments depend on the urgency of the Bill. As I have said, it is urgent and hence the measures are justified.

The member for Mirani raised the issue of sugar research levies. These matters are not the subject of the Bill. The State BSES levy will finish with the commencement of the new Sugar Industry Act on 1 January 2000. At the recent meeting of the Sugar Industry Development Advisory Council a special

industry working party was formed to examine the best mix of funding options for the industry. This can include contributions from the pool via the QSC, use of the Commonwealth levy, local area agreements and voluntary contributions. Industry values its research and development and I am sure that it will work to find an acceptable mix of funding arrangements.

The honourable member for Mirani also raised the issue of the single desk. My support for the single desk marketing of sugar is well known. I believe it is a crucial factor in the success of our industry. The Sugar Industry Act, which this House passed recently, secured the single desk. In my eyes, this is one of its key achievements. Next year the Government will move to allow the single desk to be conducted by an industry controlled marketing company. This is a huge step forward and demonstrates how far we have come. Who would have thought that this would have been possible for the sugar industry even two years ago? However, it is happening and it will give the industry much greater control over its own destiny.

A number of members raised the dairy industry and the potential for deregulation. The new Victorian Labor Government has allowed its farmers a vote on whether or not to deregulate. The vote will be conducted from 6 December to 20 December and will be on the basis of one cheque, one vote. I urge Victorian farmers to think very carefully about what they are doing and the implications for their State and for farmers in other States. I am keenly awaiting the outcome of the ballot and the Victorian Government's ultimate decision.

Before I conclude, I notice that the honourable member for Burdekin is in the Chamber. He foreshadowed his concerns about possible National Competition Policy implications of this Bill in his speech on the Sugar Industry Bill. It was not clear to me at the time why an issue concerning the Primary Industry Bodies Reform Bill was raised in the context of the Sugar Industry Amendment Bill and nor was it clear whether the honourable member was advancing argument in support of adherence to NCP principles. Anyway, I hope to put his mind at rest by saying that this Bill does not raise NCP issues. Specifically, the Bill does not seek to impose restrictions on competition as that term has been defined for the purposes of the legislation review component of NCP. This is because the Bill does not seek to impose any restrictions on the production or the marketing of any commodity and nor does the Bill prevent producers from joining and funding other non-statutory representative bodies.

Compulsory membership is itself not a restriction on competition. This is because the compulsory membership provisions are not linked in any way to the producer's right to engage in the production or the marketing of that particular commodity. To put it in a different way, if a producer fails to pay his membership fee, he or she will not be prevented from continuing to produce or to market the commodity in question. If there were such a restriction, then it would be caught up by the NCP.

Let us consider this example. If the Bill said that a commercial fisher would not get his commercial fisher licence renewed if he failed to pay the membership fee for the QCFO's replacement body, then we would have a restriction on competition as we understand the term to mean. However, the Bill does not contain this type of restriction. I will give another example. If the Bill said that a fruit grower could not sell any produce at the Brisbane Markets unless he paid the membership fee to the QFVG's replacement body or if it said that a sugarcane grower could not supply cane under a cane supply agreement if he was not a fully paid up member of the Canegrower's replacement company, then we would be dealing with restrictions on competition.

However, the Bill does not contain any of these restrictions. It does not restrict production, marketing or competition. It also does not restrict a producer from joining any other body he or she wishes to belong to. For example, it does not stop a canegrower from joining or continuing to belong to the ACFA. I assume that this is where the concerns of the member for Burdekin are coming from. I can assure the honourable member that those of his constituents who wish to belong to the ACFA will be able to continue to do so. The Bill will not affect that in any way, shape or form.

In conclusion, I believe this to be a landmark piece of legislation. As the member for Mulgrave pointed out, the Bill replaces some very historic pieces of legislation. It is true that the times have changed, but let me urge all producers to belong to their industry associations. These associations do very fine work. I deal with them regularly and they often provide me with wise counsel. At other times, they provide me with a damned good earful, but that is their job and they do it well. Under this Bill, they will do it even better. I commend the Bill to the House.

Motion agreed to.

Committee

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) in charge of the Bill.

Sitting suspended from 12.53 p.m. to 2.30 p.m.

Clause 1, as read, agreed to.

Clause 2—

Mr PALASZCZUK (2.30 p.m.): I move the following amendment—

"At page 10, line 8—

omit, insert—

'2.(1) Part 9 and part 10, divisions 1 and 2 commence on assent.

'(1A) Part 10, divisions 3 and 4 commence 1 month after the date of assent.[1]'.

[1] Parts 9 (Amendment of Meat Industry Act 1993) and 10 (Repeals and other amendments)."

The purpose of this amendment is to ensure that the existing levy arrangements cease on the commencement of this legislation, that is, on the date of assent. Part 10 of the Bill provides for the repeal of existing legislation under which the current levies are made, the Acts in question being the Primary Producers' Organisation and Marketing Act and the Fruit Marketing Organisation Act. The amendment states that Divisions 1 and 2 of Part 10 will commence on assent. These provide that, on assent, no levies may be made under the two existing Acts. Those two Acts will then expire one month after assent to allow more time for completion of transfer to the replacement corporations.

Divisions 3 and 4 of Part 10 refer to minor consequential amendments to two other Acts, the Stamp Act and the Wheat Marketing (Facilitation) Act. The amendments need not commence until the expiry date of the two levy Acts.

Mr COOPER: The Opposition appreciates that this amendment is consequential on the proposal to amend clause 10 so that the transfer will be one month after the date of assent. We have circulated our amendments. We will be moving our amendment when clause 10 comes around. We support extending the time for primary producer groups to effect the appointment of a replacement corporation. As the Minister knows, the retrospective operation of this clause has caused a lot of comment and criticism. He will recall my extensive quoting of the recent Alert Digests on the matter.

There would have been no need to have any retrospective provisions if primary producer groups had been given realistic time frames from the outset. This amendment, together with the one proposed to clause 10, confirms the substance of our criticism.

However, I have some concerns about legal implications. Primary producer bodies, together with a range of other persons, including public servants, have been acting in reliance on clause 2. They have assumed that any act that they may have done in conformity with this Bill, even though it was not in conformity with any existing laws, would be retrospectively validated by reason of clause 2(2). Instead, we now see that there will be no retrospective operation of this Bill, and it will be prospective only.

I would not quibble with this seemingly desirable move if an amendment were proposed that saved any act done in reliance on this Bill prior to the transfer day. Unfortunately, there is no such clause in this Bill. I have a question for the Minister. Has the department sought advice on whether any person, including officers of primary producer bodies or public servants who have acted in reliance on the provisions of this Bill to date, but who may have breached any current laws, will be exposed for any action by the removal of the retrospective operation of clause 2(2)?

The Government owes a duty of care to anyone who has relied on this Bill to date, who has acted in good faith and without negligence, to save their actions from any legal challenge or legal proceedings. I am not sure whether this could be a problem or not, but I am uneasy that this matter is left up in the air. I look to the Minister for an explicit assurance that the matter has been properly investigated and that no problems exist.

Mr PALASZCZUK: The officers of the Office of Fair Trading were consulted during the preparation of this Bill. Those officers fully understand and support the urgency behind the retrospective provisions in the Bill. Those officers have agreed to register the replacement corporations contrary to the existing provisions of the registration legislation. They have done so in the understanding that this Bill will be introduced and passed by the Legislative Assembly. Those officers have done so in good faith on the basis of that understanding. I acknowledge that, as a general rule, such legislative provisions are undesirable. However, in this instance, I consider that the urgent need to remove legal doubt that threatens the ongoing

viability of the producer bodies justifies the retrospective provisions in the Bill.

Mr COOPER: I am not going to belabour the point. I am looking to protect officers, staff and other people who have been involved and who may have acted not with any negligence at all. We want to make sure that they are protected. That is really the point of my questioning.

Mr PALASZCZUK: I accept the concerns that have been raised by the honourable member for Crows Nest.

Amendment agreed to.

Clause 2, as amended, agreed to.

Clause 3—

Mr PALASZCZUK (2.36 p.m.): I move the following amendments—

"At page 10, line 14, 'generally,'—

omit.

At page 10, lines 18 to 20—

omit."

These are two proposed amendments to clause 3. The first is simply a tidying up amendment and removes the word "generally" from the start of provision (a) of the clause. That word is unnecessary. The second amendment omits provision (b), which refers to the previously intended transfer of local producer association assets under trust arrangements. Following extensive discussions with the Queensland Fruit and Vegetable Growers it is proposed to deal with local produce association assets in a different way from that set out in the Bill as originally drafted. This is a procedural amendment. I propose to explain the intended restructuring process for the local producer associations in more detail when we consider amendment No. 4.

Mr COOPER: The Government has circulated two amendments to clause 34. They set out the objects of the Bill. The coalition does not oppose those amendments, but there is no doubt that the objects clause has to be amended to reflect the fact that the Government has proposed no fewer than 38 amendments in this Bill. We circulated those amendments to producer organisations on Friday last. That enabled the organisations to come forward with their concerns so that the Minister was able to put forward some more amendments today. The Minister's amendments did not go out until yesterday. The members of the organisations need time, as everyone needs time, to consider the amendments. If further amendments are required, they can still operate while waiting for their concerns to be dealt with. I believe that, when the organisations saw the amendments, they were concerned. That is why the Minister has acted now. In future, amendments should go out as early as possible.

The Minister has said that the amendments are not technical ones. They are not designed to fix up typographical or drafting errors, although a little bit of tidying up is scattered through the proposals; rather, the amendments are of a fundamental nature. For example, this clause needs to be amended to delete one of the current objects, namely, to transfer assets held for a local association that is not a cooperative to its committee members on trust for its members.

It is clear that the Government has not handled the issue of secondary bodies all that well, particularly as they relate to the COD and Canegrowers. There is enormous discontent and concern in the sugar industry. These amendments are needed to address the many legitimate concerns that have been raised in letters to me. Those involved have gone so far as to write letters to me—as no doubt they have to the Minister—expressing those concerns.

As I said, we do not intend to oppose the Minister's amendments, but they are certainly proof of a Bill that has virtually been rushed into the Parliament without adequate consultation and without adequate appreciation of the complexities of the various industries and the needs of the grassroots primary producers. During the second-reading debate, I said that this Bill represented a failure of due process. Confirmation of that is the fact that the Minister has had to move so many amendments. Since last Friday the Minister has received numerous submissions from producer bodies, so he has had to submit new amendments today. But it is far better to take the time to get it right than to rush things through. That is the point we have been trying to make all the way through.

I doubt whether the amendments that will be moved in Committee will go anywhere near dealing with all the problems that the rushed and compulsory creation of replacement corporations will cause. The manner in which something as incredibly difficult and complex as this has been gone about represents a case study of how not to develop and process major public policy. I will deal with some of the major amendments later, but I do say to the Government that this fundamentally undemocratic Bill is riddled with problems. I doubt whether the objects as set out in clause 3 will be able to be achieved by the substantive clauses as they now stand and as

they are proposed to be modified by the amendments circulated.

We are confronted with a piece of legislation that has been changed by the day. Each time new problems arise the legislation has to be modified in an attempt to deal with the latest problem exposed. That is what happens with legislation. I have been in the Minister's position before. If it is not right the first time, then one thing can lead to another and so on. It is very difficult to have confidence that the Bill, when passed, will achieve those objectives as set out in the clause because the production of the legislation has been gone about in the wrong way. Those are the points I wish to make on the Minister's amendments. I will be discussing other points later. The Minister may wish to comment; that is up to him. But we are very concerned about the way in which this legislation has been handled.

Amendments agreed to.

Clause 3, as amended, agreed to.

Clauses 4 and 5, as read, agreed to.

Clause 6—

Mr PALASZCZUK (2.42 p.m.): I move the following amendment—

"At page 11, after line 21—

insert—

'(aa) each local association that is not a cooperative or an incorporated association; and'."

This amendment includes within the definition of "producer body" the various local producer associations within the Queensland Fruit and Vegetable Growers structure that are neither cooperatives under the Cooperatives Act nor incorporated associations under the Associations Incorporation Act. The effect of this amendment is to allow restructuring arrangements for the unincorporated local associations which number some 100 or so to be carried out under this Bill in accordance with a process that has been agreed to with QFVG. There are a number of amendments to the Bill required to give effect to this exercise, so a detailed explanation of the process is appropriate at this point.

Local producer associations are commonly described as the base tier of the QFVG structure, although they are not legally part of the QFVG because the Fruit Marketing Organisation Act 1923 does not specifically give them recognition as subsidiaries. This means that they are not the same in a legal sense as the mill supplier committees and district canegrower executives within the canegrowers structure. There have been extensive discussions with the Office of Parliamentary Counsel on the matter of local producer associations and their assets and liabilities. In the Bill as it now stands, these local producer associations that have been constituted as cooperatives have already been excluded from the statutory transfer arrangements because they are distinct legal identities in their own right. However, the difficulty has been what to do with those local producer associations, by far the majority, that are unincorporated and that arguably have no proper legal status at present.

Whilst the vast majority of the 110 local producer associations are essentially local industry discussion groups with little in the way of assets, there are a few—perhaps five or six in all—that have significant amounts of money under their control, including a six figure amount in at least one case raised by way of membership subscriptions. Whilst it might be thought that the easiest solution would be simply to exclude the unincorporated local producer associations from the Bill altogether, this then begs the question of what is to happen to them and, perhaps more to the point, what is to happen to their assets, especially funds under their control, liabilities and employees. The key issue is how to deal with local producer associations in a manner that is both legally sound and which preserves the existing assets, liabilities and obligations of these bodies and which also recognises employee entitlements, accepting that the assets have been funded by the relevant local producers and not by QFVG itself.

Agreement has now been reached with QFVG on amendments to the Bill which will enshrine local ownership and control of local producer association assets. The currently unincorporated local producer associations will be required to either incorporate, which will give them proper legal status, or wind-up and distribute their funds back to the grower members. Once they are incorporated, their members will have full ownership and control of their assets and of course will have full responsibility for any associated liabilities. The Bill already includes fast-track incorporation provisions put there for the benefit of QFVG and the other four statutory producer bodies. These fast-track arrangements will now be extended to the local producer associations and, in addition, QFVG will be empowered to handle the incorporation process on behalf of those local producer associations who want to go down that path.

Amendment agreed to.

Clause 6, as amended, agreed to.

Clause 7—

Mr PALASZCZUK (2.46 p.m.): I move the following amendments—

"At page 12, lines 5 to 7—

omit, insert—

'(a) for the COD—each sectional group committee under the FMO Act; or'.

At page 12, after line 11—

insert—

'(2) A local association does not have any secondary body.'."

As with the previous amendment, the two amendments to clause 7 also clear the way for restructuring arrangements for the unincorporated local associations to be carried out under this Bill in accordance with what has been agreed to with QFVG. The first amendment removes the requirement that local producer associations be treated in the same way as QFVG secondary bodies—namely, the sectional group committees—as local producer associations are to be handled separately. The second amendment simply recognises that local associations do not have any secondary bodies within the meaning of this Bill.

Amendments agreed to.

Clause 7, as amended, agreed to.

Clause 8—

Mr PALASZCZUK (2.47 p.m.): I move the following amendments—

"At page 12, after line 15—

insert—

'(aa) for a local association—the person is, immediately before the transfer day, a member of the association under the Fruit Marketing Organisation Regulation 1964, section 50; or'.

At page 12, line 17, from 'PPO& M Act'—

omit, insert—

'PPO&M Act.'."

The first amendment inserts a definition of an eligible producer for a QFVG local producer association. The definition refers to the current arrangements under the Fruit Marketing Organisation Regulation and means that all persons who are currently members of a local association are recognised under this Bill. This is necessary as part of the proposed restructuring arrangements for the local associations which I have already outlined. The effect will be that, where an unincorporated local association decides to incorporate, then the same people who were members before this Bill will continue to be members under the new arrangements. On the other hand, if an unincorporated association elects to wind-up, then the people who were its members before this Bill will be the ones who are eligible to share in the distribution of the net assets of the association. The second amendment is a minor one and simply deletes a superfluous reference to a section of the Primary Producers' Organisation and Marketing Act. A reference to the Act itself is all that is required.

Amendments agreed to.

Clause 8, as amended, agreed to.

Clause 9, as read, agreed to.

Clause 10—

Mr COOPER (2.48 p.m.): I move the following amendment—

"At page 13, lines 1 and 2—

omit, insert—

'Meaning of "transfer day"

'10.(1) The "transfer day" is the day that is 6 months after the date of assent or the earlier day declared by the Minister by gazette notice.

'(2) The Minister may make a declaration under subsection (1) only with the approval of the relevant producer body.'."

The coalition has previously circulated this amendment, and I know the Minister has it. We believe that this amendment will ensure that, if enacted, many of the problems endemic in this legislation can be dealt with. I cannot say that all of the problems can be resolved; certainly a lot more time may be needed for some primary producer organisations to work through the implications of this Bill with both their professional advisers as well as their members. The object of this amendment is to ensure that the obligation to transfer rights, obligations and assets to a replacement corporation need not occur until six months after the date of assent or such earlier day agreed upon by a primary producer body. Some primary producer bodies will be able to put in place successful corporations within relatively short time frames. Others may not be able to achieve that ambitious goal. The problems faced by some bodies such as Canegrowers are immense. I sometimes wonder if the people who have organised this Bill have made sure that they have had adequate discussions with these bodies in relation to the sorts of legal and taxation implications this Bill brings with it and which have caught some of these bodies in their net.

I have spoken to a number of industry people and right now they are still getting advice. The professional people who are looking at both the Bill and the amendments circulated last Friday have not worked through all of the issues yet. In fact, as I said, some of the primary producer bodies were not given these amendments until Monday. As we speak, lawyers and accountants are trying to work out the taxation implications of certain transfers. Many critically important questions are still up in the air and may be so for another week or two.

I have particular sympathy for the sugar industry, especially with all of the amendments proposed that will ensure that the assets of secondary bodies will be held in trust. This change, desirable as it is, has a range of implications not just for Canegrowers but also for the various mill suppliers committees and district canegrowers executives. The various secondary bodies in the sugar industry have not been consulted, and it is impossible to say whether the amendments being moved which are intended to assist them are in fact drafted in a manner which achieves their stated object.

In these circumstances, the only sensible, fair and responsible thing to do is to give a maximum period, which in this case is six months, for the primary producer groups and the various secondary bodies to arrange their affairs in accordance with the principles mandated by the legislation. Obviously some organisations will be able to arrange their affairs much more expeditiously than others. In these circumstances, this amendment facilitates a staged and orderly transition to new arrangements.

Under this amendment, as soon as the primary producer organisation has finalised its transition arrangements it can notify the Minister and the necessary declaration under proposed subclause (1) can be made. I am aware of at least two of the bodies who are anxious for the transfer arrangements to be effected at the first available opportunity, particularly having regard to the regressive way that this Bill has dealt with the collection of existing levies. This amendment in no way frustrates that goal. In fact, it empowers these groups by allowing them to nominate to the Minister a day which best suits their particular circumstances.

To ensure that a clear, timely and absolute transition period is mandated, the amendment ensures that six months after assent is set as the maximum period of time within which the transition arrangements have to be put in place. I repeat: it is a maximum period of time. Primary producer bodies can nominate any date in the interim, and some want to. However, we do not subscribe to the principle that one size fits all. Each of these bodies has its own issues, problems and goals, and we believe that this Bill should be flexible and proactive enough to recognise these goals.

In short, this amendment in no way disadvantages those organisations that can move quickly nor places unfair and inequitable time frames on those that cannot. I believe that this is a practical, sensible amendment and I urge the Minister to accept it.

Mr PALASZCZUK: I believe that the Government's amendment is appropriate, given the legal doubts. Keeping that in mind, I believe that the Opposition's amendment is unnecessary and superfluous and the Government will not support it.

Mr KNUTH: I support the amendment moved by the member for Crows Nest. I agree that Canegrowers deserves the right to proceed with transfers of assets and to form a new corporate body. I also agree that many growers need to resolve issues with their own peak bodies before transition dates are given. Many of the Minister's amendments will alleviate most of these concerns. However, issues will arise and issues need time to resolve. It is for this reason that I support the Opposition's amendment to give a further six months transitional period. I ask that the Government accept that amendment.

Mr ROWELL: Once again I urge the Minister to reconsider his position on this amendment. This amendment gives a great deal of flexibility to a range of organisations. As the member for Crows Nest said, there are some organisations that require immediate transfer of their assets and their capabilities in order to collect levies as quickly as possible. Organisations such as QFVG depend on them on a daily basis. It is quite essential that that occurs. QCFO is in a similar situation. In the case of Canegrowers it could be different.

This amendment gives the opportunity to organisations to arrange their affairs in a manner that will be of benefit to the organisation in the future. If it has some time on its side, it has the prospect of making sure that whatever changes are made are of a nature that will be for the future benefit of the industry, rather than having to rush into the process. I think the Minister has to admit that this Bill has come in very quickly. The Government has had to make some major changes. When we are dealing with millions of dollars in assets, I think it is essential that

organisations are given the opportunity to arrange their affairs.

This amendment allows organisations to make the relevant decision at any time. As soon as the Bill is assented to, they can go ahead and make the necessary changes. If there is a requirement for them to attract the levy sooner rather than later, if they do not operate on an annual basis which does not fit in with this Bill, this amendment enables them to slow down the process and make sure that things are put in place that are best for the industry.

Mills such as Rocky Point have not actually finished their crushing. They will probably go on to January. It is doubtful that they will get through their full crop even by that time because of the extreme wet weather conditions. They have to consider their position and their future direction.

As the member for Crows Nest mentioned, taxation is another vital component. Rearranging affairs to take the best advantage of the tax system, particularly in view of what will happen in the next six months, I think is particularly important. I hope the Minister can see the logic and the pragmatic view in what we are putting forward in this amendment.

In speaking to the Government amendments the Minister talked about there being one group going through the change almost automatically as soon as assent is given, another group doing it a month after and so on. What we are saying with this amendment is that any organisation that wants to make a conscious decision to go about changing the method of the organisation will have some time on their side. If they consider that it is better to take a little bit of time and even forgo some levies, they will be given that opportunity. The Government's amendment, which we have not discussed and which we should not discuss until the Minister moves it, actually cuts off that opportunity for some organisations.

I think it is extremely important that the Minister take notice of what we have put into the amendment. It has been thought through very carefully. It is an amendment which I think gives the level of flexibility that is so critical when organisations are dealing with major assets. I would like the Minister to reconsider his position on this amendment.

Mrs LIZ CUNNINGHAM: I seek clarification from either the mover of the amendment or the Minister. It is my understanding that, as the Bill stands at the moment, the major changes will occur one month after the date of assent. That has passed this Chamber and is included as the Minister's first amendment. This amendment proposes to give more flexibility—as has just been stated, to six months. How will those organisations stand in relation to collection of levies in that intervening five-month period? How will they be able to collect the levy and, consequently, what impact will that have on the revenue for the association?

Mr PALASZCZUK: There will be no collection of levies in the intervening time until the bodies are incorporated into their new structures.

Mr COOPER: What the Minister has said is true, but the organisations have asked for this. Some organisations want it more or less straight away. Others do not. It is up to them to make their own arrangements. They are quite prepared to do it as far as their funding is concerned. They have said that. If they are prepared to do that, it is their business. If that is what they want in order to get their taxation and legals right so that they can formulate their body as they see fit, that is entirely their business. They have asked for this flexibility. They have asked for this time span. As I said, some organisations are ready to go. There are the five organisations that are ready to go. Honourable members should not forget: when assent is given to this Bill it will be more than likely around 7 or 10 January. We have to go through Christmas and new year. One can imagine how much business can be done in that time. What we want is to make sure. We could have said that it should be the end of February, when everyone is back at work and business can be done. However, we have said, "Okay, at their request we will make it six months." If they can do it at any time within that six months, that is their affair, and they are happy with that.

Dr PRENZLER: One Nation will be supporting the coalition's amendment to clause 10. Certainly, we do agree that this will give greater flexibility to the peak industry bodies in the rural sector to make up their minds precisely when they have all their affairs in order and they can transfer across to the new body. So we will certainly be supporting this amendment.

Mr ROWELL: I wish to reiterate what the member for Crows Nest had to say about the timing. Had this been a period in the year when businesses were fully able to cope with the necessities of conducting the transfer of their business, it may have been easier. But there is little question that the period between the end of December and into January is a

period when Government departments are not open. It is very difficult. People want to go away with their children for the school holidays. Very often, lawyers, solicitors and other professional people want to get away. And if that does happen, organisations such as Canegrowers will not be able to go fully through the process of deciding what is best for the organisation.

As I have said, some mill areas are having difficulty with finishing the crushing of their cane. I think it is appropriate for the Minister to reconsider our proposal. Yes, we did think about making it the end of February because, after January, there would be a full month of consultation among the professional people that each organisation wants. But we also considered that there were some organisations that required a flow-on effect with this legislation from what their business practices are at the present time. When assent is given to this Bill, it would enable those organisations to continue. There is very little time actually required for them to have to wait for a mandated period, which was stipulated previously and then rejected, and now we have gone back to some other proposals. So it has been a real mixed bag of where we are really going with this particular amendment.

I believe that the flexibility—the fact that it can be done from day one after assent is given to six months later—will determine exactly what organisations want to do. And if they do not have the capacity to attract levies because of this, so be it. We were not the ones who introduced this legislation. We are trying to rectify a difficult situation for at least one major organisation that has enormous assets. And the implications, as I have said, in relation to taxation and all those types of things really have to be considered.

So once again, I am asking the Minister to reconsider our proposal, because I believe it is positive. It certainly has some incentive to ensure, if there is a requirement to collect levies, that those organisations do not go the full time. However, it does provide flexibility for those who want to collect the levies the day after assent to do exactly that.

Mr KNUTH: I agree with the member for Hinchinbrook. As north Queenslanders, the member for Whitsunday and I are having trouble at the moment with communications between here and north Queensland. We have a communication blackout. Some labourer or a farmer has perhaps ploughed through a fibre-optic cable. I do not know what has happened, but I cannot even get to my advisory bodies to let them know about the Minister's amendments.

The Minister has put this amendment before the Committee now, but we cannot even communicate with our constituents. I can only go by what my constituents were telling me before I came down here. I agree with the Opposition's amendment—that we really need more time. The last thing they said to me was, "We need more time." So I ask the Minister to consider the Opposition's amendment.

Question—That Mr Cooper's amendment be agreed to—put; and the Committee divided—

AYES, 41—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Elliott, Gamin, Goss, Grice, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

NOES, 41—Attwood, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, D'Arcy, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

The numbers being equal, the Temporary Chairman cast her vote with the Noes.

Resolved in the **negative**.

Mr PALASZCZUK: I move the following amendment—

"At page 13, lines 1 and 2—

omit, insert—

'Meaning of "transfer day"

'10.(1) For the COD, its secondary bodies and its replacement corporation, the "transfer day" is the day after the date of assent.

'(2) For the Queensland Commercial Fishermen's Organisation, its secondary bodies and its replacement corporation, the "transfer day" is the later of the following days—

(a) the day after the date of assent;

(b) 10 December 1999.

'(3) Otherwise, the "transfer day" is the day that is 1 month after the date of assent.'.".

This is an important amendment which extends the date for the transfer of the assets and liabilities from three of the statutory representative bodies to their replacement bodies by one month. As presently drafted, the asset transfer arrangements were to occur the day after the commencement of the

legislation, in other words, the day after assent.

In view of the complexity of their internal arrangements, especially in regard to the property trust arrangements relating to the assets of mill supplier committees and district canegrowers executives, Canegrowers has sought additional time for the transfer process. I consider this to be a reasonable request, and an extension of one calendar month after assent is proposed. This will also apply to the Queensland Dairyfarmers Organisation and the Queensland Pork Producers, who also need additional time.

By contrast, both the Queensland Commercial Fishermen's Organisation and the Queensland Fruit and Vegetable Growers are ready to transfer the day after assent. The QCFO has asked for a specific date, 10 December, to be specified, but this will only apply if the Bill is assented to by then. Otherwise, the day after assent will apply for it as well.

Mr COOPER: The Minister is correct in what he says about the QCFO. We recognise that. There are two organisations that are happy to get cracking and there are three that are not so happy. I realise that the Minister has received a letter from Canegrowers dated today's date. I would like to read that letter into the record because I believe it emphasises the concerns of Canegrowers. The letter states—

> "CANEGROWERS was surprised and disappointed that parliamentary debate on the Reform Bill was commenced without notice to CANEGROWERS particularly having regard to your recent letter of 25 November 1999.
>
> The latest amendments introduced, particularly those relating to s.46 and the treatment of assets have never been considered by CANEGROWERS.
>
> CANEGROWERS has already conveyed to you its position in relation to timing and the treatment of assets and need not restate them again. Many districts have also communicated with you on these points recently in support of CANEGROWERS' concerns.
>
> Your amendments do however raise issues that have never been considered by CANEGROWERS. These include the right of the minimum number of growers to order replacement of trustee or transfer of assets to new corporations. Of particular concern however is the capacity for growers to order distribution of assets to growers in equal shares no matter how large or small and no matter whether the grower has recently or even ever supplied cane and paid levies and contributed to the assets of the district that they will participate in the distribution of.
>
> Such a fundamental issue should not be decided by Government without consultation. That should be a matter for the replacement company and its members, the growers, all growers, to determine.
>
> Of further concern is that these distribution entitlements will result in the CANEGROWERS Organisation and its replacement corporation being unable to maintain tax exempt status that has been applicable for the last 75 years.
>
> One of the essential requirements for tax exempt status is that the body must not be able to make distributions to members whether on winding up or otherwise. Your amendments would seem to contravene this principle and this places seriously at risk the Organisation's tax exempt status.
>
> These beneficiary entitlement provisions should be withdrawn. They can and will be considered by the Organisation and its grower members as part of the review that the Organisation has committed itself to undertake."

The Government's amendment is the third amendment which has been put forward; in fact, it is the second in five days. It is starting to confuse the issue. I realise that the Minister is trying to come to grips with the concerns of the people involved, but this should have been achieved through consultation. The fact that we are being presented with constantly changing starting dates for this Bill emphasises the coalition's problem.

The coalition has moved an amendment which we believe is preferable to that of the Government. The House has divided on the coalition's amendment. The result is on the record.

I gave some consideration to this amendment over lunch. The Government is proposing three different start-up times for the five primary producer groups. This amendment proposes one start-up time for the COD, one for the Queensland Commercial Fishermen's Organisation and one for the remaining three bodies. I am pleased that the Government has listened to the submissions made by the COD and the QCFO. I hope what has been agreed can be achieved in reality.

Extending the transfer day by one month from the date of assent for the remaining three

producer groups—in particular Canegrowers—may not be sufficient. The coalition doubts that it will be sufficient, and that is why we tried to get the Minister to extend it. This Bill will probably receive assent by mid-December. The intervening period is mostly taken up with preparations for Christmas and new year. The provisions could probably commence from 24 December—

Mr Palaszczuk: The Public Service have one week off.

Mr COOPER: We all know that things come to a halt. Sometimes one feels like saying, "Thank heavens for that." Some people look forward to a bit of a break. However, the people involved with this legislation are being forced to do business in that time frame. When the period covers Christmas and new year it makes their job extremely difficult. At this time of year it is really incorrect to say that it is being extended by a month because one has to have consideration for the public holidays involved.

I believe I have made my point. As far as the Opposition is concerned, this does not go far enough. The amendment does not deal with what the organisations want. For the life of me, I cannot understand why the Minister has not taken the concerns of the producers into consideration. There has been a lack of consultation. Each amendment to the legislation leads to more instability. The producers are in a state of confusion and are somewhat angry, and who can blame them?

Mr ROWELL: I would like to reiterate quite a bit of what was said by the member for Crows Nest. It is important to recognise that primary producers deal with other organisations as well as with Government departments. It takes quite an amount of time to rearrange one's affairs. One needs opinions from many sources. I realise that the Minister is more interested in engaging in conversation with the Minister for Women's Policy—

Ms Spence: I was discussing the legislation.

Mr ROWELL: That's fine. I am sure you are interested. It is important that one gets a variety of opinions on the way in which one should handle certain issues, particularly when so much money is involved in the transfer of assets. One is not only dealing with Government departments; one is dealing with people who have a wide range of expertise. The coalition has moved an amendment which is workable. It will not disadvantage the Government. It allows the groups involved the right to raise the necessary levies.

We have woven that into an amendment that we moved, which unfortunately was rejected. Really, I think what the member for Crows Nest said about the period from Christmas on is very relevant because, during that time, there is not a lot of activity. Those legal people who have families and who want to take three weeks off during that period of the year will not be available or they will have to rush into the office for a day to deal with the issues that are important to whichever organisation that we are talking about.

So I am really disappointed that the Minister has not accepted the amendment, because it is so essential for the preservation of the assets acquired through the levies that have been collected over a long period—levies that have been used very frugally to purchase buildings and for the general workings and the liquidity for those organisations. In the time that has been provided, they are not going to be able to arrange their affairs in a manner that they feel comfortable with and in a manner that they can test, nor will they have time to gain and to consider a variety of opinions on their options.

Amendment agreed to.

Clause 10, as amended, agreed to.

Clause 11—

Mr PALASZCZUK (3.21 p.m.): I move the following amendment—

"At page 13, line 10, after 'for the COD'—

insert—

'or a local association'."

This is another amendment that is designed to facilitate the restructuring of the QFVG local producer associations, which I have outlined.

Amendment agreed to.

Clause 11, as amended agreed to.

Clauses 12 and 13, as read, agreed to.

Clause 14—

Mr COOPER (3.21 p.m.): This clause enables the director-general of the Department of Primary Industries to make an application in the Supreme Court to wind up a producer body or a secondary body if, prior to the transfer day, the producer body has not appointed its replacement corporation or given the Minister notice of the appointment of its replacement corporation. The power granted to the chief executive to make such an application is an extremely powerful one, one that should be exercised only as a matter of last resort.

The five primary producer bodies, as well as the various secondary bodies, have received a totally inadequate period of time in which to prepare themselves for the full implications of this legislation. As I have said before, right now lawyers and accountants are still trying to come to grips with the ramifications of the Bill, as it may or may not eventuate by the time that it is eventually passed by this Chamber.

In these circumstance, I think that to give a draconian power of this type to the chief executive of a Government department to make a Supreme Court application in the event that an artificial time scale is not met is potentially very, very unfair. The Minister needs to explain to the Chamber and to the wider community in what circumstances the winding-up power will be activated. By that I mean: will it be the policy of Government that, as soon as the trigger in clause 14 is activated, the chief executive will make an application to wind them up? Will notice be given before such an application is made? Will there be guidelines as to the use of that power?

In short, I would like the Minister to explain to this Parliament and put on the record the purpose of the clause and how it is to be used so that he can assure members of this place and those outside in the organisations that the clause will not be used in a mechanical and unfair manner. The Opposition wants that assurance.

Mr PALASZCZUK: I can give the Committee the assurance that the honourable member for Crows Nest is after. My understanding is that each of the five producer bodies has already a replacement body ready to take over, anyway.

Mr COOPER: We are concerned about a draconian power given to the director-general of the DPI that, if these organisations cannot meet this artificial time frame, it will just be an automatic approach to the Supreme Court to wind them up, or will they be given some leeway? Where are the guidelines? What is the process that the Minister is going to follow? Can I have an assurance that, in these circumstances, the Minister is not going to just use a draconian measure—a sledgehammer—to crack a nut? We believe that it is simply not necessary.

Mr PALASZCZUK: Once again, I can reassure the honourable member for Crows Nest that that is not the case. It is basically a discretionary power that is there just in case.

Mr ROWELL: Where does it talk about a discretionary power in the Minister? Could the Minister point that out to me? Maybe I have not read it closely enough.

Mr PALASZCZUK: If the member looks at subsection (2) he might find what he is after.

I move the following amendment—

"At page 15, line 15, 'repeal'—

omit, insert—

'expiry'.

12. Clause 14—

At page 15, line 17, 'been repealed'—

omit, insert—

'expired'."

These are two minor amendments. The first substitutes the word "expiry" for "repeal" and the second substitutes "expired" for "being repealed" when referring to the Primary Producers' Organisation and Marketing Act and the Fruit Marketing Organisation Act in subsection (3).

These amendments have been recommended by Parliamentary Counsel because, in a strict legal sense, these Acts are to expire rather than to be repealed.

Mr ROWELL: The Minister referred me to subsection (2). It states—

> "The Supreme Court may, on the application of the chief executive, order the winding up of the producer body or a secondary body of the producer body."

Where is the ministerial discretion there? I thought that the discretion lay with the Supreme Court to do it, not with the Minister. Am I correct or not? Could the Minister respond to that, please?

Amendments agreed to.

Clause 14, as amended, agreed to.

Clause 15, as read, agreed to.

Clause 16—

Mr PALASZCZUK (3.27 p.m.): I move the following amendment—

"At page 16, line 27, after 'the COD'—

insert—

'or a local association'."

This amendment is another of those required to implement the agreed restructuring arrangements involving the QFVG local producer associations.

Amendment agreed to.

Clause 16, as amended, agreed to.

Clauses 17 to 26, as read, agreed to.

Clause 27—

Mr PALASZCZUK (3.27 p.m.): I move the following amendment—

"At page 21, line 6, after 'the COD'—

insert—

'or a local association'."

This amendment is identical to the previous amendment, except that this one facilitates the incorporation of a local producer association as a cooperative under the Cooperatives Act.

Amendment agreed to.

Clause 27, as amended, agreed to.

Clauses 28 to 37, as read, agreed to.

Omission of heading—

Mr PALASZCZUK (3.28): I move the following amendment—

"At page 25, line 13—

omit."

This amendment should be considered with the following one as they deal with the same thing. They omit existing subdivision headings to effect a realignment of the subdivisions of Part 3, Division 1, of the Bill consequent on the introduction of trust requirements for the assets and liabilities of mill supplier committees and district canegrowers executives.

Amendment agreed to.

Clause 38, as read, agreed to.

Omission of heading—

Mr PALASZCZUK (3.29 p.m.): I move the following amendment—

"At page 26, line 1—

omit."

This amendment is basically the same as the previous amendment, which I have already explained.

Amendment agreed to.

Clause 39—

Mr PALASZCZUK (3.29 p.m.): I move the following amendments—

"At page 26, line 6—

omit, insert—

'(a) assets and liabilities of, or held or incurred by, each secondary body of the producer body;'.

At page 26, line 18, after 'anyone else'—

insert—

', other than a local association,'.

At page 26, lines 20 to 23—

omit."

Amendment No. 17 makes some changes to the existing wording of clause 39(1) as recommended by the Office of Parliamentary Counsel. In order to give effect to the transfer of assets from each of the five statutory producer representatives bodies to their respective replacement non-statutory corporate bodies, the assets and liabilities of the subsidiary bodies within each of them have to be accommodated. These assets and liabilities need to be under the control of the relevant statutory producer body in a legal sense before they can transfer across to the replacement body. That is what is happening here.

In the case of the assets and liabilities of the mill supplier committees and the district canegrower executives within Canegrowers, these are to be then handled in a particular way after the transfer in order to protect and preserve local grower control. I will describe how this is to be achieved when we consider amendment No. 24.

Amendments No. 18 and No. 19 cancel the transfer of the assets and liabilities to the QFVG local producer association assets because these are to be handled in a particular way, as I have already described. This means that subclauses (2) and (3) in clause 39 are now redundant and can be removed.

Amendments agreed to.

Clause 39, as amended, agreed to.

Clauses 40 to 43—

Mr PALASZCZUK (3.31 p.m.): I move the following amendment—

"At page 26, line 26 to page 27, line 24—

omit."

This amendment has the effect of deleting clauses 40 through to and including 43, which I have just done. Clause 40 is no longer necessary following the amendment to clause 39, which has just been discussed. Clauses 41, 42 and 43 dealt with the previous way in which QFVG local producer associations were to be handled. In view of the new arrangements for these bodies agreed with QFVG, which I have already outlined, these clauses are now redundant and need to be removed from the Bill.

Clauses 40 to 43, negatived.

Insertion of heading—

Mr PALASZCZUK (3.32 p.m.): I move the following amendment—

"At page 28, after line 1—

insert—

'Subdivision 1—Preliminary'."

Amendment agreed to.

Clause 44, as read, agreed to.

Insertion of heading—

Mr PALASZCZUK (3.32 p.m.): I move the following amendment—

"At page 28, after line 5—

insert—

'Subdivision 2—Transfer'."

Amendment agreed to.

Clause 45—

Mr PALASZCZUK (3.33 p.m.): I move the following amendment—

"At page 28, line 7, 'section 46'—

omit, insert—

'subdivision 3'."

This is a minor amendment to correct a cross-reference. Clause 45 makes a reference to section 46, but it is proposed that the subject matter of what is now clause 46 be replaced by amended trust arrangements relating to the subsidiaries of Canegrowers. These will be set out in new sections 46 and 46A through to 46D, which will form a new subdivision 3 in this part of the Bill. The amendment substitutes reference to the new subdivision. I will outline these proposed new arrangements in the discussion to follow on amendment No. 24.

Amendment agreed to.

Clause 45, as amended, agreed to.

Clause 46—

Mr PALASZCZUK (3.34 p.m.): I move the following amendment—

"At page 28, lines 10 to 16—

omit, insert—

'Subdivision 3—Trust for assets of secondary body of Queensland Cane Growers' Organisation

'Application of sdiv 3

'46.(1) This subdivision applies if—

(a) the producer body is the Queensland Cane Growers' Organisation (the "organisation"); and

(b) assets of a secondary body of the organisation, other than its State council, are, or are taken to have been, transferred to the organisation under section 39(1) (the "section 39 transfer"); and

(c) under section 45, the assets are transferred to the organisation's replacement corporation.

'(2) In this section—

"assets", of a secondary body, means the following assets—

(a) assets of, or held by, the secondary body immediately before the section 39 transfer;

(b) assets held immediately before the section 39 transfer by—

(i) the organisation's State council for, or for the objects or purposes of, the secondary body; and

(ii) by the secondary body for, or for the objects or purposes of, the organisation or another secondary body of the organisation.

'Meaning of "eligible grower" for sdiv 3

'46A. In this subdivision, an "eligible grower" is a person who, immediately before the transfer day, is, under the PPO&M Act, section 30,[2] a grower for—

(a) if the secondary body is a mill supplier's committee—the mill or mills the secondary body represents; or

(b) if the secondary body is a district cane growers' executive—the mill or mills in the district the secondary body represents.

'Purpose trust for eligible growers

'46B.(1) The assets mentioned in section 46 (the "trust property") are taken to be held by the replacement corporation (the "trustee") on trust.

'(2) The asset is taken to be held by the trustee on trust for the general benefit of all eligible growers.

'(3) The trust must not be carried on for the profit or gain of any individual eligible grower.

'Reimbursement for transferred liabilities

'46C.(1) This section applies if—

(a) immediately before the section 39 transfer, the secondary body had, or had incurred, a liability; and

(b) under sections 39 and 45, the liability is transferred to the trustee.

'(2) The Trusts Act 1973, section 72,[3] applies to the trust property as if the liability were an expense reasonably incurred by the trustee in or in relation to the execution of the trust or trust powers.

'Change of trustee or termination of trust

'46D.(1) The required number of eligible growers may, by signed notice to the trustee—

(a) change the trustee of the trust; or

(b) terminate the trust and direct the trustee to transfer the trust property to a stated corporation.

'(2) However, a notice may be given under subsection (1)(b) only if the corporation's constitution has provisions to the effect that—

(a) the corporation's principal purpose is to act for the general benefit of all eligible growers; and

(b) the corporation must not act for the profit or gain of any individual eligible grower.

'(3) The notice may be made up of different documents to the same effect that, together, are signed by the required number of eligible growers.

'(4) In this section—

"required number", of eligible growers, means a number of eligible growers that is at least 75% of all the eligible growers.

'Subdivision 4—Provisions to facilitate transfer'.

2 PPO&M Act, section 30 (Cane to be a commodity)

3 Trusts Act 1973, section 72 (Reimbursement of trustee out of trust property)."

This is an important amendment and has the effect of implementing arrangements to safeguard the assets and liabilities funded by growers at the mill supplier committee and district executive levels within Canegrowers. To understand what is proposed here, it is first necessary to understand the present situation with the subsidiaries within the three-tier Canegrowers structure.

At present, the mill supplier committees and district executives are not bodies corporate, which means that they cannot hold property in their own names. Because of this, the Primary Producers' Organisation and Marketing Act 1926 provides that the Canegrowers' council, which is legally a body corporate, has to hold on trust for the mill supplier committees and district executives any land and improvements such as buildings funded by the mill supplier committees and district executives.

Turning now to the Bill as first drafted, it required that those assets currently held in trust by Canegrowers are likewise to be held in trust by its replacement body, which is to be a company, along with any associated liabilities. However, it has to be recognised that not all of the locally funded assets are land and buildings. Some mill supplier committees and district executives hold substantial cash reserves and other assets not covered by the trust arrangements, such as computer equipment, vehicles and so on, and some employ their own staff.

The Bill in its present form provides that those other assets would become assets of Canegrowers immediately before the transfer day and then transferred to the replacement body, which is to be a company limited by guarantee. Canegrowers has proposed in the rules of the replacement company that those other assets will, once transferred to the replacement company, be held for and on behalf of equivalent mill supplier committees and district executive district subsidiaries to be established by the replacement company.

However, I consider that this is unlikely to satisfy the increasing number of canegrowers who are now starting to press for more legislative certainty as to the future of those assets. I believe that these concerns need to be properly addressed. Accordingly, amendments have been prepared by the Office of Parliamentary Counsel that specifically deal with assets held by mill supplier committees and district canegrower executives.

These amendments, which take the form of the new clauses now being considered, provide for all assets funded at mill supplier and district executive level to be formally held in trust by the Canegrowers replacement company. They will be held on behalf of the growers in the particular mill area in the case of mill supplier committee assets and on behalf of the growers in the mill areas that make up the district canegrower executive in the case of district executive assets. These provisions are more substantive than what was proposed in the replacement company rules.

To enshrine grower control of those locally funded assets, the amendments also allow the relevant growers to change or terminate the trust arrangements based on a 75% vote in the case of each particular trust. This would, for example, allow growers at mill level in any one of the mill areas to transfer the assets to a local grower-owned and controlled company or a cooperative at some future time if they so decide. That will be their decision. It will not be the Government's decision and it will not be a decision that Canegrowers' head office can make either.

It is also proposed by an amendment to be moved later in the Bill that this right to local ownership will extend beyond the five-year life of the legislation. This means that growers at mill and district levels can make decisions about the future ownership and control of locally funded assets in their own good time. That particular matter is the subject of amendment No. 40, which I will deal with in due course.

Mr COOPER: Again, as the Minister is only too aware, the Chamber is presented with a set of redrafted amendments that have been necessitated by grower feedback. I believe that that information should have been obtained at the outset.

I do not wish to put too fine a point on it, but I have been in the Minister's position and I have introduced major legislation that made fundamental changes, as this Bill proposes to do. This Bill will change the course of five primary producer bodies. It would have been a good idea if the Minister had travelled the State, taking various people with him to talk to those at the grassroots. That way, a lot of the problems and concerns that have arisen could have been hammered out in the initial stages. I used to do that with legislation involving police powers, the Crime Commission, Corrective Services and so on. I even took Opposition members with me. I also took people who could speak for and against draft legislation, so that we could get the bugs out of the legislation in the first place. That was not a perfect system, but it was a lot better than this.

As I said, this is the third set of amendments. There have been two changes in the past five days. This is getting very confusing for everyone. We certainly support in principle the non-statutory canegrower organisation holding the assets of local mill suppliers committees and district executives in trust for the benefit of local growers. That is something that we believe they should have. Over the past couple of weeks, the status of these assets has been the subject of much debate in various parts of the State. This is just one example of the unnecessary concern that the Bill has generated. There is no doubt that there is strong local ownership and connection with the various assets of local bodies that have been built up over many years through the effort and dedication of local canefarmers. We recognise that and strongly support legislation which enshrines continued local ownership and stewardship of these assets.

As I understand it, the Bill in its current form transfers the assets of the Queensland Canegrowers Council to the proposed non-statutory replacement corporation. Among the assets that will be transferred are those assets, both physical and monetary, of the various local mill suppliers committees and district executives. Currently, those assets are held in a trust-like relationship by Canegrowers for these secondary bodies. The object of the latest version of this amendment seems to be to ensure that the assets of these secondary bodies will be held in trust by the replacement corporation. The Minister is nodding. The latest version of this amendment is a significant improvement on the one we saw last Friday. It is now clear that the secondary body's assets are to be held in trust for the general benefit of all eligible growers.

Mr Palaszczuk: The Government consulted.

Mr COOPER: Over the past few days? We have been generating most of these points for the Minister, because we have been doing the consulting. I can assure the Minister of that.

Mr Palaszczuk interjected.

Mr COOPER: Hopefully, the Minister is getting better and has learnt from all of this; that would save a lot of mucking around for the Parliament.

In addition, it is now clear that the trust must not be carried on for the profit or gain of any individual eligible grower. This is a potentially important improvement. Likewise, I am pleased that in proposed clause 46D a trust can be terminated and the trust moneys transferred to a replacement corporation only if that corporation's principal purpose is to act for the general benefit of all eligible growers and not for the profit or gain of any individual eligible grower. I was going to raise a number of queries about this matter. As far as we are concerned, this change overcomes a series of concerns that the Opposition had. Some issues still need to be addressed even with respect to the latest recast amendment. I wish to go through those with the Minister now.

First and foremost are the tax implications for the replacement corporation as well as for the secondary bodies concerned—both of those groups. I am aware that there are concerns that the wording of these amendments could imperil certain taxation benefits which Canegrowers currently enjoys. That was the reason that I quoted a letter earlier. It has been suggested to me that the distribution entitlements enshrined in this amendment could result in Canegrowers and the replacement corporation possibly losing the tax exempt status which it has had for 75

years. We will need some clarification of that. It is an essential requirement for tax exempt status that the body must not be able to make distributions to members whether on winding up or otherwise. The operation of this Bill in general and this amendment in particular could seriously place the organisation's tax exempt status at risk. I ask the Minister whether the taxation implications of these amendments have been considered by the department and the legal advisers and, if so, what are they? We need to know whether there are any implications at all. I seek an assurance from the Minister that these amendments will not trigger an unfavourable taxation treatment for any of the relevant sugar industry bodies.

The second issue that I would like the Minister to address concerns the implication of proposed section 46D. This clause allows a change of trustee or a termination of trust. We have no problem with the proposition that 75% or more of the eligible growers should be able to direct a change in the trustee or a transfer of the trust property to a new corporation. There is no problem with that. The issue that needs to be addressed is the future of these assets, especially the physical assets, of the secondary bodies. We are keen to ensure that local ownership and stewardship of those assets continues and we certainly would not like to see a situation arise whereby the assets were transferred to a corporation and then, at a later point, disposed of without the local canefarmers being consulted. There has to be an assurance that local canegrowers in those circumstances will be consulted.

I appreciate that recast proposed section 46D is a major improvement on proposed section 46C, but I assume that the requirements spelt out in proposed section 46D(2) would apply only to when a company is first incorporated, and the objection to this subsection could not continue to be imposed once the company commences operations. I ask the Minister to clarify that point.

The final issue—and it is a practical one—concerns the accounts of secondary bodies. It has been suggested to me that the definition of "assets" in proposed section 46 includes not just buildings, vehicles, property and real estate but also bank accounts. I ask the Minister: does it include banks accounts also? The concern is that, by requiring all assets, including bank accounts, held by secondary bodies at the moment be held in trust by the replacement corporation, the effect of these amendments might be that problems are created for the day-to-day administration of the affairs of secondary bodies. I would appreciate it if the Minister could address this issue also and indicate whether there has been appropriate consultation with sugar industry secondary bodies about the practical implications of these amendments. We had a look at these amendments over the luncheon recess. We do not believe that they have been addressed adequately. We ask the Minister to make statements to the Parliament clarifying the three issues that I have just raised.

Mr PALASZCZUK: The present amendments have been drafted to modify the amendments circulated previously that enabled individuals to access the trust property and assets. Had the previous amendments been allowed to stand, there was a possibility that the trust might have been exposed to income tax. On advice, the trust has now been converted to what is known as a purpose trust, which holds the trust's property not for individual benefit but for the purposes of the separate mill level and district-level bodies. Basically, if necessary, if there are any problems—and we do not believe that there will be—the Government will certainly support approaches to the Taxation Commissioner for favourable rulings.

In relation to the other issues raised by the honourable member, we have done everything we can to ensure that the assets will be used for the benefit of local growers. Once the assets are transferred, we can do no more, because they will be out of the hands of Government.

Mr ROWELL: I have some concerns. I know what the Minister is intending to do. I think this is in the interests of the Canegrowers organisation, for which levies are a large source of revenue. Over time it has accumulated assets such as cars, computers and so on. I can only hope that what the Minister is saying is right. His last comment was of concern to me. Once they are transferred over, it is out of the hands of the Government and its responsibility for statutory bodies. That is the reason that we wanted to make sure that they had sufficient time to implement whatever strategy was necessary. In many cases, those funds have been hard won. Irrespective of seasonal conditions, for example, extremely wet conditions, or very low sugar prices, those levies have continued. Canegrowers have been mindful that it was necessary to create some type of assets that they could use in order to continue their business when times were not good. All of that has been done.

The Minister's comments about purpose trusts sound fine. I hope it works. But what if it

does not? For example, what if they transfer their assets into a purpose trust that does not prove successful? They have been required to do this within a short period. Will they be denied the opportunity to go elsewhere or to form a different type of trust or facility that will accommodate the situation?

Had they had more time and been able to go over it thoroughly, it is highly likely that they may not have come up with the first decision that they made. Because of the rush that has been imposed upon them by the legislation that the Minister has brought in and the unwillingness to go back to the six-month situation if that was required—the law is complicated and very often it is necessary to make sure that the waters are tested by a number of opinions. As we have said, those opinions may not necessarily be available in the time that has been allocated to test them through the January period.

I am extremely concerned—and I think the Canegrowers are, too—because these amendments were only circulated on Friday after lunch. So it has only been over the weekend that we have had the opportunity to really look at them and consider them. If the Minister had allowed us the six-month period, they may not have gone down the track that they are going to be forced to and they would have had the necessary time to test the water as far as what the structure of this particular company is going to be. Taxation law is extremely complex and it is difficult to deal with in some cases. Sometimes a range of expertise is needed, which will probably be difficult to muster during this next month of the required time for the Canegrowers to actually get together whatever form of trust they are going to put their assets into.

I just hope that what we are doing does not end up in a situation where all those hard earned levies that have been paid by growers over some pretty difficult times end up being defrayed because we have been in a rush, because legislation for whatever reason has to be passed in a very short period when we could have had the option to extend that time without any detrimental effect to that organisation. I am fairly certain that, if it was to forgo a few levies over a short period to ensure that the right structure of that trust was put in place, it would have done so. I am not speaking necessarily for the organisation; I am speaking for myself as a canegrower. I would have pursued that line of action.

I am not into rushing into things that could have a detrimental effect on me in the long term. We gave the six-months option to the Minister. Okay, he has brought in the legislation. He rushed it in after a consultation period of a few months with the heads of the organisation, but the grassroots out there do not really know what this legislation is all about. We have not had the opportunity to go through it in any great detail. It is only the canegrowing members of Parliament and certainly the organisation itself who have had much to do with the whole process of deciding which is the best option.

I know that, during the course of the Sugar Industry Bill debate a lot of issues were raised with the organisations, both the ACFA and Canegrowers. I know that Canegrowers in particular went off on a tangent; they were not worried about the Sugar Industry Bill. I do not know whether that was a tactical decision, and I am not going to suggest that it was. They had to deal with the Primary Producers' Organisation and Marketing Act at the same time that they were dealing with a lot of changes that were going on within the sugar industry and the Sugar Industry Bill that passed through Parliament. I can only hope—I would like a commitment from the Minister and, unfortunately, I do not know whether the commitment is going to be the answer that we need if things do go wrong—that there would be some changes. I am pretty sure that the Minister probably would give that commitment, but it might be too late to give the commitment because the structure will already be formed.

Then there is the stamp duty aspect. What happens with stamp duty when those organisations transfer from one type of trust to another? Is stamp duty required there? That is something on which I would like a response, too. We have the 75% consent by the group of growers who are directly involved in a mill supply area. That is fine; that is great. But is any stamp duty going to be imposed when they change that trust or if there is a requirement to change that trust because this legislation has forced upon them a form of trust that is not going to be totally suitable for their requirements?

Mr PALASZCZUK: Just briefly, let me just reassure the Committee that the law of trust provides a large measure of accountability. Those laws are the best protection that local growers have for their assets, and I would assume that growers would not transfer to another body if they were concerned about their own interests. In response to a number of other issues that the honourable member has raised, I believe that this Bill basically returns the control of the representative bodies back to the grassroots where it really belongs, and getting it back to the grassroots will certainly

make those grower bodies far more accountable than they are at present. Stamp duty has to be considered on its merits at the time that the transactions occur. The honourable member would understand that as well.

Mr COOPER: I know it might be causing a bit of frustration, but this is a major amendment; the Government is intending to replace a full section. Further to the question that I asked before, when it comes to assets, we are not dealing with just buildings, vehicles and property—real estate—but also bank accounts. Because of the fact that those bank accounts are also held by secondary bodies at the moment and are then to be held in trust by the replacement corporation, the effect of these amendments might actually create problems for the day-to-day administration of the affairs of those secondary bodies. What I want now is an assurance that those bodies, particularly the canegrowers and the sugar industry, have been fully, adequately and appropriately consulted as to the effect of these particular amendments.

Mr PALASZCZUK: The Canegrowers organisation has assured me that it will shortly be conducting its own review to determine the industry view as to its future structure. The Government will not and should not be making this decision. These amendments will not impede this process in any way. They will quickly introduce the non-statutory structure which will make the organisation more responsive to the wishes of its members. The grassroots consultation will occur and this Bill does not need to be delayed for it to occur at a pace which industry can determine.

Mr Cooper: Have they been adequately, properly, appropriately consulted?

Mr PALASZCZUK: I will be quite honest with the honourable member. We have been consulting with the five bodies consistently, continuously on a regular basis. In the past few days it has almost been on an hourly basis. That is why we have a further set of amendments brought into the Chamber—to accede to the wishes of those grower bodies. What more can we do in relation to consultation when at the last moment we have introduced very important amendments to this piece of legislation to satisfy the needs of those grower bodies?

Amendment agreed to.

Clause 46, as amended, agreed to.

Clause 47, as read, agreed to.

Clause 48—

Mr PALASZCZUK (3.58 p.m.): I move the following amendment—

"At page 29, line 24, 'section 46.'—

omit, insert—

'section 46B.'."

This is a consequential amendment to the inclusion of the new sections 46A to 46D, which I dealt with in the previous amendment.

Amendment agreed to.

Clause 48, as amended, agreed to.

Clause 49, as read, agreed to.

Clause 50—

Mr PALASZCZUK (3.50 p.m.): I move the following amendment—

"At page 30, line 7, after 'may be taken'—

insert—

'by or'."

This is a minor amendment and simply inserts several words inadvertently omitted from the original Bill.

Amendment agreed to.

Clause 50, as amended, agreed to.

Clauses 51 to 55, as read, agreed to.

Clauses 56—

Mr COOPER (4 p.m.): Clause 56 and clause 59 contain provisions that deprive current officers of primary producer bodies and secondary bodies from seeking compensation if they lose their jobs as a result of the changes mandated by this Bill. The Explanatory Notes circulated with this Bill make the following observation—

> "The Bill provides, in clauses 55 and 58, that each person who, immediately before the day of transfer to a new non-statutory legal entity, is an officer of a producer body and secondary body goes out of office without any compensation being payable.
>
> Such a provision could be said to be in breach of section 4(2)(a) of the Legislative Standards Act 1992—whether the Bill has sufficient regard to the rights and liberties of individuals, because the provision deprives the persons concerned of payment for services. The Bill therefore has a potentially adverse effect on the income of those individuals.
>
> In that regard it should be noted that in this case the producer bodies are not being abolished but converted to non-statutory legal entities. Under those circumstances, there is the opportunity and likelihood that the officers of the producer bodies will become officers of the new legal entity."

The Explanatory Notes then claim that the only compensation that could be claimed would be compensation for meetings that the officers would otherwise be able to attend.

I would like the Minister to specifically deal with the issue of whether these clauses will have any effect on employees of primary producer bodies. The term "officer" is defined in the Dictionary of this Bill in a manner that only has relevance to secondary bodies.

I am concerned that, because of the way that this clause has been drafted, employees could be inadvertently affected. I would like to know what advice the Minister has about this matter. I believe that any provision that deprives a person of compensation when they are dismissed is a serious matter. In the context of this Bill and the fact that it has been rushed through pretty rapidly, it is even more serious. No explanation has been advanced as to why this unfair provision has been inserted. In these circumstances the Government needs to be sure that it will not operate in a manifestly unfair and inappropriate manner. Can the Minister provide some assurances on that issue?

Mr PALASZCZUK: This clause does not refer to the employees of a statutory producer body. Employees are covered by clause 51. Clause 56 refers to a situation with the elected office bearers of a statutory producer body that is being replaced by a corporation without share capital, such as an incorporated association, a company limited by guarantee or a cooperative. Clause 59 deals with a similar situation in the case where the replacement body is a company with share capital. Where the clause talks about persons who hold office of a producer body, it means the elected office holders of each of those bodies, for example, the State councillors of Canegrowers or the members of the board of QFVG. They will cease to hold elected office on the transfer day for the particular body, because, once transfer occurs, there is no longer any organisation in existence for them to be office bearers of.

Let me stress that this provision does not apply to employees. It would be grossly mischievous if anyone suggested that it did, because clause 51 deals with employees. That clause makes it crystal clear that employees of a producer body become employees of the respective replacement body and they do so with all their employee rights intact. Of particular note is subsection (2) which states quite specifically that this does not constitute a redundancy or retrenchment of employment and that it does not interrupt an employee's continuity of service. I refer honourable members to page 59 of the Bill. The Schedule states—

> " 'officer', of a secondary body, includes a person who is a member, however called, of the secondary body's management committee or other body that governs its affairs."

Mr COOPER: I thank the Minister for that assurance. There is nothing mischievous about it at all, especially when one is trying to gain assurances for employees who could be affected by legislation. It is our job to see that they are protected and defended. That is all we are doing. The Minister has clarified the circumstances in clause 51. The Minister's assurance is clear. I believe the Assembly can accept that.

Clause 56, as read, agreed to.

Clause 57, as read, agreed to.

Clause 58—

Mr PALASZCZUK (4.05 p.m.): I move the following amendment—

> "At page 33, lines 10 and 11, from 'other than'—
>
> omit, insert—
>
> 'other than—
>
> (a) an asset held by the corporation on trust under section 46B; or
>
> (b) a liability mentioned in 46C(1) to the extent it can, under the Trusts Act 1973, section 72, be reimbursed by the corporation from an asset held by the corporation on trust under section 46C(2).[4]'.
>
> [4] Section 46B (Purpose trust for eligible growers)
>
> Section 46C (Reimbursement for transferred liabilities)
>
> Trusts Act 1973, section 72 (Reimbursement of trustee out of trust property)."

This is a technical amendment. It amends the clause that sets out some definitions of terms that are used in Part 5 of the Bill which deals with the transfer of assets and liabilities from a statutory producer representative body to its replacement body in the situation where the replacement body is either a company or a cooperative with share capital.

Amendment agreed to.

Clause 58, as amended, agreed to.

Clauses 59 and 60, as read, agreed to.

Clause 61—

Mr PALASZCZUK (4.06 p.m.): I move the following amendments—

"At page 34, line 15, 'repeal'—

omit, insert—

'expiry'.

At page 34, lines 17 to 19—

omit."

Two minor amendments are proposed to clause 61. The first substitutes the word "expiry" for "repeal" when referring to the Primary Producers' Organisation and Marketing Act and the Fruit Marketing Organisation Act in subsection (2) as, in a strict legal sense, these Acts are to expire rather than to be repealed. I have explained that when discussing a previous clause.

Amendments agreed to.

Clause 61, as amended, agreed to.

Clauses 62 to 70, as read, agreed to.

Clause 71—

Mr PALASZCZUK (4.06 p.m.): I move the following amendment-

"At page 38, lines 8 and 9, from 'by it on trust'—

omit, insert—

'by the replacement corporation on trust under section 46B[5] (the "net asset value").'.

5 Section 46B (Purpose trust for eligible growers)."

This is a consequential amendment, which follows from the inclusion of the new clause 46B. The present wording of subsection (1) of clause 71 refers to the previous clause 40. As the arrangements previously covered by the former clause 40 are now covered by the new 46B, so the cross-reference in 71 needs to be amended as a consequence.

Amendment agreed to.

Clause 71, as amended, agreed to.

Clauses 72 to 81, as read, agreed to.

Clause 82—

Mr PALASZCZUK (4.07 p.m.): I move the following amendment—

"At page 41, line 10, 'repeal'—

omit, insert—

'expiry'."

This is a minor amendment. It simply substitutes the word "expire" in place of "repeal" in subsection (3) as, in a legal sense, the two Acts referred to will expire rather than be repealed.

Amendment agreed to.

Clause 82, as amended, agreed to.

Clause 83, as read, agreed to.

Clause 84—

Mr PALASZCZUK (4.08 p.m.): I move the following amendments—

"At page 42, line 21, 'been repealed'—

omit, insert—

'expired'.

At page 42, line 24, 'been repealed'—

omit, insert—

'expired'.

At page 42, line 7, after 'transferring producer body'—

insert—

', other than a local association,'.

At page 43, line 1, 'or grown'—

omit, insert—

'and grown'."

These are four very minor amendments. The first two simply substitute the word "expired" for "been repealed". The third flows from the restructuring arrangements for the QFVG local producer associations, which we have already discussed. The fourth amendment corrects a minor error in the Bill by substituting the words "and grown" in place of "or grown" in regard to defining who are presently producers in the case of the Queensland Pork Producers Organisation. I can assure the honourable member that this was done in very close consultation with our Queensland pork producers at the very last moment.

Amendments agreed to.

Clause 84, as amended, agreed to.

Clause 85—

Mr PALASZCZUK (4.09 p.m.): I move the following amendment—

"At page 43, lines 9 and 10—

omit, insert—

'(2) However, this section does not apply if—

(a) the replacement corporation's transferring producer body was a local association; or

(b) the replacement corporation is, or becomes, an industrial association.'."

This amendment proposes to replace the present subsection 2 in clause 85 with a reworded one which follows from the restructuring exercise for the QFVG local producer associations. The effect will be to exclude two types of bodies from the compulsory membership requirements of the Bill. Firstly, none of the QFVG local producer associations will have compulsory membership. Fruit and vegetable growers will be required to belong to QFVG itself for at least three years, unless of course the growers move earlier to dismantle the compulsory arrangements. However, they will not be compelled to join a local association. Secondly, as is the case with clause 85 as drafted, if one of the replacement bodies for any of the five statutory producer bodies becomes an industrial association, under the Industrial Relations Act it will forfeit its right to compulsory producer membership.

Amendment agreed to.

Clause 85, as amended, agreed to.

Clauses 86 and 87, as read, agreed to.

Clause 88—

Mr PALASZCZUK (4.10 p.m.): I move the following amendment—

"At page 45, lines 4 to 10—

omit, insert—

'Application of div 3

'88. This division applies to a replacement corporation if—

(a) its transferring producer body was not a local association; and

(b) on the third anniversary of the transfer day—

(i) it is not an industrial association; and

(ii) its constitution does not include a membership exemption provision for all of its members who are relevant producers for the corporation (its "producer members").'."

For the benefit of the Committee, this amendment is similar to the previous one and simply replaces an existing clause with a reworded one to reflect the situation with the restructuring of the QFVG local producer associations.

Amendment agreed to.

Clause 88, as amended, agreed to.

Clauses 89 to 106, as read, agreed to.

Insertion of new clause—

Mr COOPER: (4.12 p.m.): I move the following amendment—

"At page 50, after line 25—

insert—

'Exemption from State taxes

'106A.(1) Despite any other Act, State tax is not payable in relation to—

(a) a transfer of assets or liabilities; or

(b) an application or entry made, receipt given, or anything else done for acknowledging, evidencing or giving effect to a transfer of assets or liabilities.

'(2) In this section—

"State tax" means a fee, duty or charge imposed under an Act.'."

This is the one we are referring to as stamp duty. We have heard from the Minister that he has received assurances from Cabinet that there will be an ex gratia payment to take care of any stamp duty. The organisations will have to pay that stamp duty and it will then be refunded. We have seen examples of this before. We want to make it ironclad and inserted in the legislation. If it is unprecedented, we are not particularly concerned about that. It is about time we made it precedent because we want to make sure that those organisations are safe and secure from stamp duty.

When the Minister introduced this Bill, he said—

> "It is the Government's intention, and this I state unequivocally, that the asset transfer arrangements will not result in a stamp duty burden on industry."

How this goal was to be achieved was later spelt out in the following terms—

> "It is intended that ex gratia relief will be provided for transactions that are undertaken for the purposes of the legislation. Detailed principles for the provision of that relief are to be developed by Treasury and the Department of Primary Industries, having regard to the transactions undertaken."

Just before lunch, the Minister said that Cabinet had approved taxation relief and it would simply be a matter of the relevant bodies seeking a refund. If that was the Government's intention, the amendment circulated by the coalition would give clear statutory effect to that plan of action, except it will go one better and do away with the requirement of lodging superfluous paperwork. This is also something to help the Minister when he is doing battle with Treasury, as we have all had to do in the past.

The amendment now before the House represents nothing novel or untested. Rather, it is a clause based on provisions contained in numerous statutes introduced by both Labor and coalition Governments over the past decade. For the information of the Committee, I will briefly outline previous pieces of legislation which have contained similar provisions. Under the Goss Government, a number of statutes were passed which provided exemption from stamp duty and other State taxes for bodies that were merging and going through transition arrangements. Two of these statues are still on the statute books. I draw the attention of the Committee to the Bank Integration (Bank of Queensland) Act 1993 and the State Bank of South Australia (Transfer of Undertaking) Act 1994.

For example, in the last mentioned statute, there was a transfer of assets and liabilities from the State Bank of South Australia to the Bank of South Australia Limited. Subsection 1 of section 11 of that Act provides—

> "No stamp duty, debits tax or other tax or fee is payable under a law of Queensland in respect of—
>
> any transfer effected by order of the Treasurer under this Act; or
>
> an application or entry made, or receipt given or anything else done for a purpose connected with, or arising out of, such a transfer."

This is the type of provision found in legislation of this type. For the sake of completeness, I draw the attention of the Committee to a few more recent examples of this style of legislation, passed this time by the recent coalition Government—namely, the Bank of New Zealand (Transfer of Undertaking) Act 1997 and the Advance Bank Integration Act 1997. Special stamp duty and other registration arrangements were set out in both of those statutes. I refer to sections 18 and 19 of the first statute and sections 10 to 12 of the second statute. All of the abovementioned pieces of legislation related to bank amalgamations or transfers, but there are other examples of this Parliament applying the same sort of principles to other arrangements where profit is not the motivating factor.

To quote but one example, I refer honourable members to the Arts Legislation Amendment Act 1997. This omnibus statute dealt with, amongst other matters, the refocusing of five arts statutory bodies. One of the series of amendments was to the Libraries and Archives Act 1988. A new section 68E was inserted into that Act which provides—

> "Stamp duty is not payable for the transfer of any property to the board."

There are numerous other examples I could quote. I do not want to take up the time of the Committee, but precedent is there.

The Minister has justified the lack of an explicit provision giving State tax relief on the basis that other primary industry restructuring exercises did not have specific stamp duty exemptions. While that may have been the case, I would submit that the absence of State tax relief provisions in these statutes is no justification for adopting that course in this provision. This Bill was not requested by any of the primary producer bodies. It has been foist upon them by Government.

The tax implications of this Bill are enormous and still not quantifiable. Some of these industries, and in particular the sugar and dairy industries, are currently going through extremely difficult times. In these circumstances, it is not acceptable that these industries should be subjected to massive and forced restructuring and not be assured by force of law that they will not be subjected to an extra tax slug at the end of the process. To say that they will get ex gratia relief is not good enough. Ex gratia relief is discretionary and uncertain relief. Even the Minister pointed out that the scope and terms of this relief is still to be negotiated.

There is plenty of precedent for the clause I have moved. It is fair. It is certain. It is based on plenty of precedent and supported by both sides of politics. In my opinion, if tax relief is good enough for banks going through voluntary restructuring, it is good enough for essential primary producer bodies going through mandatory restructuring foisted upon them by Government. On top of that, it is not just the issue of stamp duties but a range of other State charges that will be activated. It is obvious, for example, that there will need to be changes to the ownership details of land and various securities. It is essential that comprehensive and fair tax relief be given to these industries, as all of the changes being effected are changes being initiated by the State Government.

This amendment will ensure that a lot of worries will be lifted and will assist these vital industries at a critical time. I hope that the Minister and the Government will accept it under these circumstances, remembering that there are plenty of examples of precedent that have been applied to the banks, the arts and so on. There is therefore no reason on earth why this amendment should not be accepted.

Mr PALASZCZUK: This Bill does not specifically allow for an exemption from stamp duty in regard to the transfer of assets and liabilities from the five statutory bodies to the respective non-statutory replacement bodies. That is why the Government will not be accepting the amendment as moved by the honourable member for Crows Nest.

The reason for that is quite simple. It is a longstanding Government policy not to provide legislative stamp duty exemptions for corporate restructuring exercises. Rather, the policy is that, where there is a transaction that is subject to duty under the Stamp Act, duty will be assessed in the normal manner but the Government will consider the provision of what is considered ex gratia relief. This means that, once stamp duty is assessed, the body that is to pay the duty can apply to the Under Treasurer for a payment out of the Consolidated Fund equal to the amount of the duty.

In effect, we are talking about a contra or offsetting transaction so that the stamp duty is paid and an equivalent payment is made back to the body from Treasury. This has happened before with a number of primary industry restructuring exercises, such as the asset transfer involved with the formation of Grainco, the Australian Quality Egg Farms, now Sunny Queen Egg Farms Ltd in the early 1990s, the amalgamation of the various dairy cooperatives in the late 1980s and early 1990s, and the restructuring of the tobacco marketing board into the cooperative in 1996.

The same process is to apply with the present restructuring arrangements required by this Bill as the Government has already approved the concept of ex gratia relief for transactions undertaken for the purpose of this legislation. The replacement bodies will have to make formal application to Treasury for the ex gratia payment, but one might anticipate that they will not be wasting too much time in doing so.

It should be noted that the Bill does not prevent any further internal corporate restructuring that any of the five replacement bodies might want to engage in at a future time. Such arrangements would have to be done in accordance with the relevant legislation, for example the Corporations Law, or the Associations Incorporation Act. Any such future restructuring arrangements would also be subject to the Stamps Act but, once again, ex gratia relief could be applied for and the application would be assessed on its merits at the time.

In his previous statement the honourable member asked the question: how will this goal be achieved? I refer specifically to the claim on Friday that Treasury had failed to provide an ex gratia refund to the tobacco cooperative in regard to the transfer of assets and liabilities from the former tobacco board. In fact, the ex gratia refund has been made. It was for an amount of $100,742.85, to be precise, and was paid out of Treasury to the cooperative on 20 November 1998—over a year ago.

Mr Cooper: It was 1996, though, that I asked for it.

Mr PALASZCZUK: I do acknowledge that this rebate was a long time in coming, since the tobacco board restructuring exercise was in September 1996. However, as the honourable member would know, in the intervening time, between 1996 and 1998, the coalition was in power. Unfortunately, it was not able to achieve what I was able to achieve in under three months. Therefore, I am quite confident that, at the end of the day, the provisions in this Bill will be sufficient to allow an ex gratia payment to be made to the five producer bodies. I believe that the amendment as moved by the honourable member for Crows Nest is unnecessary and therefore the Government will not be supporting it.

Mr COOPER: The very point I make is one that the Minister has made. It was 1996 legislation that related to the tobacco industry and it was two years before Treasury made the payment. That is the point. I do not care who is in Government, be it the Minister's side or ours. We are speaking from bitter experience. We do not want these five producer organisations to wait two years for their ex gratia payments. We want it provided for in legislation so that the tax can be waived. It has been done before. The precedent is there. We are speaking from experience. That is why, for the Minister's own sake, he should be accepting this amendment.

Mr KNUTH: I agree with the member for Crows Nest. I would like to see the surety that the member has asked for so that there will be no tax on Canegrowers' assets, whether they are standing or through transfers. This morning the Minister said that his department had been in daily contact with the producer bodies. That may be true. I am not denying that, but I can say now that the producer bodies have not been in contact with their growers.

Mr Palaszczuk: That is not my fault.

Mr KNUTH: But this whole thing is being rushed through too quickly. I am only responding to what the members of the Opposition have already raised. I tried to call a

meeting for growers and Canegrowers to discuss this Bill so that we could sort out these problems and I could come straight down and say, "We have sorted out the problems that the Minister wants us to sort out", and we could come here in one accord and agree or not agree with the Bill. But it has just been impractical. We just have not had that time.

We have just gone through a lengthy sugar Bill. The growers are out there in the paddocks trying to earn a quid and they have not had time to discuss this Bill. Most of the growers in the Burdekin do not even know that this Bill exists. It is only through the efforts of some hard workers within the growers organisation that growers have been able to get some information. If legislation is going to be rushed through the Parliament, how can we act in the interests of our constituents?

Mr ROWELL: It is of some concern that we cannot get the exemption issue resolved. Presently the industry is facing a difficult period. Prices are low and certain areas are seeing terrible crops. Right throughout far-north Queensland we are experiencing extremely heavy rainfall. I think it will be detrimental to next year's crop.

The organisation will now have to call on its liquid assets to pay $1m, or something like that, in stamp duty. I am only guessing. It may be much more; it could be something less. But a substantial amount of money has been requested by the Minister as a result of this Bill. Really, this is only revenue forgone. It is not a matter of money that will be taxed and then denied to the Government. The Minister has certainly given a commitment in relation to an ex gratia payment. The problem with ex gratia payments is that they are not an absolute forgone conclusion with Treasury. There is every reason to believe that it could be a lengthy period of time before each organisation that has an asset that has had to pay out gets this ex gratia payment.

The sugar growing industry is experiencing poor world prices. In the past the pig industry has had difficulties. I know that when I was Primary Industries Minister it was on its knees. If it has recovered, then that is great. It is doing a lot of work in the export industry to get back on its feet.

Dealing with ex gratia payments in the manner that has been suggested could mean that for some time those liquid assets that are so critical, that will be part of a levy type system and have been generated through a levy system, will be dried up to a certain extent to cover that ex gratia payment.

It was not the wish of those organisations that this Bill come into being in the manner that it has. I know that the Minister has said that there has been consultation with industry. I think it was fairly short. It is not that industry did not know that something was going to happen somewhere down the track, because I know that during the time I was dealing with primary industries there was talk about it and there were negotiations going on. Now that Labor has been in Government for some 18 months it has made the decision in a very rapid manner to let the axe fall as far as these organisations are concerned.

One of the critical issues for these organisations is that they depend very heavily on those levies. Those organisations represent growers and many others, and the BSES interacts with those organisations. The Primary Industries Department is another organisation that it deals with. Banana growers and those types of organisations also contribute. Very often, many projects are financed and commenced in association with primary industries. So the available funds that those organisations have are quite critical to whatever projects they are involved in—whether it be research, marketing, promotion or a whole range of things.

This means that, in the interim, while they are waiting for this ex gratia payment to occur—and it is no forgone conclusion that it is going to be the day after they lodge the application; in fact, it could be some considerable time after that—those organisations will have to raise additional funds somehow or other to pay for the stamp duty that is going to be imposed upon them in view of an ex gratia payment somewhere down the track. That will be a drain on their finances—and, as I have said, very often at a time when they can least afford it. I do not want to see extra levies being imposed because those organisations have to pay stamp duty and then, hopefully, somewhere down the track in a year or two or whatever it might be, they would receive back some finances in the form of ex gratia payments from that stamp duty.

As the member for Crows Nest has quite adequately spelt out, there have been instances where exemptions have been allowed. It looks as if banks and all sorts of organisations have been able to get exemptions. Why is there such a rush to introduce this legislation, which now involves payment to the Government of stamp duty? No doubt the Government will benefit from having that money in its pockets for that period. I am certain it will not be paying any

interest on those ex gratia payments, but those payments will be made at some time in the future.

Is there any guarantee that the Minister can give us as far as time limits on the payment of those ex gratia payments? The cash flow of those organisations is very critical, and they need to know exactly where they stand in relation to what will be, in many instances, a substantial payout for the assets that they have accrued.

Mr NELSON: It is my belief that the Primary Industries Minister has won a lot of kudos in the industry. He is certainly spoken of quite well on the tablelands by many groups and many of the organisations that we are seeking to re-form here. I say that because it is true. The phone lines to Townsville and further north have now been restored, and I have been speaking to a few people up there.

The points raised by the Opposition and members in this corner of the Chamber strike at the heart of the whole deal that members are considering. The reforms that these industries are going to go through will take a hell of a lot of time, especially in areas like mine. The Tablelands electorate is remote, and organisations there, such as the QFVG, have their headquarters based in the Lockyer, for example, which is very far removed from the tablelands. So a lot of time and effort, organisation, management and dealing needs to be done on many different levels.

Throughout all of this discussion and debate, members have been talking about giving more time to the people who need it the most, especially in times of uncertainty. I represent an area that has a large dairy industry backbone, namely, Malanda, Millaa Millaa and Ravenshoe. Those areas, in particular, are facing many difficulties at the present time. And the added speeding-up of this process is certainly not helpful.

As I said, the Minister has won a lot of kudos in those areas. People in those organisations and farmers on the ground are talking quite favourably about the things that have been done by this Government and by this Minister. So if any thought could be given to the proposals that have been put forward here, that would certainly go a long way towards making those farmers realise that they are being looked after in the best of circumstances.

Question—That Mr Cooper's amendment be agreed to—put; and the Committee divided—

AYES, 41—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Elliott, Gamin, Goss, Grice, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

NOES, 41—Attwood, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

The numbers being equal, the Chairman cast his vote with the Noes.

Resolved in the **negative**.

Clause 107—

Mr PALASZCZUK (4.42 p.m.): I move the following amendments—

"At page 50, line 28, after 'regulation'—

insert—

'(a "transitional regulation")'.

At page 51, lines 3 and 4—

omit, insert—

'(3) A transitional regulation must declare it is a transitional regulation.

'(4) Subsections (2) and (3), this subsection and any transitional regulation expire 1 year after the date of assent.'."

These amendments meet a commitment I have given to the Scrutiny of Legislation Committee to amend the regulation-making provisions of the Bill so that any regulations made are only of a transitional nature and are to expire one year after the date of assent.

Amendments agreed to.

Clause 107, as amended, agreed to.

Clause 108, as read, agreed to.

Insertion of new clause—

Mr PALASZCZUK (4.42 p.m.): I move the following amendment—

"At page 51, after line 7—

insert—

'Saving of operation of pt 3, div 2, sdiv 3

'108A. Part 3, division 2, subdivision 3 is declared to be a law to which the Acts Interpretation Act 1954, section 20A applies.[6]'.

6 Part 3, division 2, subdivision 3 (Trust for assets of secondary body of Queensland Cane Growers' Organisation)

Acts Interpretation Act 1954, section 20 (Repeal does not end saving, transitional or validating effect etc.)."

This amendment inserts a new clause. The effect of the proposed new clause 108A is to allow the continuation of the trust arrangements for the assets and liabilities of the Canegrowers' mill supply committee and district executive bodies after the termination of the Act in five years' time. I have already explained the trust arrangements.

Amendment agreed to.

New Clause 108A, as read, agreed to.

Clauses 109 to 113, as read, agreed to.

Clauses 114 and 115—

Mr PALASZCZUK (4.43 p.m.): I move the following amendment—

"At page 55, lines 2 to 9—

omit, insert—

'Division 1—Amendment of Fruit Marketing Organisation Act 1923

'Act amended in div 1

'114. This division amends the Fruit Marketing Organisation Act 1923.

'Insertion of new ss 19 and 20

'115. After section 18—

insert—

'No further levies after date of assent for Primary Industry Bodies Reform Act 1999

'19.(1) A levy must not be fixed, imposed or made under this Act after the date of assent for the Primary Industry Bodies Reform Act 1999.

'(2) This section applies despite another provision of this Act.

'Expiry of Act

'20. This Act expires 1 month after the date of assent for the Primary Industry Bodies Reform Act 1999.'.

'Division 2—Amendment of Primary Producers' Organisation and Marketing Act 1926

'Act amended in div 2

'115A. This division amends the Primary Producers' Organisation and Marketing Act 1926.

'Insertion of new ss 56A and 56B

'115B. Part 9, after section 56—

insert—

'No further levies after date of assent for Primary Industry Bodies Reform Act 1999

'56A.(1) A levy must not be fixed, imposed or made under this Act after the date of assent for the Primary Industry Bodies Reform Act 1999.

'(2) This section applies despite another provision of this Act.

'Expiry of Act

'56B. This Act expires 1 month after the date of assent for the Primary Industry Bodies Reform Act 1999.'.'."

These amendments provide for the expiry of the existing levy arrangements under the Primary Producers' Organisation and Marketing Act and the Fruit Marketing Organisation Act on the date of assent of the Bill. The amendments are necessary in view of the legal uncertainty regarding these levies. As provided for in the existing Bill, these two Acts will expire one month later to allow the transfer arrangements for Canegrowers, QDO and the pork producers to be completed.

Mr COOPER: This clause amends both the Fruit Marketing Organisation Act 1923 and the Primary Producers' Organisation and Marketing Act 1926 by providing that both expire one month after the date of assent of this Bill, and by providing for the issue of levies. At the moment, this clause simply repeals both Acts. The amendment clarifies the issue of further levies.

With respect to both Acts, the amendment provides that a levy must not be fixed, imposed or made under the repealed Acts from the date of assent of this Bill. The Minister would be aware that some primary producer bodies have expressed concern about proposed sections 19 and 56A because not only do they provide that new levies cannot be made under the repealed Acts from the date of assent to this Bill but they also prohibit the imposition of existing levies.

One primary producer group has made this point, and I think it is valid. Including the word "imposed", which is not included in the Primary Producers' Organisation and Marketing Act and which is defined in the Oxford Dictionary as "to require the payment of a charge, tax or other obligation, and to force compliance with", will almost certainly have the effect of, firstly, stopping the collection of existing levies as from the day of assent and, secondly, stopping the recovery of any outstanding levies which were payable before, but were not paid by, the day of assent. This would result in a one-month gap from the day of assent to the transfer day where existing levies under the Primary Producers' Organisation and Marketing Act would not be collectable and compulsory membership under the PIBR Act would not apply.

In the case of at least one organisation, around 50% of all membership levies fall due on 31 December, but because of the

operation of this Bill as originally submitted to this Parliament, it would not have been possible to collect those levies. I recognise that in the case of this particular primary producer body, the revised amendments circulated by the Minister will hopefully resolve that issue. However, I am not sure that a similar problem may not exist with the other producer bodies, having regard to the nature of this Bill, the fact that it has had to be processed so quickly and the fact that some of these bodies have yet to come to grips with some of its implications. This issue, which has been resolved in relation to one body, could arise in relation to some of the others.

One way of preventing this unjust situation is to delete the word

"impose". Obviously, the Minister cannot simply scratch that out with a pen. As the Minister has acted on the concerns of one of the primary producer bodies—and we are pleased about that—could he give a categorical assurance that there is not now a problem with the others?

Mr PALASZCZUK: Could I say for the benefit of the Committee that this section does not prohibit the enforcement of existing levies. I can give the honourable member for Crows Nest that assurance.

Amendments agreed to.

Clauses 114 and 115, as amended, agreed to.

Clauses 116 to 122, as read, agreed to.

Schedule—

Mr PALASZCZUK (4.48 p.m.): I move the following amendments—

"At page 57, lines 7 to 10—

omit, insert—

' "assets and liabilities", of a producer body, includes the assets and liabilities that, under section 39, are, or are taken to have been, transferred to the body.'.

At page 58, after line 17—

insert—

' "eligible grower", for part 3, division 2, subdivision 3, see section 46A.'.

At page 58, lines 20 and 21, ', repealed under this Act'—

omit.

At page 59, line 9 ', repealed under this Act'—

omit.

At page 59, after line 23—

insert—

' "section 39 transfer", for part 3, division 2, subdivision 3, see section 46(1)(b).'.

At page 60, line 8—

omit, insert—

' "trustee", for part 3, division 2, subdivision 3, see section 46B(1).

"trust property", for part 3, division 2, subdivision 3, see section 46B(1).'.

These amendments are procedural. They amend the Schedule of the Bill which contains a dictionary to aid in interpretation of terms used in the Bill. Amendment No. 42 amends an existing definition consequent upon an earlier amendment in regard to asset transfer arrangements, while Amendment Nos. 43, 46 and 47 insert some additional definitions. Amendments Nos. 44 and 45 are purely consequential and remove some superfluous words in two of the definitions.

Amendments agreed to.

Schedule, as amended, agreed to.

Bill reported, with amendments.

Third Reading

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

RETIREMENT VILLAGES BILL

Second Reading

Resumed from 21 July (see p. 2770).

Mr DAVIDSON (Noosa—LP) (4.49 p.m.): There are 300 plus retirement villages spread throughout the length of Queensland, but the majority are situated here in the south-east corner. Approximately 22,000 aged and ageing people are resident in these villages, all of whom reside in these complexes under residence contracts of one form or another. I notice that the Minister is not in the Chamber yet.

Today there are approximately 22,000 people as well as their children and relatives who know that they have been betrayed by the member for Mount Gravatt, the Minister for Fair Trading, the Honourable Judy Spence MLA. So angry and distraught are they with the contents of the Retirement Villages Bill 1999 that this Minister tabled in the House in July this year that, when opening a discussion on this Bill, the question most often raised with me by these aged people is the legitimacy of the Minister's intentions with the Bill. For all of these 22,000 people, our last sitting was, for them, equivalent to their last supper, so badly have they been betrayed by this Minister with

all of her empty promises and rhetoric, not the least of which was the following—and I quote from the Courier-Mail of Tuesday, 20 July 1999—

> "Through years of involvement with retirement village residents, I have learned that many people opt for retirement village living because of the lifestyle it offers.
>
> I would like to take this opportunity to inform you about the long overdue and significant changes to legislation that will improve your living standards and give you greater peace of mind."

Thank the good Lord Minister Spence did not promise them a life-destroying calamity, although she might as well have done. On which planet do the Minister and her advisers reside? It certainly cannot be planet Earth, and it certainly is not south-east Queensland. The BMW motor company has just released a terrorist-proof vehicle, complete with armoured glass and anti-personnel equipment. I suggest that the Minister places an order for one of these limousines immediately if it is her intention to ever again visit a retirement village.

It is doubtful that any piece of legislation was ever brought into this House with greater expectation by those it would affect that its content would resolve the faults and criticisms of the Act it was meant to replace than this diatribe of convoluted theory and compromise that has been described as "a handbook for future developers and operators of retirement villages" by exasperated, confused, angry and desperate village residents who honestly believed that the Minister knew what they needed and wanted and was going to do something about that situation. It is not as though the Minister does not have an affinity with retirement villages and their residents. As far back as November 1991, Hansard records this waffle by the Minister during the debate on the Land Tax Legislation Bill-

> "Retirement villages are not enclaves for the wealthy.
>
> ...
>
> People go to live in those villages because they do not have the burden of home and garden maintenance and they can share their leisure with people of the same age. They then live on a pension or superannuation and thus have a fixed income. In doing so, because they delay the move to hospitals or old peoples' homes for many years, they are not a burden on the community."

Indeed, that is a statement of great truth, but one that is now sadly ignored. In a ministerial statement on 17 August last year, the Minister said—

> "The residents of Queensland's retirement villages send me messages every week when I receive scores of letters imploring me to review the legislation."

In that early flush of occupying ministerial leather, the Minister went on to say—

> "Our predecessors have left the issues that they thought were intractable to a Government that can talk, listen to and understand the fears and concerns of the retirement village industry."

The Minister said further—

> "While Queensland retirement village residents and operators once felt deserted and unacknowledged, our Government has made them a central component of legislative change. Our program of legislative reforms will not just be a bandaid approach to retirement villages issues. Under this Labor Government, both residents and operators will be secure in the knowledge that the legislative underpinnings of their retirement villages are sound."

On 3 March this year, in another ministerial statement on retirement villages, the Minister stated—

> "The working group has succeeded in constructing for Queensland retirement villages a framework for a fair and prosperous future."

That is rousing stuff—enough to raise the expectations of those 22,000 people living in retirement villages throughout Queensland that here at last was a Joan of Arc to the aged and ageing, who most certainly did have problems with the current Act; here was a saviour who would put the wrongs to right.

On 5 May this year, when commenting on a recent trip to villages at Buderim in answer to a question asked by the member for Nicklin, Ms Spence said among other things—

> "There seems to be a lot wrong with the current retirement village legislation. The former Minister, the member for Indooroopilly, on two occasion tried but failed to introduce new legislation. As the Parliament would be aware, a working party is currently working on this. I am pleased to inform the member for Nicklin and others that draft legislation will be going out for public consultation this week

and new legislation will be introduced in July.

It is important that Queenslanders are involved in full consultation and have full input into this legislation before it hits Parliament in July. I look forward to members' observations, as I do those concerned residents throughout Queensland who have written to me about this subject last year."

Is it any wonder that village residents had great expectations that all of their concerns and grievances would be considered and that they would have a chance to have direct input into legislation being formulated by the Government and this Minister?

After all this and after all the consultation between the working party of operators and the representatives of the residents, such as the Association of Residents of Queensland Retirement Villages (Inc.), one might have thought that the Minister had enough evidence and fact to put together all-encompassing legislation to suit the needs of all parties to this legislation and the industry. Regrettably, this was not so, and the hopes and aspirations of residents were again dashed on the barbs of the too-hard basket.

This was particularly disappointing to the many residents who had gone to the trouble of submitting written responses to the draft legislation, as requested by the Minister, and who are acknowledged on pages 3, 4 and 5 of the Explanatory Notes. Even at the stage of the draft legislation, many residents who had carried the fight for fairer legislation for years could see the writing on the wall in terms of the expectations and promises from the Minister.

I have a letter from a long-time village resident and member of the ARQRV which spells out the despair over the draft legislation better than I can express it to this House. The letter states—

"Dear Minister,

As you know, I am the vice-president of the ARQRV, and you may be aware that I shall possibly succeed Cliff Grimley later this year (as president).

You may also be aware that I am a member of that little group, Watchdog RVL. Because of my involvement with the ARQRV for the best part of a year now and because of that association's participation, albeit scandalously outnumbered in the review process, I have refrained from much personal contribution, but I am now constrained to write in a personal capacity, though I cannot avoid mention of the ARQRV in a number of contexts.

Thank you for sending me a copy of the latest draft Bill. I have sent my response as requested to the legal services unit. I attach a copy of that response, which I hope you will on this occasion take the trouble to read and not just pass on to your departmental advisers. However indifferent they may be to the concerns of residents, which is apparent from the previous Bills with the drafting of which they have been involved, you, as Minister, must take responsibility for what they produce. But it is not simply a question of detail and drafting. It is a question of philosophy."

That is a most pertinent statement in the realms of the proposed legislation, so let me repeat it: "It is a question of philosophy." The letter goes on—

"Despite earlier drafts over the past two and a half years, this draft shows, still, an abysmal ignorance of life in a retirement village; ignorance of residents' modest requirements and expectations; ignorance of the frailty, physically and intellectually, that advancing years brings; ignorance of their susceptibility to autocratic and intimidating management; ignorance of the reluctance to speak up or ask questions for fear of reprisals; even to fear of being evicted for daring to do so.

These, Minister, are not figments of my imagination. They are sentiments which have been expressed to me by many residents in many villages so often with the plea, 'Don't mention my name; don't take it any further, don't mention this village'. Some, but only some, of their fears may seem a little extreme, but they have been engendered by the attitudes and threats and bluffs of managers and operators.

The Act is probably not the place to recite all the rights of residents in retirement villages but, and I have made this point in response to previous draft Bills, the Act should provide for severe penalties for operators or their agents who attempt any coercion or intimidation of residents or attempt to deprive them of any of their civil liberties. I assure you, Minister, that such things do not happen only occasionally; it is not an exaggeration to say they are rife.

I enclose a copy of an article, 'Rights of residence', to appear in the next

ARQRV newsletter. The content was not plucked out of the air."

I seek leave to table that article.

Leave granted.

Mr DAVIDSON: The letter then continues—

"The part of the Bill which deals with resident participation in the running of the village actually decreases what very little participation is conferred by the present legislation. What has increased in this Bill is the right of the operators to interfere in the activities of residents. The provision for operators or their agents to call meetings at almost the drop of a hat simply increases the operators' opportunity to bulldoze something past unwitting residents without allowing them time to consider or take advice. The provision to allow operators to address meetings of residents' committees is to increase the operators' opportunity to bring undue influence on the deliberations of the committee. Such things as these should be prohibited, not encouraged.

These provisions have obviously been requested of you or your department by the operators' lobby. And you or your department has chosen to allow them, to the considerable detriment of residents.

This Bill has failed to introduce the accountability for which residents have asked. You have not provided for residents' participation in any of the budgetary procedures. All financial matters and all financial decisions regarding the expenditure of residents' funds you have left, quite unequivocally, in the sole control of the operator. Periodic statements of income and expenditure is not good enough. It is not the bringing to account that residents question. It is the propriety of the expenditure of their money! Whether what is meant for maintenance is getting diverted to development, for example.

It happens, Minister, it happens. Those few, heavily outnumbered representatives of residents on your review committee were able, over a very lengthy series of meetings, to extract some concessions from the intransigent owners' lobby.

You have done absolutely nothing to advance the cause of residents beyond that level of limited agreement. Indeed, you have introduced measures which militate against interests of residents those unscrupulous practises which oppress so many residents and of which you are thoroughly aware were made possible by the 1988 Act's silence on the issues.

Your Bill is not silent. It legitimises them, enshrines them, in an Act of Parliament.

Last year when you became Minister responsible for retirement village affairs, you undertook to address the matter that most concerned so many residents: years of having to wait, after vacating their unit, for any return of what they paid for their unit, years of continuing payment of service charges and continuing accrual of the exit fee payable to the operator. You have done precious little to improve the lot of future residents; you have done absolutely nothing for existing residents.

The most common expression in your draft Bill is 'does not apply to existing residence contracts'. It reduces the references you have made from time to time about the sorry plight of so many residents to nothing more than pious rhetoric, of which we had so much from your predecessor.

This Bill is incredibly anti-resident, Minister. I do not believe that you or your advisers have all been suborned by commercial interests, but, when it comes to legislation to protect consumers, which is the raison d'etre of an office of consumer affairs, you have shown yourselves to be thoroughly inept. You should all resign or be sacked from anything to do with consumer affairs in general and retirement village legislation in particular.

Residents across the State will be thoroughly disappointed with your abject failure to do anything for them. It is eminently possible that there will be a symphony of protests from residents, when they realise that you have comprehensively betrayed them. I have to say that I am not only likely to join that symphony, I am likely to do my best to help orchestrate it."

Then followed 10 tightly typed pages covering a plethora of clauses justifying the sentiments set out in the letter.

By reading that letter I do not suggest that all residents of all retirement villages harbour those sentiments. They do not. Many residents manage to get along quite amicably with the operators/managers of their particular

villages. That appears to be especially so in complexes that might not be considered profit oriented. While many have expressed concerns to me about the sorts of practices that fostered the contents of the above letter, I have received information from others who are almost entirely happy with their current positions.

As one would expect from the tone of that particular letter, many operators who abide by the current Act have very real and legitimate concerns that the industry as a whole could be tarred with the same brush, and that simply is not the case. Equally it is true that even the conscientious managers/operators and residents of retirement villages have concerns with this Bill. As one developer/operator put it, Part 5 of the Bill needs redrafting in its entirety. It is that person's opinion that Part 5, which pertains to the operation of schemes that have been outlined in the Bill, will be the cause of more disputes than ever, because he believes that that section is simply not workable. He has given some excellent examples to prove his position.

Mr Speaker, I do not know about you or your brethren opposite, but where I come from the letter that I read and its attachments would be considered a monumental serve that one might expect someone to have taken some notice of. If a person had received not one but a number of similar replies to their call for a public response, surely the message should have sunk in that there were some very unhappy people in suburbia who felt outrageously betrayed. Surely the line, "This Bill is incredibly anti-resident ..." says it all.

As the writer pointed out in the early part of his letter to the Minister, the matter of legislation for retirement villages is not a matter of drafting and detail, it is a matter of philosophy. That point is obviously lost on this Minister. The bell should have rung for the Minister and her advisers right about then, but if it did it must have registered in a far away brain. As the Bill that has been tabled with much fanfare in this House by Minister Spence shows, very little of the core complaints about the original draft that I know found their way back to her department were acted upon.

A further example of this betrayal comes from an elderly lady who has lived in a village for almost seven years. She is representative of many elderly ladies who are left on their own, usually with only a pension on which to live. To such people, the proposed changes are entirely unsatisfactory. That lady wrote—

> "I send this copy to you because of my anxiety"—

note that word "anxiety"—

> "regarding several important clauses at present contained in the consultation draft with the hope that you and your other Opposition colleagues will vigorously contest those sections of the Bill which appear to negate the favourable conditions of some leases and which introduce other clauses which are disastrous for the future of present retirement village residents. As an elderly single age pensioner and a resident of"—

a certain village—

> "for approximately 7 years, my concerns are very real and I can, from experience, vouch for their authenticity. If the draft is introduced as legislation without amendment, it will confirm the opinion of many of my fellow retirees that we would be better off living outside a retirement village. Your support in these important matters is vital to residents and to the future growth of the industry, and I thank you in anticipation."

One might now better understand my comments earlier about the Minister's 20 July 1999 comments that this legislation would improve living standards and give residents greater peace of mind. The comments in the letter that I have just read do not give any substance to the Minister's claim of providing greater peace of mind.

It is not too difficult to understand this lady's concerns when one reads in her submission—a submission to the Minister that has yet to elicit a reply—the following statement—

> "Clauses 101(1) to (5) are dangerous to residents of this village unless a 'cap' is placed on maintenance reserve fund charges the operator may impose."

The lady then goes on to advise of the poor management outcomes in her village and quotes a current letter from management that proposes that her fees should rise from $200 a month to $309 per month. As the lady points out in her submission, for single pensioners this increase would mean forgoing some of the necessities of life. Can honourable members imagine that lady's state of mind when a second letter from the management of her village advised—

> "The new Act compels (when enacted) the payment of maintenance fees struck by management and corroborated by the surveyor, whose fees will be paid by the maintenance account."

Is it any wonder that the word "betrayed" keeps raising its head when this Minister rises in the House and makes the sanctimonious assertion that she has saved the retirement village folk from a fate worse than death? If the Minister for Fair Trading had, just once, listened to those who sought her intervention on their behalf in this matter, she would forever have found a dedicated group of people who, along with their families and friends, would have become a cheer group forever.

What this Minister has created is a dedicated and far from frail group of people in the community, who now know first-hand what we on this side of the House have known for years—that here we have a Minister totally out of her depth and out of touch with anything other than the selection of toilet brush holders, despite the lofty speeches of the can-do ability of this Beattie Government, which time and time again, as the Bill shows, only serves to hoist this Minister and her colleagues with their own petard. And all of this in the Year of Older Persons! What a mockery and insult to these older people that this Minister claims to have listened to them!

The abrogation of her promises to current residents of retirement villages—the entire 22,000 plus of them—is no better spelt out than in her second-reading speech, which says—

> "The working party considered the application of the Bill to existing villages and residence contracts and it was considered that these matters are the responsibilities of operators and residents and the Bill is merely setting out a structure for both."

If honourable members think this is a total cop-out from the residents' viewpoint, imagine what they must have thought when this statement followed in the Minister's grand performance in this House at the last sitting. The member for Mount Gravatt said—

> "The working party considered that, if the Bill applied to existing contracts in these cases, it would create undue financial hardship on operators and their financial structure could be affected."

To quote the Minister's second-reading speech when she presented another Bill to this House, this is the type of transparency we are used to in Queensland, particularly as it applies to operators and residents. Everything in that statement is transparent. I repeat: is it any wonder that the residents of retirement villages feel rejected, overlooked and betrayed? It would appear that, if any of the operators had replied to the Minister's exhortations to respond to the original draft Bill, then the tenor of any responses they may have made has received the same attention that many of the residents received, which is obviously nil.

The Minister cannot say that this was all news to her before she presented this Bill to this House. Prior to so doing, she went up to Buderim to meet village people in their own territory and she was left in no doubt what this representation of village folk expected to find in this Bill. With a grandiose flourish that she obviously sees as her trademark, she regaled this audience with a view that she was the only Minister, or member of any party, who really had their interests at heart—a statement which should have told these long enduring folk who knew better that here was a member of a Government who really only wanted to hear herself eulogise her own performances and that she and her governmental colleagues really did know what was best for residents and the industry everywhere. That was in Buderim.

Ms Spence interjected.

Mr DAVIDSON: I have been to Buderim. I have spoken to all those people at Buderim. The Minister went up there twice and twice she made certain promises to them, yet she has not delivered one. If she ever goes back to Buderim she had better be very careful; they are waiting for her.

Ms Spence: You have never been there yourself.

Mr DAVIDSON: I have been to Buderim. I have spoken to those people. They are waiting for the Minister to return to Buderim. They want to know when she is going back to Buderim.

When Minister Spence departed from that meeting, she should have been more aware of what those villagers wanted in this Bill because they had treated her treatise with disdain and had given her advice, which she would have been wise to heed. If Minister Spence is planning another trip to Buderim, or even Nambour—they are waiting for her as well in Nambour—she would be well advised to do so only after seeking advice.

Honourable members will recall the statement contained in the letter I read to this House from a village resident who has more than a passing knowledge of the much touted working party the Minister places so much faith in—"and because of that association's participation, albeit scandalously outnumbered in the review process." It is not difficult to see why many residents feel that this Bill is nothing more than a blueprint and a handbook for future village operators and developers.

The Minister in her speech was at pains to point out that the working party concluded that the main disagreement about the continuation of service charges after vacation would be dealt with more effectively by having stricter processes in place to encourage more timely resale of units. In this case, any breach would entitle a resident to seek intervention by the tribunal. In the words of one Buderim village resident, what a load of codswallop! What this ministerial statement alludes to is that great gift to the residents in this Bill, their ability to engage a real estate agent to sell their residency contract after a period of six months after the unit in question has been vacated.

Apart from the fact that many disclosure statements already allowed such an event where both parties to the contract agreed, the fact of the matter is that real estate agents have no real interest in selling retirement units because of the complexities of the disclosure statement, now called a public information document, when it is much easier for real estate agents to sell prospective clients a not-so-complicated property controlled by a body corporate. As residents themselves point out, people interested in entering a retirement village go to a retirement village, not a real estate agent's office, to seek the information they need to make such a decision.

There are 238 clauses in this proposed legislation and there are many that do appease some of the concerns of village residents. As has been expressed earlier, this Bill should not simply be a matter of detail and drafting; it is a matter of philosophy. Thus honourable members will understand that, for many residents who elected to enter villages because at the time the obligations and responsibilities of both parties to the contract provided the residents with better conditions than were available at other villages, those residents now have a major concern as to the ramification of clauses within this document that has been presented to this House.

There is a major concern that the new disclosure statement and clauses therein and their ramifications will alter the nature of the original contract of residency, which included as clauses to those original contracts the conditions which made those contracts and those villages more favourable. As recently as March 1999, the ARQRV, in reporting on the progress of this Bill, advised that existing contractual commitments cannot be altered. This is all that residents who have carefully entered into those commitments require. It is agreed that there is a need for some villages to have minimum conditions imposed by legislation, but that does not equate with other and existing villages having their contracts reduced to that lower minimum level.

The clause that brings most concern in this area is clause 42. The word "agreeing" in "agreeing to conditions more favourable" is future tense. Existing contracts have already been "agreed to"—past tense. This is the thrust of the concern expressed about this clause and the misgivings about operators having grounds for amendments to contracts, including public information documents. Existing contracts with their relevant clauses are considered to be sacrosanct, and any enforced changes as may be provided by this legislation would have the effect of changing the laws governing contracts and the relevant clauses of those contracts.

Clause 57(c) is also a matter of extreme concern for residents and it is a particular area about which the Minister has been made aware in no uncertain manner as to residents' wishes. The use of the words, "provisions at least equivalent to" could tie up opposing legal counsel for days. In other places, so could words such as "more beneficial". Who decides what is more beneficial in these circumstances?

The ultimate payment of exit entitlement is a major concern to all residents, and existing benefits must not be eroded in any way. Each village is geared to handle existing procedures subject to any enhancement with any better conditions which the new provisions may impose. It may be obliquely intended that the new provisions are mandatory or offered as a package deal. But it is imperative that any perceived superior existing rights of residents must prevail in these circumstances. If Minister Spence fails to take notice of this major concern about this legislation, over 22,000 people will make her think that the net bet affair is merely a storm in a casino.

Again on the matter of exiting rights, the second paragraph of the Minister's second-reading speech says—

> "The agreement was reached after operator representatives agreed to the remainder of the resale provisions applying to existing residence contracts and agreed to giving the tribunal power to order the payment of an exit entitlement to a resident if those resale provisions are not complied with.

It is difficult to determine what benefit accrued to existing residents, but it does appear that the operators have agreed that the remainder of "resale provisions" shall apply as a package deal to existing contracts in the circumstances outlined in my previous comments about

clause 57(c). If so, it would result in residents in those circumstances incurring thousands of dollars in resale costs and commission where the operator had specifically excluded the resident from those costs. It would be a diabolical betrayal of the rights of those residents not to be condoned under any circumstances.

Many of those residents are elderly and do not seek benefits to which they are not entitled, only benefits for which they have existing contractual agreements. The extent to which operators need financial assistance from residents may be gauged from the lead article in the property section on page 23 of the Courier-Mail of 21 July, which announced million dollar expansion plans. Financial assistance to operators is non-existent and needs no encouragement.

In the area of personal services charges, clause 20 provides that a maintenance reserve fund contribution is a proportion of the general services charge. Can the Minister explain why there is no proportion of personal services charge when the equipment used to provide the personal services listed as examples in clause 12(3) would be equally susceptible to maintenance?

This flawed Bill has many such inconsistencies which some of my colleagues will touch upon. Another matter of grave concern is in the operation of schemes and management, which forms Part 5 of this Bill. Clause 97(1) is a prime example. This clause requires an operator to establish a maintenance reserve fund to be held in a trust account upon which the operator is to sign withdrawal cheques. The security envisaged by the use of a trust account under this provision is only illusory. The account will hold on behalf of residents their joint contributions formerly paid into a sinking fund to finance repairs, renovations, replacements and maintenance of a substantial but infrequent or irregular nature. This is the generally accepted purpose of such a fund. The purpose of a payment into a trust fund is self-evident and funds should only be available with the approval and authorisation of an independent trustee. It is inappropriate that an operator act in this capacity.

Clause 46(1) provides for the appointment of a trustee for in-going contributions under a residence contract. This person should also act as trustee for funds held on behalf of residents available only for the purposes specified and should not be available to a receiver or a liquidator in the case of insolvency of a manager or operator. These conditions are present in existing residency contracts. Residents are responsible for the replenishment of this reserve fund and should not see it dissipated by a receiver or liquidator preparatory to the sale of the village to another operator.

In connection with this maintenance reserve fund, the income tax implications of the present legislation also need further consideration. Under income tax ruling 94/24, retirement village operators are given most substantial income tax concessions. Basically, the following provisions apply. A deduction is allowed for all development costs incurred, including landscaping, roads, footpaths and buildings, as well as holding costs during development and normal operating costs. The operator is assessed on the sale price of units, original or resale, exit fees, service fees and other general extraneous income. A deduction is allowed for the exit entitlement paid to a former resident.

It will be observed that these provisions are most generous. However, with the maintenance reserve fund being paid to and under the direct control of the operator, the amounts paid into that fund by the residents for their reserve against future long-term maintenance costs will, under paragraph 10 of that ruling, become assessable income of the operator and subject to tax in his hands. Is this what the Minister wants? The residents reserve contributions being eaten away by income tax payable by an operator! To obviate this, the funds must remain trust funds held on behalf of residents by an independent trustee. In this way, it will only be the interest earned on the reserve which will become assessable. To ensure taxation at a reasonable income tax rate, residents in actual residence from time to time should be presently entitled to have both the income and capital of the reserve applied for the purposes intended.

Clauses 97(3) and 99(2) should provide for payment of income tax, if any. These clauses provide for payments out of the maintenance reserve fund and amounts to be budgeted for the fund respectively. It is noted that clause 100(1)(b) provides for payment into the reserve of interest earned, which obviously could attract income tax. In clause 103, the operator should be prohibited from paying from residents' service charges his holding costs—that is, rates, etc—on undeveloped land which is being held for future development. He is allowed an income tax deduction for these costs under tax ruling 94/24 as previously indicated. Like any other developer, these costs form part of the establishment costs. Clause 103(3) prohibits

an operator from including in a general services charge an amount for replacing village capital items, but it also provides that this does not apply to an existing residence contract. Again, is it any wonder that village residents—the 22,000 plus with existing contracts—believe this incompetent Minister has done a snow job on them?

Presumably, the other provisions contained in Part 5 do apply to existing contracts. I will comment in relation to the contents of a PID concerning clause 113, which provides benefits additional to those specified in the Bill. This is permitted under clause 74(6), but clause 37(4) provides that the Act shall prevail to the extent of any inconsistency with a PID. Are the additional provisions in the PID an inconsistency and therefore of no effect? Will an operator be permitted to amend the PID to provide lesser benefits than previously contractually committed by the operator/developer? Does the Minister know what she is talking about? The answer is obviously no, which will come as no surprise to anyone in this Chamber.

A division of Part 5 of this Bill deals with financial accounts and statements. In the introduction background notes pertaining to this Bill, reference is made to providing effective consumer protection mechanisms for the more than 20,000 frail, aged and elderly people who live in the State's retirement villages. One can only hope that this statement was not meant to imply: "Here is a group of people, wholly bereft of logical thought." In my dealings with retirement village people, I have met and dealt with many people amongst those residents who are a solid core of residents with business, managerial and financial expertise, coupled with commonsense and extended experience of village life. Their views should not be discarded as of no consequence, as it would appear this Minister has chosen to do, judging by what she has placed before us in this matter.

Clause 112 of Part 5 would suggest that the Minister and her advisers do not believe that a level of competence exists in village life. Otherwise, it surely would not have appeared. The clause states that it provides for only quarterly statements of the capital replacement fund and the maintenance reserve fund to be given to residents. What it specifically does not do is provide for quarterly financial operating statements, which suggests that these elderly folk simply would not understand the ramifications of such a document. Nothing could be or is further from the truth. It is even truer to say that many folk in these villages understand these ramifications far better than the Minister obviously does. Clause 113 provides for a financial statement to be given within five months of the end of the year showing income and expenditure during the financial year, including the capital replacement fund and the maintenance reserve fund. Sundry other items are mentioned in this clause.

Does the Minister intend in her Bill that these provisions override conditions in existing contracts which require operators to provide quarterly operational financial statements, annual budgets and costs and service charge calculations which are then subject to perusal by and discussion with a finance committee made up of suitably qualified residents who represent their fellow residents? If she does and if the provisions do mean just that, the objective to facilitate participation by residents in the affairs of retirement villages proclaimed by this Minister in her second-reading speech will not be attained. These are additional safeguards accepted by residents to protect their financial interests in their declining years and must not be eroded.

Auditing by qualified auditors will never substitute for continued local village vigilance by qualified village residents. This comment is even further enhanced when one finds that, in the earlier draft Bill, provision was made for a resident to be nominated to inspect village financial records no more frequently than once per month. In this legislation, there is no such provision. Why is this so? Where there is the possibility of a conflict of interest as to cost allocation by an operator, should this provision be retained under this part? Perhaps somebody just forgot about this. Perhaps someone might like to reconsider this point, as indeed someone might like to reconsider this extraordinarily inept and totally reprehensive litany of betrayal and just plain stupidity.

Other members from this side of the House who do have an affinity with village life and its problems, which are not necessarily apparent in all villages, will address other deficiencies in this Bill. Minister Spence has indicated that she will revisit and review this legislation in 12 months time. Many residents in retirement villages are well into their eighties and nineties. Many do not have a lifespan of 12 months. This Minister would be well advised to fix these obvious deficiencies now rather than expose elderly residents and their families to financial uncertainty and additional commitment, to say nothing of the continued entrapment and anxiety which this Bill now engenders and imposes in many cases.

It is important to mention when discussing this Bill that the Minister faces another group of very discontented folk who currently reside in abodes covered by the Mobile Homes Act. Many but not all of these people are also retirees who have opted for a different lifestyle to that provided by retirement villages. If the complaints we receive from these folk—complaints which the Minister appears to have chosen to ignore, particularly in the area of rents—are of equal concern to these people, then we give the Minister timely warning that she is on the way to alienating another group of people with substantial voting power who are not at all pleased with her current performance in their areas of concern, and that includes the booklet, Going Mobile, that the Minister has endorsed with a statement which says—

> "I am particularly pleased that the production has drawn on the experiences of residents, tenants and park owners."

I advise the Minister that, if she proposes to address any of the people who speak to me about problems in the Mobile Homes Act, she would be well advised to call out for help.

We on this side of the House are acutely aware that Minister Spence has had many requests from all quarters of the retirement village industry for changes to this legislation. It is timely to point out to the Minister that her Labor colleagues in New South Wales just passed and enacted the New South Wales Retirement Village Bill 1999. There are many clauses in this piece of legislation that are of the utmost importance to Queensland retirement village residents—clauses already pointed out to Minister Spence which she has chosen to ignore, even though the retirement industry representatives have brought these needed changes to this Bill to the Minister's attention.

At her public meeting on this Bill in Buderim earlier this year the Minister indicated that she would be adopting an approach similar to that taken with the now enacted legislation. I can do no more than commend the New South Wales Act to the Minister as required reading before she proceeds any further with this Bill. I recommend that the Minister withdraw this load of confusing twaddle from the House and start again, that she consider the needs of the elderly in our communities, especially in this the Year of Older Persons.

Mr PURCELL (Bulimba—ALP) (5.30 p.m.): Before I address the Retirement Villages Bill I will make some comments on the previous speaker's contribution. I do not think I heard one positive comment in that speech from go to whoa. The member for Noosa was in Government for two and a half years and he could have done something about all of the matters that he whinged and whined about. He did not one thing and he has said not one positive thing. I do not see how he can stand up in this place, say what he said and have any credibility.

Since its inception the Retirement Villages Act 1998 has been the subject of a number of reviews. It has been looked at and discussed to death by Governments of all persuasions. I have had deputations from various retired people who have come to see me over the number of years I have been a member of Parliament. I have now inherited two very large caravan parks where people do retire to. They may not be the flash joints up the north coast or the flash joints down the south coast, because they are workers who have retired and that is where they live. I have a very large interest in making sure that people in retirement villages are looked after.

The major stumbling block to effective reform of this industry has been the complexity and variety of residence contracts that have been developed over the years. Once we legislate to do something, the owners and developers will try to come up with a contract that will absolve them of responsibilities in regard to people who are in their villages.

Under the previous Government, the first draft of the Retirement Villages Bill was released in December 1996. Following public consultation and submissions, a second draft was developed and released for consultation in August 1997. A considerable number of written submissions were received by the Office of Fair Trading in response to that second draft.

The major stumbling block to the development of the new legislation was the need to establish funds to provide for the long-term operation of the villages, to clarify the responsibilities of the operator and residents for capital and maintenance and to deal with the issues of retrospectivity. It is very hard for any Government to deal with retrospectivity, as people in this House would know. When we start making things retrospective, we start taking rights away from people who have signed contracts and we leave ourselves open to compensation.

With the change of Government in July 1998, discussions were held by the Honourable Judy Spence, Minister for Fair Trading, with key resident and industry associations on how best to address key

issues of contention within the retirement villages industry. A number of public meetings were attended by the Minister. As a result, the Minister decided to establish a working party made up of persons to represent the residents and the operators. The working party consisted of representatives from the Association of Residents of Queensland Retirement Villages Incorporated, as well as the Assisted Living Association, the Retirement Villages Association of Queensland and Aged Care Queensland, which are peak industry associations. The residents were represented by Cliff Grimley, whom most people in this place would know, Bruce Ware, Jan Taylor and Greg Chapman, who is a solicitor. The operators were represented by Bruce McKenzie-Forbes, Jane Arthur, Jim Toohey, Glen Bunney, Ross Smith and, towards the latter stages, Allan Gee. Mr Robin Lyons, a solicitor, has provided some assistance to the operators but was not an ongoing participant in the working party's deliberations. The meetings of the working party were facilitated by Beth Mayne and Damien Negus, mediators from the Dispute Resolution Centre in Brisbane. Officers from the Office of Fair Trading, while participating in the discussions, attended as observers. This was to enable those who live in the villages and those who operate the villages to sit down and iron out as many of these problems or issues that they saw as problems as possible and to agree on as much as they possibly could.

The working party first met on 18 August 1998 and presented a report titled Heads of Agreement—Retirement Villages Legislation Facilitation to the Minister in February 1999. This document identified the areas in regard to which consensus had been reached. It was smart to get everybody to agree on as much as possible to start with.

The working party met on eight occasions and the meetings lasted for four hours each. It proved to be a useful mechanism whereby operators and residents were able to articulate their differing perspectives on areas of concern and work towards mutually acceptable solutions. The dedication and stamina of all participants in this process was most impressive. All members were well prepared for the meetings and no doubt spent many hours between meetings researching issues and exchanging documents for comment so that the meetings would continue to maintain momentum.

A special tribute must be paid to Mr Grimley, who is the president of Association of Residents of Queensland Retirement Villages Incorporated. Over the years he has continued to succinctly, passionately and consistently advocate the rights of village residents. As such, this association is now regarded by Government and industry as the peak organisation representing the residents of retirement villages in Queensland. Despite being 86 years of age, he is an inspiring advocate for Queensland village residents. I have had representation from Mr Grimley. He is a very articulate, well-spoken person. He really does represent those people very well. Despite the limitations of resources available to him, Mr Grimley was able to clearly articulate sound arguments which resulted in village operators agreeing on many of the issues that had eluded previous working parties.

The issues here are very complex and there is much at stake for present and future residents, operators and the Government. I think that this Bill is soundly based on the deliberations of that working party and I think that is a very good base. If the Bill needs to be revisited I am sure the Minister will do so, but over the years a lot of Ministers have put their foot in the water and were not game to have a go and make sure that these amendments were passed.

Mr SANTORO (Clayfield—LP) (5.37 p.m.): I rise to support my colleague and shadow Minister the honourable member for Noosa. As I do so, I think it is important to recognise two important threshold issues. Firstly, people buying into a retirement village scheme are buying not just into a different form of accommodation but into a different lifestyle, with all of the advantages and disadvantages that flow from it. Secondly, the number of retired Australians is estimated to grow from around 12% of the population at the moment to approximately 20% by 2030. Not only that, but at the moment only 3% of Australia's mature aged population live in retirement villages, compared with around 15% in the United States.

It is clear that there is not only a rapidly expanding elderly population but also an increasing number who are self-funded retirees. Many self-funded retirees see these villages as providing an alternative and exciting lifestyle. I am sure that will ensure that the number of Queenslanders opting for the retirement village lifestyle will continue to increase rapidly. As I understand it, in excess of 20,000 Queenslanders reside in the more than 300 retirement villages in this State. Currently the majority of these villages are operated by charitable and religious bodies, but it is clear that the growth in the industry is now funded and spearheaded by private capital.

The existing 1988 Act, while a significant advance at the time, is now well and truly showing its age. Over the years, this legislation has been the cause of significant criticism from both retirement village residents and owners. From the viewpoint of owners, the legislation was often criticised as being overly prescriptive, with an undue emphasis on process and form. Delays were a significant problem in the first seven or eight years, with ongoing battles between proprietors or proponents and the people charged with administering the legislation. From the viewpoint of residents, the legislation was seen as offering far too little protection at point of entry, too little protection at point of departure, too little information, too few rights, too little control on fees or scrutiny of budgets and no emphasis on dispute resolution.

There have been a number of reviews of this legislation over the years. The member for Chatsworth led a team that issued a discussion paper in June 1992, and the Act was reviewed as part of the systematic review of Government regulations shortly afterwards. Yet by the end of the Goss Government, there was not even anything close to a blueprint for reform. I say this because the Minister, when she issued her media release on 21 July which announced this legislation, said—

> "The previous coalition Government spent two years making noises about the situation, but ultimately did nothing to rectify it."

The reality is that, under the coalition Government, two draft exposure Bills were released for comment. The Bill that we are debating today is largely based on those Bills. The coalition was in Government for less than two and half years, yet it did more than the Labor Party did in its six and a half years in Government. And this Minister and this Government took over 12 months to introduce their own legislation which was, in fact, largely based on the efforts of the coalition. I mention this only to put this matter in perspective and to ensure that, while I support progressive and strong retirement villages legislation, it would be an absolute travesty of justice if the Minister or anybody else from the Labor side attempted to rewrite history, as we are seeing more and more often these days.

Before commenting on some of the clauses in this Bill, I recognise how difficult it is to craft legislation that meets the aspirations of the various parties. There is no doubt a lot of very genuine concern from people in retirement villages and their relatives about unfair practices that have arisen. I have heard on many occasions accounts from relatives of loved ones who have either died or have had relapses and moved into nursing homes. The relatives have faced a situation whereby the proprietor has left the unit vacant, claiming that it cannot be sold, and yet the relatives have been forced to pay ongoing charges.

Essentially, the problems that seem to arise on a regular basis concern a few key areas, the first being fees. By that I mean entry fees, ongoing maintenance fees and the deferred management fees. The second relates to village rules, particularly those concerning pets, visitors, adjustment to structures and noise. The third is the control of the sale or transfer of the unit, with particular problems arising from delays in the sale, the price obtained and fees. These are not the only issues, but these three categories seem to arise on a regular basis. Any legislation which is to meet the needs of the industry and the aspirations of residents has to deal with these matters. On top of that, it has to be commercially realistic enough so that it does not act as a deterrent to investment in this industry.

It should never be forgotten that there is recognition now at the Federal level, among all political parties, of the need to encourage self-funded retirement and self-funded retirement living. Far from being a passing fad, privately funded retirement villages are a key component in retirement accommodation right now and will become very much more important in the future. As a Parliament, we need to be keenly aware of passing legislation that not only is fair and equitable but which also recognises the commercial realities of this sector.

The flip side of this is that mature Queenslanders who are self-funded retirees and who opt for this lifestyle are absolutely essential to the capacity of Governments to continue to offer social services to those most in need. In short, the self-funded retirees need to be looked after because they are relieving the State of a significant financial burden. It is imperative that, if the retirement village industry is to continue to grow, this segment of society has confidence that by entering a village they or their relatives will not be ripped off and that they will experience a lifestyle which is worth the significant capital investment required.

My colleague the member for Noosa has already given a very detailed and very worthwhile analysis of the Bill and pointed out a raft of problems which, as he said, warrant the Minister seriously considering the

withdrawal of this Bill. I will not go over the points he has made, except to note that there appears to be considerable community discontent with this Bill on the Sunshine Coast. In fact, there is community discontent with this Bill right across Queensland.

As the honourable member for Noosa stated in his concluding remarks, the Minister addressed a meeting at Buderim Garden Village on 14 July, which was organised by the member for Nicklin and was attended by more than 200 people. In a letter to the Sunshine Coast Daily of 20 July, P. G. Phillips wrote—

> "Despite the presence of some big guns from the Department of Fair Trading, the answers to residents' questions were unconvincing and of no comfort whatsoever to aggrieved residents."

The letter then goes on to say—

> "Commissioner for Fair Trading, Ulla Zeller, must have had her tongue in her cheek when she remarked that people did not want governments interfering with their right to enter into contracts. Interference by government is precisely what residents do want: interference to override the ability of owners to keep ex-residents or the estates of deceased residents waiting for years for any financial return from the vacated unit; interference to stop owners from being able to continue charging the monthly maintenance fee to ex-residents or the estates of deceased residents for years after the resident has left or died."

I quote from this letter to highlight the degree of concern about the Bill that continues to exist.

It is clear that this legislative exercise has not satisfied many residents or developers; and while that is not surprising, what does concern me is the vague drafting of much of the legislation. There is a series of terms used in this Bill, some of which the member for Noosa highlighted, which will only be productive of litigation. There are broad approaches adopted which may or may not be appropriate to all retirement villages. There is a significant retrospective component—yet drafted in a way which has alarmed some developers and failed to appease many residents.

So at the end of the day, I believe that the Bill is still riddled with problems and ambiguities. I concede—and I will soon point out—that it contains many advances on the current law. Any advance in the law in this critical area is to be supported, and I do so. But all of these advances are in the context of a very large Bill which has a host of seeming paradoxes and which will not resolve many of the issues which have bedevilled the industry over the past decade. And in criticising the Bill—as the honourable member for Noosa and shadow Minister has done—he is absolutely right, and he is to be supported by all reasonable members within this Chamber.

So turning to the main provisions in the Bill, I am pleased to see that there will be a more streamlined registration process. As I mentioned, at various times the current legislation, which requires a retirement village scheme to be approved by the Registrar of Retirement Villages before a residence contract can be entered into, has been justifiably criticised for being overly bureaucratic and overly prescriptive. I know that things have improved over the past few years, but it is clear, from the viewpoint of developers, that the current provisions are in need of significant overhaul. I note that, at the moment, religious and charitable organisations can apply for an exemption from all or any part of the legislation and that there is also the ability for persons to apply for a village to be declared exempt. In addition, section 11 ensures that nursing homes are not covered.

Under clause 229, current exemptions can continue for up to two years. However, there does not appear to be any power to exempt in the future, and the question I have is whether blanket coverage will cause problems and whether the scheme of the legislation can be appropriately applied in an exhaustive fashion to non-charitable privately run homes, charitable homes and even nursing homes. The only exemption that I can see applies to premises under the Mobile Homes Act. I might add that while the major portions of this Bill would not have been appropriate for this style of living, quite a number of protections could have been applied. The fact that mobile home residents have again been overlooked is another puzzling and disappointing matter. So I would appreciate some comment from the Minister on the practical implications of applying the Bill across all types of institutions. I support all bodies being subject to fair legislation and all elderly Queenslanders given protection. However, I query whether this Bill will be appropriate and relevant to all institutions.

The third point that I make is that the exemption from the Anti-Discrimination Act granted in clause 26 to allow a scheme operator to discriminate on the basis of age to limit residents in a retirement village to older members of the community and retired persons is needed. Likewise, I am pleased

that a specific minimum age has not been set. Obviously, a situation could arise whereby one partner is over the minimum age and one is below. Taking a typical example, if the husband is 55 and the minimum age for residents is 55, problems will occur if his wife is 52. Nevertheless, I note that the term "older members of the community" is not defined, and no statutory examples are provided. I would be very interested if the Minister could provide some comments on the intended age scope of this phrase.

One reform I am particularly supportive of is the prohibition of a scheme operator from exercising a limited, general or enduring power of attorney except in specified circumstances. There is obviously a risk of a major conflict of interest arising and, in addition, there is also the problem of inequality of bargaining power. The very fact that an elderly person who may be suffering from dementia could be prevailed upon to give a scheme operator a power of attorney is a situation that cannot be tolerated or allowed to arise.

One other reform which I also support is the increase in the cooling off period from seven to 14 days. I can appreciate concerns that some people would have with this, especially when one considers that in Western Australia only five working days is provided for and in Victoria it is only three working days. Nevertheless, there could be few decisions that people can make in their lives entailing such a large capital investment, ongoing fees and charges, dramatic change in lifestyle and copious and legally difficult documentation, than going into a retirement village.

Some people entering into these contracts may need to speak with their families, and may need to get special advice, especially on taxation, health and social security implications and the like. The extension of the cooling off period to 14 days will cause problems for some retirement village schemes, but I think that if it results in fewer disputes and fewer unhappy people in villages, it is a good investment for the industry.

One matter that has often been the subject of controversy in the past is the requirement in Part 4 of the existing Act of a statutory charge over the whole of the retirement village land. This charge is designed to secure the performance of each contract and moneys payable in relation to residence contracts. The existence of a charge is of particular importance to people who only have a licence to occupy, because in the event of a village getting into difficulties they would only be in the position of unsecured creditors.

I know that the existence of the charge has caused problems for some developers, particularly with banking institutions raising a host of issues about which security had greater priority—the mortgage, or floating charge or whatever or the statutory charge. In fact, in the past some developers have claimed that the existence of the charge has acted as an impediment to the raising of much needed capital. However, I think that the existence of the charge is essential for investor confidence, but there needs to be greater flexibility in its application.

I note that clause 116 allows the chief executive to exempt the application of the statutory charge where the scheme operator is a religious or charitable institution, or because the chief executive is satisfied that the scheme operator will provide another security to secure the rights of residents. I ask the Minister what sort of security is envisaged, and are guidelines for the exercise of the chief executive's discretion going to be prepared and disseminated to applicants?

The other point that needs to be explained very carefully is the impact of clause 230. This clause allows for the release of certain existing charges where, for example, an existing retirement village is not a retirement village under this Bill. I would like the Minister to explain which retirement villages will be no longer covered by this Bill, how many of these are there and what steps are in place to ensure that there is adequate consumer protection for people residing in these villages.

Another point of concern relates to public information documents. It is pointed out in Legislation Bulletin No. 6 on this Bill at page 14 that—

> "The proposed Queensland legislation does not appear to specify how long before entering into a resident contract a prospective resident should be given a copy of a relevant public information document."

The Bulletin also highlights that under the Victorian legislation a 21-day period is specified.

I ask the Minister to address this matter, as it appears to be a discrepancy that could be productive of problems and disputes. As I mentioned, one of the greatest areas of dispute in the industry relates to the sale of residents' units, particularly as most residence contracts have a standard provision giving a retirement village operator the exclusive right of sale. Problems that have arisen include the resale value of the unit and the period of time it takes to actually sell.

Both of these issues are dealt with in the Bill, and I am pleased that the legislation provides that if the unit has not been sold in six months and the resident has not been paid an exit entitlement, the former resident may engage a real estate agent to sell the premises. My concern relates to feedback I have had from residents that some real estate agents are not interested in becoming involved in such sales.

For example, I draw the Minister's attention to the letter I quoted from the Sunshine Coast Daily where this criticism is also raised. Why is there a limitation on only real estate agents selling the unit? Why are not ex-residents allowed to sell it themselves or make arrangements suitable to their needs? Are there any impediments under the Auctioneers and Agents Act or Regulations that would impede such a sale by a real estate agent—or for that matter by an auctioneer? I will be interested to hear from the Minister.

My final comment relates to the formation of residents' committees. This right currently exists and the new Bill continues to allow this basic right. However, as the Minister should know, one of the main concerns with the current arrangements is that there is no obligation on management to deal with, act upon or even respond to matters raised by residents' committees.

Unfortunately, under this Bill, while a residents' committee is charged with dealing with a scheme operator on complaints or proposals or day to day issues, there is nothing at all in the Bill requiring management to respond to complaints raised. The Minister can correct me if I am wrong, but this appears to be a serious omission and undercuts the worth of residents' committees. If they are not just going to be "talking shops" and can actually play a constructive role in helping to sort out village issues and problems, then their interrelationship with management should be spelt out much better than is the case in this Bill.

In conclusion, I am pleased that this Bill is being presented to the Parliament. I acknowledge that the Bill contains a number of long overdue reforms. I agree with the honourable shadow Minister that these are the reforms that the coalition highlighted in the 1996 and 1997 exposure draft Bills. We should be receiving credit for that action. However, as the honourable the shadow Minister has pointed out, the Bill is still a great disappointment and has all the hallmarks of an initiative produced by a committee at loggerheads, with horsetrading and concessions resulting in a Bill full of seeming contradictions and ambiguities.

In that context, the honourable the shadow Minister, the member for Noosa, was absolutely right when he asked the Minister to seriously consider doing something to this Bill before she puts it up for a final vote in this place. We all acknowledge that drafting a Bill to govern this critical industry is a very difficult task. I appreciate and acknowledge that. However, I share the view of the honourable the shadow Minister that the Bill produced by the Government is a very poor drafting effort. For me, it is quite a disappointment.

Mr MULHERIN (Mackay—ALP) (5.55 p.m.): The retirement village industry in Queensland is currently governed by the Retirement Villages Act 1988. In the past 10 years there has been rapid growth and expansion in this sector, especially in the Gold and Sunshine Coast regions of our State. With an ever-increasing ageing population, Queensland is expected to see enormous growth in this sector over the coming years as the ageing in our community opt for the security of retirement villages.

In the Mackay, Whitsunday and Bowen regions there is great potential for this industry to develop rapidly from a relatively small base. A study commissioned by the former Mackay Regional Health Authority into ageing found that by the year 2011 the region's population of over 65 year olds will dramatically increase by 90%. If this is the case, no doubt there will be an accelerated expansion of this sector in the next few years to provide the ageing in the Mackay, Whitsunday and Bowen regions with first-class retirement villages taking advantage of the natural beauty the region has to offer.

The reason for this Bill is that the current Act has failed to address problems that have arisen for operators and consumers alike in this industry. This Bill hopefully will address these problems. The Minister has outlined various aspects of the legislation. I wish to speak briefly on restrictions on the grant of power of attorney provisions of the Bill which will provide consumer protection to resident unit owners. If a retirement village operator has been granted a power of attorney by a resident of the village, the operator will be prohibited by section 92 from exercising it except in three narrowly defined cases, namely: if the resident is a relative of the operator; when the power is granted for a purpose under the Body Corporate and Community Management Act 1997; or when the power is exercised to surrender a lease for the benefit of the resident.

The purpose of this provision is to protect residents who may be in a vulnerable position and who may find it difficult to resist pressure from an operator to grant the operator a power of attorney. In some cases, complaints have been made on behalf of residents that the effect of having granted an operator a power of attorney has been to put out of their hands any continuing ability to control the terms of their participation in the operation of the village, including rights to reside there.

The retirement villages working party, comprising representatives of both residents and operators, supported the inclusion of a provision to restrict the ability of operators to act upon a power of attorney granted by a resident in order to protect the rights of residents in retirement villages. It can be argued that residents are already protected, when granting a power of attorney, by the legal requirements that a witness must sign the power of attorney and certify that the resident was acting freely. However, residents were very much in support of the restrictions, and operators accepted the provision, subject to an exception being permitted to facilitate the process of having a lease surrendered in the case of a termination of a resident's contract.

Residents will continue to have a number of options for granting a power of attorney, including a relative, the Public Trustee, a solicitor, the retirement village scheme lawyer or any person other than the operator. The restriction on granting a power of attorney to an operator is recognised as a possible disadvantage for a few, but is for the purpose of protecting the majority from the unscrupulous minority.

I wish to congratulate the Minister and her department on their efforts in getting all the stakeholders to the negotiating table by the innovative use of the Alternative Dispute Resolution Service. I congratulate them on reaching an agreement, thus enabling the Bill to be brought before the Parliament today. As members know, there have been two previous unsuccessful attempts to introduce similar legislation since 1996. I believe that this new legislation will address the shortcomings of the old Act.

Debate, on motion of Mr Laming, adjourned.

TREE-CLEARING GUIDELINES

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (6 p.m.): I move—

"Recognising the threat of mandatory tree-clearing guidelines and the unresolved question of compensation for loss of property values and viability, this State Parliament supports:

(1) protecting Queensland's environment and putting an end to 'panic clearing' by declaring a moratorium on any plans to introduce mandatory tree-clearing guidelines on freehold land;

(2) the introduction of voluntary, scientifically-based tree-clearing guidelines on a regional basis to be prepared over the next 6 months;

(3) the State providing full compensation for any loss in property value or viability for the protection of areas of high conservation value;

(4) the State Government and industry groups conducting an education campaign to inform producers of the voluntary guidelines and recommended practices;

(5) continued satellite monitoring by the State Government and collaborative scientific studies with industry to ensure such guidelines facilitate sustainable vegetation management; and

(6) a commitment by the State Government that if such studies prove to result in sustainable vegetation management practices being adhered to, the voluntary tree-clearing guideline program be maintained."

The issue of developing a good agreement for tree-clearing guidelines on freehold land in this State was always going to be an awkward and tough job for whoever was in power. There was always going to be a significant natural reluctance from freeholders to constraints on their land management practices. The fact that pastoral groups representing freeholders accepted a responsibility to engage the process is a great credit to them. Obviously, the role of Government was to respect that and, in return, to be up front in relation to the clear obligation for compensation for lost production where clearing was restricted by any negotiated outcomes.

Obviously, restrictions on clearing mean restrictions on productivity. Restrictions on productivity mean restrictions on income. The biggest and an incredibly obvious short-term danger in the negotiation process was always going to be that poor signals from Government

would lead to a self-defeating outbreak of pre-emptive clearing. That is precisely the outcome that the immaturity and incompetence of this Government has brought about.

Their first major mistake was their belatedness in picking up issue. The agreement with the Commonwealth on moving towards a negotiated outcome was signed by me on 5 November 1997. The first meeting of my regulatory framework for vegetation management task force was on 7 November, within 48 hours of that signing. The target was to have a report by June 1998. Our emphasis was on a commonsensical, achievable, negotiated outcome with respect to the rights of freeholders. The election interfered with that, but a great deal of the hard work was done. All that was needed from the new Government was momentum to maintain those good-faith negotiations. In fact, the situation, let alone common decency, demanded that. However, this Government did not pick up the ball until March. In all the circumstances, that was an inexcusable delay. It was a major factor in the increased clearing, or at least increased applications for clearing, that the State has since experienced.

Understandably, the delay shook the confidence of industry. Another major factor in promoting those applications and in bringing about the crisis we now have has been the ridiculous performance of Imogen Zethoven of the Queensland Conservation Council, whose outrageous demands, given the assumed and real close alliance between the QCC and the ALP, have helped immeasurably undermine confidence in the bush in achieving a sensible outcome. Add to her contribution the lack of performance by the Minister for Environment and the inability of the Premier to resist a stunt, and we find that the greatest environmental vandals in the recent history of this State are not farmers applying for tree-clearing permits, rabbits or feral pigs, but the member for Brisbane Central and the member for Everton. To the extent that there has been panic clearing, they are chiefly responsible.

In fact—and this is the ridiculous irony—the extent of that clearing may not be and probably is not anywhere near the level that has been counterproductively claimed by the Government. For example, in one of the most irresponsible of his many irresponsible and inflammatory statements on this issue, the Premier has claimed that 20% of the nation's entire greenhouse emissions have occurred as a result of land clearing in Queensland. That number is simply not sustainable. It is simply part of the silly, immature, counterproductive scaremongering by the Government that has contributed mightily to the problem that we now confront. I refer to the Premier's credibility. For the benefit of the House, I table the seven-page overview of the Australian Greenhouse Office's 1997 national greenhouse gas inventory, which was published just a few weeks ago in September. It accepts the very latest assessment on greenhouse gas impacts in Australia by the Commonwealth instrumentality charged with undertaking those assessments. The opening page states—

> "Land clearing emissions currently are not included in the national total due to continuing uncertainty in the estimates. The current best estimate of land clearing emissions in 1997 is 65 million tonnes of carbon dioxide equivalents—down from 103 million tonnes in 1990."

Allowing for a considerable margin for error in what is obviously a very difficult area of science, in that year there was, in fact, a significant reduction—almost 40%—in the amount of greenhouse gases emerging from tree clearing in this country. In other words, when the coalition was handling this issue, there was no panic clearing, because land-holders had confidence that their concerns were being given proper consideration.

The fact of a decline in greenhouse emissions from tree clearing does not compute with the doom and gloom assessments of the members opposite, which has bred doom and gloom. It does not compute with the propaganda that the member for Brisbane Central and the member for Everton push around the newsrooms that Queensland accounts for 80% of tree clearing and 20% of national greenhouse gas emissions. According to the Commonwealth greenhouse data, forest and grassland conversion right across Australia contributed a gross 19%, net 15%, to greenhouse gas creation in this country.

Another area in which numbers have been simply fictionalised by the member for Brisbane Central and the member for Everton and by Ms Zethoven in their bid to generate panic clearing in this State concerns the emotive figure of 340,000 hectares of land cleared each year from 1995 to 1997. The SLATS fact sheet from the Department of Natural Resources carries this qualification—

> "The proportion of clearing which was for regrowth control is still being fully determined. However, preliminary results indicate at least 18 per cent of 1995-97 clearing was for regrowth control. Further studies of historical satellite imagery may confirm that it was much higher than this."

So for starters, we can at least discount the 340,000 hectares by 61,000 hectares to 279,000 hectares. As DNR data for clearing applications for 1998 shows, upwards of 80% of that 1997 clearing could, in fact, have been for regrowth.

Obviously, the most disturbing numbers—the genuinely disturbing numbers—are in relation to the current year. Up to August, the department had received applications for clearing 225,000 hectares of land not previously cleared and 164,000 hectares of regrowth. I suggest that, on any sane reading of the data that is available, if we have a significant problem in relation to clearing, it is on the basis of the permits that have been issued so far this year, not on the gratuitous distortion by the Government and others of earlier data. I lay the responsibility for that outbreak comprehensively at the feet of the current Government. It has consistently misrepresented data in a manner that could not have been more effective in sowing panic and bringing about a clearly undesirable outcome had it been designed specifically to do so.

In summary, the Government started inexcusably late on this process. It has irresponsibly consistently misrepresented the data in a way that was so biased that it was certain to bring about the outcome that we now confront. It has irresponsibly misrepresented the Commonwealth, which is on record as indicating a preparedness to engage the compensation issue if approached professionally and not in the ridiculous, immature fashion that we saw at the weekend. The Government has also irresponsibly misrepresented the rural community, upon which it must rely for any sensible outcome on what looks increasingly like more bush bashing to curry electoral favour in the city than a serious attempt to deal with the very real and very important issue at hand. Above all, it has been an immature performance by the Government.

My appeal is simply this: go back to the negotiating table and talk sensibly to the representatives of primary producers. If the Government is prepared to do so, it will get a sensible outcome. The Government should talk sensibly to Robert Hill. There should be no more silly faxed demands for $100m by close of business Sunday. That ultimatum reached his office at 8 p.m. Saturday. That is juvenile stuff. This issue is far more important than another hubris-driven headline for the member for Brisbane Central. The Premier should stop doing stunts and start doing the job, or he will have an environmental and political disaster on his hands that will be totally of his own making.

Hon. V. P. LESTER (Keppel—NPA) (6.10 p.m.): I have great pleasure in seconding this motion, which provides a breaking of the nexus that currently exists in this State as a result of the appalling manner in which the Beattie Labor Government has handled the issue of vegetation management. One would think that the Premier would recall the mess that the Goss Government created when it decided to introduce tree-clearing controls on leasehold land. One would think that Mr Beattie would remember the protests and the street march that took place outside the Cabinet meeting at Emerald. One would think that those opposite might have learnt from the way that the former coalition Government cleaned up the Goss mess and developed a practical vegetation management framework that had the support of industry and that resulted in sustainable levels of clearing of leasehold land. Sadly, the Beattie Government has not learned those lessons.

As my colleague the Leader of the Opposition pointed out, when the Borbidge Government left office, the issue of vegetation management on freehold land was being negotiated sensibly, coherently and scientifically in a genuine process of consultation with rural industry, local government and, indeed, other groups. However, since the change of Government, we have witnessed a gradual unravelling of that work. That has only been surpassed by the unravelling of the trust that Queensland land-holders initially may have had in the Beattie Government. Instead of seeing genuine negotiation and goodwill, we have witnessed one of the most scurrilous campaigns of misinformation and scaremongering against land-holders. The Government has made those people out to be crooks. It has not cared one bit about those people. A campaign was waged in the metropolitan media that was designed to victimise land-holders and allow the Beattie Government to drive its own agenda, irrespective of the needs and the rights of those land-holders. For goodness' sake! Those people produce our food and it is about time that members opposite woke up to that fact.

The trail of misinformation and scaremongering leads right to the office of the member for Everton, the current Minister for Natural Resources. His performance is topped only by the compliance of the Beattie Government with the uncompromising, unjustified and scientifically baseless demands of certain elements of the Green movement.

Added to that are various stunts of the Premier such as his weekend ransom demand. It is no wonder that so-called panic clearing has happened.

This motion sets about providing a positive and practical alternative to the manner in which the Beattie Government is handling a difficult issue. Indeed, the Government cannot handle the issue, even though we have told it how to do so. The motion recognises the rights that are attached to freehold land. People pay extra money for freehold land and they deserve some rights. People who own freehold land look after it, because they know they have to. It is the most secure tenure available. The motion recognises the fact that freehold land-holders have paid a premium for their land because of the ownership rights and security of tenure that it confers. It recognises that freehold land-holders have a right to manage their land as they see fit.

The motion also recognises that everybody has a responsibility to manage their land sustainably. It recognises that, because of the Beattie Government's handling of the issue, there has been an increase in so-called panic clearing. It recognises that, given the rights conferred with freehold title, if the Government or the community wish to impose certain conditions or restrictions on the use of that land, the land-holder is entitled to some form of compensation. Importantly, it recognises that land-holders are focused on managing their land sustainably and, in the overwhelming majority of cases, are doing so.

The approach of the Beattie Government to the issue of freehold vegetation management is not working and it will not work. If the Beattie Government is serious about addressing the issue of tree clearing on freehold land, it should support this motion very strongly. The motion restores goodwill and commonsense to the vegetation management debate. It provides an opportunity for the State to work with land-holders to achieve a sensible, scientifically based practical framework for vegetation management on freehold land. In view of what is happening, I call on all members to support this motion.

Time expired.

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (6.15 p.m.): I move the following amendment—

> "Delete all words after 'Recognising the' and insert the following—
>
> 'principles and the mutual obligations of the NHT Partnership Agreement between Queensland and the Commonwealth, entered into by the Coalition Government in 1997, this Parliament calls for—
>
> (1) the Federal Government to immediately commit $100m to support Queensland's rural and regional agricultural producers in protecting vegetation, as an essential step in sustaining Queensland's farming and grazing lands.
>
> (2) the urgent implementation of consistent, common sense and practical statewide guidelines for responsible land management practices to prevent land degradation, maintain the productivity and profitability of rural lands and protect our State's biodiversity; and
>
> (3) that there be continued satellite monitoring by the State Government and collaborative scientific studies with industry to ensure such guidelines facilitate sustainable vegetation management.'."

In moving this amendment I make it clear that tonight we are at a pivotal moment in Queensland's political history. The amended motion deserves the unanimous support of all members of the House because it provides an unambiguous opportunity for all members to declare where they stand on rural and regional Queensland. Any member who votes against the amended motion is demonstrating his or her complete disregard for rural Queensland, and that will be on the record for all to see.

This is not just about vegetation management and greenhouse. It is about providing the essential financial support for our farmers and graziers to continue their magnificent contribution to our State's economy. If members of the National Party and the Liberal Party—who have been conspicuously quiet as we have attempted to get the Commonwealth to share this responsibility—are genuine about supporting rural Queensland and are not just interested in delivering empty rhetoric and scaremongering, they will support the amended motion. They will demonstrate to our farmers and graziers that they support them in their call for financial support to improve their land practices.

All of the stakeholders involved in the process of defining new guidelines for responsible land management practices are united in this call. They are united in this Government's call on the Federal Government to commit $100m to support our rural and regional agricultural producers as an essential step in sustaining our farming and grazing

lands. However, the only ones who do not seem to be willing to support the bush are the members of the National Party and the Liberal Party. Here is their chance. By 7 o'clock tonight, the people of Queensland will have an opportunity to see just how serious the Opposition is about rural Queensland or whether it is more interested in empty rhetoric and cheap votes. The challenge is there. A vote for the amended motion is a vote in support of our farmers and graziers. If they vote against the motion, we will all know the type of support that the Opposition offers to the bush.

When we came to Government, we moved immediately to consult with rural industry. I visited rural land-holders. I conducted a tour throughout western Queensland with the United Graziers Association. I gave them a commitment to consult. For the better part of 12 months we have consulted them on this issue. I was not going to do what many in the Opposition wanted to accuse us of doing, which was to consult in the dead of night. Throughout this year we have consulted with rural industry leaders. I take this opportunity to thank rural industry leaders for their genuine commitment to that consultation process. They made the best effort to resolve this issue and we are going to resolve it very soon.

Industry leaders and I regret that some people have abused the privilege of the consultation period that we have undertaken and have engaged in pre-emptive clearing. However, that was always going to be the case in the course of a period when consultation was occurring.

We made it clear to land-holders throughout the State that we need a process that provides guidelines for good land management that are consistent across the State. Good land-holders want this legislation. Good land-holders want guidelines that give them principles for sound land management. They recognise that we do not want to go down the path of the southern States where land is being degraded. They want to protect the productivity of our rural lands so that the long-term economic security of rural industry can be sustained.

The Leader of the Opposition said that we should go back to the negotiating table. We never left the negotiating table. We are still at the negotiating table and we will get a result. When in Government, the Opposition failed to get that result. Opposition members proposed much and delivered nothing. We are going to consult with rural industry and work to resolve these problems in a way that builds in long-term sustainability and economic security for the backbone of our State, the agricultural industries. Good land-holders expect that the Government will provide leadership. They want the Government to provide guidance and that is what we will do.

Time expired.

Dr CLARK (Barron River—ALP) (6.20 p.m.): It gives me great pleasure to rise tonight to second the Minister's amendment. As the Minister has said, this is a unique opportunity for this Parliament to demonstrate support for rural Queensland, and it is unique in many ways. Firstly, it is an opportunity to put Queensland's agricultural industry on a sustainable footing by introducing responsible vegetation management principles. Excessive and inappropriate land clearing is not a problem that is going to go away and we have to deal with it now if we are to protect our State's biodiversity and its food bowl for all time.

Secondly, it is an opportunity to access Federal funds, which in two or three years' time simply will not be there. It is an issue that Governments, either State or Federal, have to deal with, and quite properly this Government—the Beattie Labor Government—is acting now when the time is right. At the moment the Federal Government does have buckets of money to draw on. One of those buckets is the $580m set aside for greenhouse gas reduction measures. The Commonwealth also has the Natural Heritage Trust funds and, of course, the best known bucket of all is the funds from the sale of Telstra. The Beattie Government has taken on the challenge of introducing sensible land management guidelines—something the Opposition failed to do. It is interesting that its date for bringing in its guidelines was June of 1998. Was that not the same date for the regional forest agreement? It failed there, too. Now, at a critical time when we need an indication from Canberra of their financial support, there is silence.

Let me just remind the members of this House why this issue is so critical, why action is needed now. There are three fundamental reasons why the issue of land clearing must be addressed. Firstly, land clearing is the greatest single threat to biodiversity in Australia, threatening plant and animal species with extinction. Land clearing results in change to the watertable, bringing mineral salts to the surface, creating saline soils and rivers, as is so evident in the Murray-Darling basin, parts of which are possibly damaged beyond repair

with serious impacts for agricultural production affecting the whole of the rural economy. Of course, land clearing does result in increasing greenhouse gas emissions at a time when Australia must reduce its levels.

Members opposite had some debate and some squabbling about what the actual figures are, but I challenge any member on the other side of this House to challenge those fundamental reasons why we need to address land clearing. I hear no response!

I am not going to quibble with those figures that we have heard here tonight. I am going to read from a letter written by eminent scientists—people to whom this community can look for accuracy and expertise in this debate. The letter, in the Courier-Mail of 19 November, states—

> "A moratorium on land clearing is the best way to arrest declining biodiversity and ecosystem health, as well as providing for sustainable agriculture. A wealth of literature points to land clearing as the single greatest threat to biodiversity. The state of the environment report tells us that the deterioration of critical ecosystem services, especially soil and water quality, will accelerate if clearing continues.
>
> Clearly, these trends threaten to deprive future generations of the high standard of living enjoyed by Queenslanders today.
>
> The outcome of the negotiations taking place between stakeholders in this debate, including legislative change, will play a large role in determining Queensland's future environmental and economic health and wellbeing.
>
> In the meantime, we regret the failure of leadership of the state's primary producer groups, who have not seen fit to speak out against the unnecessary and self-destructive panic clearing taking place on a massive scale."

That letter was signed by Professor Roger Kitching; Professor Ian Lowe, Griffith University; Dr Dana Bergstrom, University of Queensland; Professor Harry Recher, Edith Cowan University, Perth; Dr Richard Hobbs, President of the Ecological Society of Australia; and Associate Professor Brendan Mackay, Australian National University, Canberra. Those are the people who are telling members opposite what they want to ignore, hoping that it is all just going to go away. However, it is not.

What is the critical element that we need now to ensure the success of the current negotiations? The critical element that we need now is without doubt the ability to provide compensation to landowners if their ability to make money from their land is reduced by virtue of tree-clearing guidelines, and I fully support their right to compensation. That is why this amendment to the motion calls on the Federal Government to immediately commit $100m to support Queensland's rural and regional agricultural producers in protecting vegetation as an essential step in sustaining Queensland farming and grazing lands. If the coalition votes against this amendment, it will be demonstrating its disregard for rural Queensland and it will stand condemned as yet again putting political point scoring ahead of the interests of Queensland.

Mr HOBBS (Warrego—NPA) (6.25 p.m.): I refer to my speech during the Matters of Public Interest debate this morning. The Minister stated that the latest figures showed that 340,000 hectares of land were cleared from 1995 to 1997, and that there was 18% regrowth in that overall area. The interesting thing is that 289,000 hectares were cleared between 1991 and 1995, with regrowth of between 60% and 70%. Why has the position changed under the Minister's figures? I think that the Minister has manipulated the figures, just as he did with the RFA process. What happened to the other 47% of regrowth? Why has the figure suddenly changed?

I really believe that the Minister has manipulated the figures and has not told the truth in relation to tree clearing, and it is a very serious matter. There is 159,000 hectares of timber that should be accounted for which has not been accounted for. Forty per cent of all timber cleared reverts to regrowth. If members opposite want to go through the figures, I point out that of 340,000 hectares, 40% reverts to regrowth. The figures are all there. That leaves 204,000 hectares. If 65% of that is regrowth, or 132,000 hectares, therefore that is 61,400 that is left cleared. That is 0.0008% of the 72 million hectares of forest—woodland—in Queensland.

Presently, research has identified the Queensland grazing industries as a net sink for greenhouse gas and carbon dioxide; it is not a net source. Research also indicates that thickening of Queensland vegetation absorbs approximately 140 million megatons of carbon dioxide each year, more than double the volume being emitted by the land use and forestry sectors. Therefore, the previous national greenhouse gas inventory that seems to have been quoted today which attributes

24% of national emissions of carbon dioxide to land use and forestry industries is incorrect. I state again: it is incorrect. The Minister was quoting figures to the effect that Queensland clears something like 80% of vegetation in Australia and attributing 18% to land clearing and greenhouse gas emissions. That is not the case. Those figures are incorrect and he needs to go back and look at them.

The thickening process is there. It is documented. Dr Bill Burrows has done a lot of work on that. Members must understand that in some cases the more trees you have, the more degradation you are going to get. That is not always the case, but it is in a lot of cases. More trees means less grass and more run-off. The trees do not allow the grass to grow. Then the winds come through, creating erosion and the topsoil goes. It is as simple as that. Grass will bind soil. We need trees and grass in the river system, of course, but in a lot of those smaller creeks and gullies grass will actually bind them far better than trees ever will.

By his amendment, the Minister implies that the Federal Minister for the Environment, Senator Robert Hill, claims that we need to carry on with what we started. There was nothing at all that we did which indicated that we had to establish guidelines in relation to freehold land. The fact is that we were to work our way through that process. It is a mistruth that has been put out by the Minister to the various industry groups that Robert Hill is actually demanding that this occur and that it occurred under us. It did not occur under us. I will give that guarantee to anyone. Those opposite are using Senator Hill to push their case.

Labor's agenda and the conservationists' agenda is to stop vegetation management. They are using all the arguments relating to tree clearing, salinity and endangered species. The reality is that the first increase we have had was only a spike in the graph, and where it has gone up it will come down. The increase is simply a direct result of the action of this Government's attitude to tree clearing.

The other argument used in this issue is salinity, which was mentioned by the member for Barron River. At the end of the day, the Minister said—shock, horror—"What about Nindigully and the 7,000 hectares of salt just found?" Guess what? It was 2,000 hectares. It was an old lake. There have never been trees on it. It has been there since time began. Landcare people have been working on it for the last seven years. It is not a shock, horror report. The audit report says—

> "This information is yet to be independently received and should be considered preliminary in nature. It is not expected that dry land salinity in Queensland will dominate the landscape within the next 100 years as observed in southern and western Australia."

Time expired.

Mr PEARCE (Fitzroy—ALP) (6.30 p.m.): Since this debate started tonight, we have heard the Opposition trying desperately to sound like it supports our rural land-holders. Well, the proof is in the voting. Very shortly those opposite will get a chance to show just how much they care about rural and regional Queensland. There is no doubt that this issue of vegetation management is on the minds of our farmers and graziers. The vast majority are already smart operators who know how to get the best out of their land. They have nothing to worry about from any new guidelines introduced by this Government.

Ever since this Government came to office, it has been open and honest about its intentions. Rather than imposing solutions on land-holders, it began a process that involved land-holders. An example of the outcomes achieved through the consultation process is the agreement that legitimate harvesting of private timber grown for commercial harvesting reasons will be guaranteed. It will be exempted from any regulations on vegetation management. That agreement has been reached through consultation and understanding.

Apart from the Vegetation Management Advisory Committee, which invited all stakeholders around the table, there have been meetings all around Queensland—in the sheds, on properties, in halls—all with the purpose of involving land-holders in the process. Stakeholders are involved; they are working through the issues. By spending time in my electorate and speaking with the Minister, I know that the concerns of land-holders operating beef and grain growing properties within the Brigalow Belt are being heard. These primary producers make a valuable contribution to the State's economy. Far from affecting their productivity and profitability, we intend to help them do even better.

We are all concerned about the few cowboys. We know there are a lot out there. There are cowboys out there and there are cowboys in here. We all have concerns about those few cowboys who clear the land for the sake of clearing land without taking into

consideration the topography and the likely impacts.

Honourable members interjected.

Mr PEARCE: These are my own words, actually.

Indiscriminate clearing of timber leaves land vulnerable to soil erosion and invasion of salt, which can ruin fertile agricultural areas. Just a few minutes ago the member for Warrego was arguing against that.

The main issue of concern for me in central Queensland has been that of regrowth areas and what will happen under the new guidelines. I have had discussions with the Minister. I can say to the people in my area of central Queensland that growth areas will always be an important factor in the ongoing viability of primary production. To put a stop to the clearing of regrowth areas would be akin to taking money out of the hip pocket of primary producers. Those opposite know that and I know that.

The Minister has assured me that land-holders who have demonstrated a commonsense approach to land management through a balanced land clearing strategy have nothing to fear. That is what we are saying to them, and those opposite are scaremongering and trying to change the whole picture. The Minister is listening. He has gained a lot of respect for the way in which he goes out into rural Queensland, sits down and listens patiently to what land-holders have to say. He is respected for that. Because he is doing that, we are going to come up with the decisions and the outcomes that will suit those people on the land.

This Government understands the land management approach of land-holders in the Fitzroy electorate and other parts of Queensland and recognises the important contribution these people make to regional Queensland and the Queensland economy. But what we need now to advance this constructive process is support from the Commonwealth. It is not Queenslanders holding up the process. The Premier has already indicated that the State will make a meaningful financial contribution. This Government is providing a fair financial contribution in the interests of rural Queenslanders. The coalition should be supporting the Government by pressuring the Federal Government into making a fair contribution to this agreement.

We have demonstrated a willingness. It is about time those opposite got out there and did the same thing. What those opposite are doing are letting the Liberals in Canberra run the show. The Liberals are putting it over National Party members in Queensland, and they are putting it over National Party members in the Federal Parliament. The Liberals are running the show. The National Party members are nothing in the Federal Parliament; they have not got the courage to stand up to their coalition colleagues.

Hon. T. R. COOPER (Crows Nest—NPA) (6.35 p.m.): It is perfectly obvious from listening to those opposite how little they know about tree clearing, the land, the nurturing of land and the love of the land. They have had no experience whatsoever and now they are trying to impose their views on land-holders who know better—people who have been on the land for generations who have nurtured the land through the love of the land knowing full well that they have to leave that land better than when they found it, otherwise they will wear the consequences. There is no question about that.

I am a case in point. As far as I am concerned, I had a green block at Wallumbilla in the 1960s. I have been there since 1963, for 36 years. I have cleaned that place up. It is park like. There is good timber and grass coverage. It is certainly going to be left better than when I found it. I am doing that voluntarily, not because I have been told by people like those opposite who are going to send tin Gods out there to tell me how to run my place and what I can do on my place. I know how it will finish up. Because of the very actions of those opposite now and later—if they ever get away with this—that love of the land will turn to hate. Then there will be problems. There is already a problem now with panic tree clearing going on. It did not start until those opposite started their interference.

Those opposite want to do it by compulsion, by legislation. Those opposite should watch the response they will get. It will be devastating. There has already been a rush of tree clearing going on now by people who would normally not do it. But they know those opposite are coming. They can see the inexperienced people opposite coming and they believe that Labor is going to make life as tough as possible. I want to give a warning here to the primary producer organisations: if they are going to be suckered in by those opposite to double cross their primary producer members, to walk away from them and sell them short, as they did with native title, then it will again be on their heads. We are going to stick up for every land-holder out there. The vast majority of them are people who want to nurture their land and make sure that they leave it better than when they found it. They

are the ones that those opposite want to interfere with. We can take care of the few cowboys mentioned by those opposite.

Dr Clark: How? Tell us!

Mr COOPER: We can do it by example. We do not have to have legislation. The last thing they want is people like you telling them what to do, because you know not what you do. You do not know what you are doing. You do not know what you are talking about.

Mr SPEAKER: Order! The member for Crows Nest will address the Chair.

Mr COOPER: The people out there know a darned sight better than the member for Barron River. The Greens want it all their own way. That is perfectly obvious; we know that. They will take a little bit here and place a few controls there and, before we know where we are, just as happened with the RFA, they will have total control. That is the way the RFA is going; that is the way those opposite are going with tree clearing as well. As far as we are concerned, everyone can have faith in the land-holders out there who know their business. If we have faith in people and let them know that their judgment is trusted, people are more likely to live up to that than if we try to force legislation upon them. I know that that is the last thing the people out there want.

This Beattie Government has victimised primary producers. Instead of working with them, primary producers know very well that there is a tree-clearing agenda at work. All we want and all we will support is a voluntary system and framework as well as a code of practice on vegetation matters. That is the sort of thing that the people can do themselves. They are very good at doing that themselves. If those opposite take that right away from them and force legislation upon them, then look out for the damage that that will cause to the vegetation in this State, and that will be on the heads of those opposite.

Freehold land is the most secure kind of tenure, and producers do pay a premium for that. They have their rights. The mishandling of this issue by the Beattie Government—because of the threat this Government is making to the way freehold land-holders handle their vegetation—has caused panic among. Similarly, land values will be forced down. Farmers need to be able to rotate the use of their land. They need to be able to cultivate.

I have just about reached the point where I have cleaned up my place. I know that if I leave it and walk away from it—or the Government has its way—the regrowth will take over. All the good work that has gone into making that a productive place, a place that I know I can be proud of, will be wasted. Most other primary producers feel the same. But if we let that country revert to its former condition, the land will be far worse because that is the way with regrowth. The land becomes so unproductive. Stock cannot be run any more. It cannot be made productive any more. Producers cannot pay their way any more. It is all because of people on the Government side of the House foisting laws upon people such as me—

Time expired.

Mr MUSGROVE (Springwood—ALP) (6.40 p.m.): In moving this motion tonight the Opposition has reached new heights of hypocrisy. Members opposite need to be well aware that Queensland is awake to their cheap stunts. Our primary producers talk openly about the way the Opposition when in Government failed them, how it looked after its mates and left the average primary producers to fend for themselves. When this motion is voted upon on the floor of this House tonight, members opposite have the opportunity to show Queenslanders how they really care about rural Queensland. The people of Queensland will know what they really stand for.

Those opposite had their chance and they blew it. They blew it on 5 November 1997, when they signed the partnership agreement with the Commonwealth Government to allow for the release of Natural Heritage Trust funds to Queensland. That agreement committed the Queensland Government to "reverse the long-term decline in the quality and extent of Australia's native vegetation cover". Tonight we hear members opposite saying there is no problem. We hear them talking about regrowth. They signed up on the basis that there was a problem. I will continue to quote from this document.

Mr Lucas: They don't like it.

Mr MUSGROVE: They do not like it one little bit. It states that they committed to put "effective measures in place to retain and manage vegetation, including controls on clearing". Opposition members come into this place tonight and say that it has to be voluntary, but they signed up. Who signed up? Messrs Borbidge, Hobbs and Littleproud signed up to mandatory tree-clearing guidelines for the State of Queensland in 1997, yet they have the sheer hypocrisy to come into this place and move this disgraceful motion.

By signing that agreement they agreed to introduce controls on clearing. What did they do? They hoped it would go away. This is just like the RFA. When was it due to all come good? The deal was done. The work was done. It was all bubbling up. We were all ready to take action. It was due one month after the State election. But rather than make a decision, the then Government called a State election, because that was an easier decision. And we know what a smart move that was.

The facts speak for themselves. It is left up to this Government to take the hard decisions in the interests of all Queenslanders. Only the Beattie Labor Government and this Minister will make the decisions the former Government never had the intestinal fortitude to make.

I am happy to acknowledge that the member for Warrego set up a committee with a fancy name—the Regulatory Framework Task Force for Vegetation Management—but what did it achieve? Nothing! The honourable member for Surfers Paradise acknowledged that he set it up 48 hours after signing the agreement. What did he do for the rest of the term? Nothing!

Mr BORBIDGE: I am happy to answer the honourable member's question.

Mr SPEAKER: Order! It is not a question and answer time. I ask the Leader of the Opposition to resume his seat.

Mr BORBIDGE: It was a very successful task force. All the work was done. All they had to do was follow through.

Mr SPEAKER: Order! Resume your seat!

Mr MUSGROVE: We on this side of the House know what the member intended to achieve. Nothing! How do we know this? Ever since this Government established the Vegetation Management Advisory Council the Opposition criticised the idea from go to whoa. Those on the other side of the House stand and blame this Government for panic clearing. Who should we blame for panic clearing? It is the Deputy Leader of the National Party, who puts out press release after press release trying to scare well-meaning primary producers into clearing their trees. He created this crisis, not this Government.

Now is the chance for the Opposition to make good. It should support this motion and support the call for $100m from the Federal Government to give us a hand. Those opposite should not be lap dogs of Canberra. They should stand up for Queensland and for the primary producers in this State. They should support this motion or they will stand condemned in this House for the appalling stand they have taken in relation to this issue. No-one on this side of the House believes a word they have had to say in relation to this issue. They are empty vessels looking for some good ideas. They will be waiting quite some time.

Mr SPRINGBORG (Warwick—NPA) (Deputy Leader of the Opposition) (6.45 p.m.): I rise to support this motion before the House. Listening to the contributions from honourable members opposite it would be very easy to be mistaken that land-holders throughout Queensland go about deliberately degrading their land, their asset. In the time I have been a member of this Parliament, and even before, I have not come across one primary producer who has deliberately set out to degrade their asset. Why would they do that? Why would they degrade the thing that makes them viable, that allows them to make a living and survive out there in a competitive environment?

The only thing I would say is that the consequence of economic downturn, economic rationalism and the effects of commodity prices cause some land-holders not to be able to put in place as quickly as they would like remedial action for problems that may have developed over a period of time. That is the only issue I have ever been aware of. People out there are very keen to take action, but in some cases they do not have the resources or the assets to be able to do it. Why would they set out to deliberately degrade their asset, which they are hoping to pass on to their children, grandchildren and even beyond? It just does not happen, because these people need to be able to make a living.

What we are seeing from the Government is policy on the run. On the weekend the Premier came out and said that no resolution would be possible without a Commonwealth commitment to compensate owners of more than 1.5 million hectares who already held tree-clearing permits.

Do honourable members know how the tree-clearing permit system in this State works? Do they realise that we basically have two different types of land tenure and on those two different types of land tenure we have two different ways of dealing with vegetation management? On freehold land there are no restrictions, with the exception of some issues of a riparian nature with regard to clearing on the beds and banks of a watercourse or with regard to the Nature Conservation Act if there is an area of high conservation value. That is

the only restriction. However, we do have very prescribed guidelines when dealing with leasehold land.

Up until Saturday this Government was talking about tree-clearing guidelines on freehold land. The Minister indicated that at some time in the future he may revisit the issue of the regional guidelines for leasehold land. That is his call. That was intended for some time in the future.

On the weekend the Premier came into this argument and threw a spanner in the works. I do not know whether it was through some sort of overt action on his part or just ignorance, but he has now said that all of those people who have jumped through the hoops, who have been assessed by the Department of Natural Resources and the Department of Environment in some circumstances against a very strict set of criteria—which lay down how many trees or what type of timber can be cleared to a certain percentage in the region—are at risk of having their tree-clearing permits revoked. How else do we read that? Not even people who have done the right thing are safe as a consequence of the way this Government is carrying on. We are seeing absolute demonisation of primary producers in this State by members opposite, who do not understand and do not care about the impact this is having on their livelihood.

In my electorate, I am aware of the actions of Landcare committees over the past 10 or 15 years that have done absolutely wonderful work, on a voluntary basis, to bring about changing attitudes on the part of primary producers and graziers with regard to looking at sensitive areas. They have taken on those people, and they have done a really good job. One of them said to me, "Do you know what? These people have treated us with contempt. We entered into this in good faith, but we might as well have just continued to go along and not even consider the operation of Landcare." In effect, Landcare has done what we have been seeking to do tonight through this motion, that is, to introduce voluntary tree-clearing guidelines that can be assessed after a period.

This Government is treating those people with contempt. It is treating them like schoolchildren. It is not considering them as the top land managers that they are—out there preserving their most valuable asset for future generations. This Government is demonstrating appalling contempt for the primary producers and the grassroots farmers and graziers in this State. But it will be judged for its actions on this issue, because it does not understand it.

Time expired.

Mr WILSON (Ferny Grove—ALP) (6.51 p.m.): I rise to support the Government's amendment. I must say that I am astonished that the Liberal Party and the National Party are opposed to the Government's initiative of calling upon the Federal Government to provide $100m to support new tree-clearing guidelines in Queensland. I am astonished to hear that members of the Liberal Party and the National Party are opposed to the urgent implementation of consistent, commonsense and practical Statewide guidelines for responsible land management practices. I am astonished that that is where the Liberal Party and the National Party stand on this issue.

If members of the Liberal Party and the National Party were right in their assertions here tonight that voluntary tree-clearing guidelines are going to work, they had two and a half years when the coalition was in power in this State during which they had every opportunity to make voluntary tree-clearing guidelines work; yet unprecedented tree clearing took place. There was no mention during that time of mandatory tree-clearing guidelines. Members of the coalition certainly were not saying that there should be mandatory tree-clearing guidelines. They were saying that there should be voluntary tree-clearing guidelines. But during that time, when every landowner had the opportunity to adopt a voluntary system, no-one did. In fact, during that time we saw the highest rate of tree clearing ever recorded in this State and in this country.

The evidence contradicts and defeats the National Party's and Liberal Party's arguments. I must say that it is time that things changed. Their attitude—"don't you worry about that"—might have worked years and years ago in the seventies, the eighties and the nineties, but as we come into the new millennium it is time to make a decision about all Queenslanders' interests in this crucial issue.

I ask members to look at the history of conservation and responsible land management under the National Party. In 1989, when the Goss Government won office after 32 years of sorry, sorry Government by the National Party in this State, only 2% of Queensland's biodiversity was protected in national parks—the lowest of any State in Australia. Now, just 10 years on—and thanks to the Labor Governments that we have had in this State—4% is protected.

Mr Littleproud interjected.

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

Mr WILSON: Recently, the State Lands and Tree Cover Study—the SLATS data—showed that between 1995 and 1997, tree clearing in Queensland reached record levels. Those facts contradict the blind assertion that members opposite make that a voluntary system will work. They are guilty of the fallacy of wishing it were so.

The idea of introducing vegetation management guidelines across all tenures is not just an issue for our farmers and graziers; it is an issue for our urban areas, as well. It applies in Mount Nebo, Mount Glorious and other places on the D'Aguilar Range, where recently—in the last three months—1,600 trees on 440 hectares on Mount O'Reilly were cut down unilaterally by a freehold landowner. They were cut down many months after a development application was lodged with the Pine Rivers Shire Council and then withdrawn. Those trees were cut down—to the consternation of the entire local community. It took the Pine Rivers Shire Council—because of the limitations of its local law—six weeks to apply a vegetation preservation order. But the horse had already bolted and 1,600 trees had been cut down.

The council, quite rightly, had relied upon the trust of the landowners. But the problem is that under a voluntary system 95% of landowners do the right thing and 5% do not do the right thing. But who is to say who is going to be part of that 5%? We do not know until after the event. That is why a mandatory system must be adopted. I call upon the Pine Rivers Shire Council to adopt a mandatory system through its local law. There must be a moratorium declared by the Pine Rivers Shire Council. It should also adopt the Logan City Council's by-law and the Brisbane City Council's by-law to apply a general preservation of trees across the whole shire. This would be an interim step until we reached Statewide agreement on all these critical issues.

Time expired.

Question—That the amendment be agreed to—put; and the House divided—

AYES, 43—Attwood, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Turner, Welford, Wellington, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Elliott, Gamin, Goss, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Veivers, Watson. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Mr SPEAKER: Order! For any future divisions on this motion, the bells will be rung for two minutes.

Question—That the motion as amended be agreed to—put; and the House divided—

AYES, 43—Attwood, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Turner, Welford, Wellington, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Elliott, Gamin, Goss, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Veivers, Watson. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Sitting suspended from 7.05 p.m. to 8.30 p.m.

RETIREMENT VILLAGES BILL

Second Reading

Resumed from p. 5604.

Mr LAMING (Mooloolah—LP) (8.30 p.m.): There is probably only a handful of Bills which come to the House each year which could be described as significant. The Retirement Villages Bill is significant from three perspectives: firstly, the improvements it can make to the situation facing many existing residents in retirement villages; secondly, the improvement in the operation of villages in the future; and, thirdly, the time it has taken to get to the House.

I do not believe it does the Minister credit to be critical of the former Government for not getting a Bill into the House. Firstly, the problems and the undertakings go back a lot further than that and, secondly, a lot of progress was made during the term of the coalition Government from which the Minister was able to benefit. In fact I requested, and was provided with, a briefing by the Minister's staff after the election at which I apprised them

of what I believed were the most significant issues. I did this in a spirit of bipartisan approach to a problem that should not be used as a political football.

Retirement villages are, of course, a relatively new concept and are essential for our senior citizens so that they can enjoy their retirement with others of similar age without many of the stresses of running a home which, in many cases, is larger than they require. This is even more the case these days with fewer seniors living with their adult children because, in many cases, both younger adults are in the work force.

There is, of course, a point of view that it is cheaper for seniors and the community at large to provide a level of assistance to seniors in their own homes to allow them to remain longer with their neighbours and familiar surroundings. This must be balanced with another view that suggests that seniors—particularly married couples—adapt to retirement village life better if they make that move in their 50s or 60s. I believe that it is really a matter of choice, taking into consideration all the relevant factors. This is why it is important that it must remain possible for retirement village operators to provide a range of options.

One of the roles of this legislation must therefore be to allow for options—not to be over-prescriptive but ensure that all the relevant information is easily comparable from one prospective village to the next. I suspect that if as much time and attention was taken and good legal advice sought and followed when moving into a village as is the case when a couple in their 30s or 40s are buying a house, we would not hear of so many disappointments.

For a number of reasons this is not the case. That is why I believe that we, as legislators, must acknowledge the unique circumstances that may apply when elderly citizens and their families are considering retirement village living. That is why I also believe strongly that the documentation, including the public information document, should be designed for maximum compatibility, clarity and caution and be in the most reader-friendly format. What is wrong with insisting that a minimum type size be used to assist older citizens?

While on the subject of legal advice, I have been disappointed to hear that many prospective residents have not sought legal advice on what, in many cases, would amount to the second most significant—perhaps the most significant—purchase of their lives. Perhaps a section can be included which recommends strongly that the prospective resident seek legal advice. This action must be acknowledged prior to the document being enforceable. Also, it would appear that much legal advice tendered in the past was just that—legal advice. Surely, with the growth of this industry, there is an opportunity to enable solicitors to do a training course to equip them to specialise in this area. It would be lucrative for them and provide an enhanced service to intending residents.

Members of Parliament, of course, as with any other field of endeavour, mainly hear the failure stories rather than the success stories. It should be recognised that the vast majority of village residents are, in my opinion, very happy with their situation. As with any other situation, some people make a decision which was either unwise at the time or later becomes less satisfying to their circumstances. The legislation must recognise this and protect their interests and allow for readjustment.

Obviously, the issue of the resale of units and the ongoing maintenance fees is one of the most vexing issues, and the two are intertwined. However, I do not share the Minister's rather sanguine approach that fixing one will fix the other. The Bill does not go far enough in this regard and I foreshadow an amendment which would provide the minimum protection to which outgoing residents should be entitled.

Perhaps in her summing-up, the Minister might like to advise the House as to why real estate agents are reportedly reluctant to be involved in the resale of units and whether consideration had been given to this when the Bill was framed. As I said earlier in relation to solicitors, perhaps there is a role for Government to play in training interested real estate agents to become specialists in the sale and resale of retirement village units. The Minister might like to respond to that.

There are a number of issues in the resale area which need to be addressed in the clauses. I know the Minister has been asked about the problem of residents not being able to market units until they vacate them. This seems to me to be an area that could and should be addressed. The Minister might like to comment on that.

Maintenance within villages has been an ongoing issue in some situations. The definition of capital replacement, as opposed to maintenance, is an area which could be improved, perhaps by the provision of a schedule which makes this clear. I suspect that there may be some villages whose residents

will find it onerous to get their capital maintenance funds up to par even within 10 years. This would be particularly the case where a village was run down. Will the Minister make special provision for villages in this situation and direct officers from her department to sit down with operators and resident representatives from such villages with a view to assisting them through such difficulties? On the other hand, residents, too, must accept that the level of maintenance and service within a village is tied to the level of fees and their efficient expenditure. I hope that the requirement of a special resolution to approve an increase in the general services charge will protect the interests of pensioners and others who are not well off. As retirement villages are not just a group of similar houses, but represent a community, the rules for meetings and operator accountability are of great importance. I believe that the Bill can be improved in this area, and I will revisit this during discussion of the clauses.

I refer the Minister to correspondence that she has received from the Immanuel Gardens Independent Living Unit Residents Group. They asked whether the legislation could require that financial results be made available to residents not less than 21 days prior to their annual general meeting. Is it possible to have this provision included in the Bill? They also ask that, where a village includes a hostel and nursing home, representation from each type of accommodation be included on the board of management. I would appreciate the Minister's comments on this request.

I would now like to refer to some of the questions raised by the management advisory board of Buderim Garden Village. These issues were raised in a recent letter to the Minister and were based on a study of recent New South Wales legislation. I would like to ask the following question: is it not true that the New South Wales legislation applies equally to existing contracts and new contracts? This appears not to be the case in this Bill. I am advised that the New South Wales legislation requires that a retirement village is reasonably secure. Is there provision in the Queensland Bill for that? I do not believe there is.

I am also advised that the New South Wales Act requires the operator to supply residents with a statement itemising the way in which the operator proposes to expend the money expected to be received by way of recurrent charges during a particular financial year prior to the commencement of the year. Is that to be provided for in this Bill? Once again, I do not believe it is. Similarly, I am advised that the New South Wales Act prohibits monetary penalties imposed on an operator, or legal costs incurred by an operator, from being charged to the operating costs of the village. What is the case in this Bill?

Some doubt has been expressed to me in relation to the enforceability of decisions of a dispute resolution tribunal. Could the Minister outline to the House whether or not such orders from a tribunal are enforceable on both parties?

In conclusion, I must express relief that this Bill is finally before the House. It is not a perfect Bill; it has some fundamental flaws which could have been and still can be addressed. Anything that we can do to make the lot of our senior citizens—particularly in this special year—less stressful must be pursued. I have asked a number of questions and I hope that the Minister can respond to them in her summing-up. There are some issues that I, together with the shadow Minister, intend to address during the Committee stage.

Let us hope that we can wind up this parliamentary session for 1999 secure in the knowledge that we have done everything reasonably possible for our senior citizens' retirement living expectations.

Ms STRUTHERS (Archerfield—ALP) (8.41 p.m.): I have a number of high-quality retirement villages in my electorate of Archerfield: the Cazna Gardens complex at Sunnybank Hills, which is run by the RSL War Veterans Homes and which is where my Uncle Vic and his wife Pat live; and also the Forest Place Retirement Village in Durack, which provides a quality, secure lifestyle for residents.

Mr Briskey interjected.

Ms STRUTHERS: No, I have no relatives in that retirement village. In each of these complexes, I have met with many residents and, in the main, they are very satisfied with the standard of accommodation and services that they are receiving for their money.

A number of residents with that little extra drive and initiative have also been able to acquire additional amenities through community grants and other means. I want to pay tribute to Zoe Williams at Forest Place. She deserves credit for her efforts in getting many of her fellow residents surfing the net. Zoe was instrumental in securing a Gaming Machine Community Benefit Fund grant to buy computer equipment for her residents computer group. She has organised Internet training and many other activities.

However, not all retirement village residents in Queensland can report that, upon entering a retirement village, they are living happily ever after. I know of some seniors in Brisbane who are very worried about their fees, delays in maintenance work and lack of input into financial decision making within their village. To maintain quality lifestyles within retirement villages at an affordable price and to maintain a balance between residents' rights and the viability of the retirement villages industry, it is essential that retirement villages laws are up to date and that they regulate the industry effectively. Therefore, I commend the Minister, Judy Spence, for taking action early in her term as Minister to put the revised legislation out for further consultation and to finalise the Bill earlier this year.

I also commend the residents in my area who took the initiative to have input into this Bill. The comprehensive written submissions prepared by Mr Dick Robertson, a Forest Place resident, deserve particular recognition. Having many years of professional managerial roles behind him, Mr Robertson is very competently chairing the Forest Place Village finance committee. He is particularly keen to ensure that the new contractual rights of residents are enhanced in the new legislation. He has cited the positive example of the Forest Place finance subcommittee that reviews budgets, costs, service charge increases and quarterly accounts. He fully supports the provision of quarterly operating statements to residents rather than annual operating statements. I know that this is a common call from the residents. They want to see the books regularly, they want to make sure that maintenance funds are being administered properly and they want to have a fair say.

In the main, this Bill has been received well. However, one matter that has raised the blood pressure of some residents is the maintenance reserve fund to which residents will be required to contribute. I understand that our Government's intention in legislating for this fund is to ensure that routine maintenance is carried out so that properties do not deteriorate prematurely. Some villages are dragging the chain and are failing to do routine maintenance on capital. Residents risk facing significant loss through the exit fee payable by them if the properties have not been maintained well. Recently, several residents have spoken to me about their anxiety. They believe that they may be required to pay up to $15 per week to this maintenance fund. In a letter to me, two residents stated—

> "This retirement village is full of pensioners and find that any amount of money involved in this law would be almost impossible to pay—especially those on single pensions."

My understanding is that the fund should require no more than a few dollars per week from residents, so I have been keen to allay their fears about that. I certainly do not support any slug on seniors on fixed incomes, and I have assured them that the Minister does not either. However, I draw this issue to the Minister's attention for her consideration, because it seems that that sort of scaremongering is out there in the sector. I certainly think that it is important that seniors are not hit hard and that operators seek fair contributions, not unreasonable contributions, from residents.

I am confident that our Government has achieved a more equitable balance. I feel hopeful that residents, such as Dick Robertson, and operators will be pleased with the results. We all want the security of knowing that when we retire we will have access to a secure, affordable roof over our heads. Retirement village living will be the option that some of us choose. In supporting this Bill, we have the opportunity to get the contract arrangements, dispute resolution, capital replacement and service charging processes right. That will continue to build a fair, high-standard industry now and into the future. I remind members that this Bill is in our direct interest, as our future need for retirement living is not so far off.

Hon. J. C. SPENCE (Mount Gravatt—ALP) (Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading) (8.46 p.m.), in reply: In summing up this debate, I would like to thank all honourable members for their contributions. As many honourable members have recognised, tonight is truly an historic occasion. The retirement village legislation that we in Queensland have lived with for the past 11 years has had its problems, and all members would acknowledge that. That legislation, introduced in 1988, was Queensland's first retirement village legislation ever. Let us not forget that it was introduced under a conservative Government, so the criticisms that we have heard tonight, particularly from those opposite about the current laws and the current contracts, can certainly be attributed to their actions 11 years ago that gave us very unsatisfactory legislation. That has been acknowledged for a long time.

I would like to thank particularly the members for Bulimba and Archerfield for their

contributions tonight. They have shown a good understanding of the legislation and, indeed, the kind of life that exists in retirement villages.

A Government member: And the member for Mackay.

Ms SPENCE: And the member for Mackay.

All of us acknowledge that retirement village lifestyle is a good lifestyle and we want to encourage the promotion of that kind of lifestyle in Queensland. Certainly, retirement villages are significant to the Queensland economy.

Tonight, I would like to pay tribute particularly to the working party. In his contribution, the member for Mackay named the members of the working party. We have heard that they worked very hard in framing a heads of agreement, which contributed to this legislation that we have today.

From what we have heard, it is very difficult to discern who is the shadow Minister for Fair Trading. Each member of the Opposition who spoke appeared to have a different position and different levels of understanding of the Bill. The member for Clayfield expressed his understanding in producing fair and equitable legislation in this area and commended this Government on addressing a number of matters that were long overdue. His comments stand in complete contrast to those of the member for Noosa. Apparently, we heard from the member for Noosa a speech that was not read by the member until he came into the Chamber. It was a speech that was full of contradictions and emotive mumbo jumbo.

However, it was very kind of the member for Noosa to acknowledge that, of all the members in this House, over the past 10 years I have been the one member who has consistently spoken about the issue of retirement villages. It is a very close-felt subject to me, because a number of retirement villages are located in my electorate. It was certainly high on my agenda when the opportunity came to correct the unsatisfactory legislation that we have been living with for some time.

This is the first time that the member for Noosa has bothered to speak in this Chamber on retirement villages. He did not even ask the department for a briefing on the legislation. That was revealed in his contribution to the debate, because he certainly showed very little understanding of what the legislation is all about.

Tonight Opposition amendments will be moved not by the shadow Minister for Fair Trading but by the member for Mooloolah, who at least has shown enough interest in the legislation to ask for a briefing from the department. He has proposed some amendments to the legislation and I congratulate him on that. I look forward to discussing those amendments in the Committee stage of the debate. Well done, the member for Mooloolah!

Another interested member is the member for Nicklin, who also proposes to move a number of amendments. I also look forward to debating those amendments. The member for Noosa's contribution was an amalgamation of a number of letters that he had received, which had also been sent to me, from people who did not get everything that they wanted from the legislation. From the very start of framing this legislation, the Government acknowledged that it would be difficult. Certainly the working party knew that it had a difficult road ahead of it, as there was no way that all parties would be satisfied by the outcome. However, the working party managed to come to an agreement, and I congratulate it on that. Tonight we are debating the agreement that was reached earlier this year.

I wish to read a number of testimonials from people who have congratulated me on the legislation. I will do that now to balance some of the unfair and unnecessary comments made by the member for Noosa in his contribution. Pearl Barton, the secretary of the residents committee of the Rotary Garden Village, said that they are happy residents. She stated—

> "Certainly there needs to be changes to the Retirement Villages Act and we are happy that Ms Spence has set up this group to address this."

The Association of Independent Retirees stated—

> "It is with relief that I learned from Mr Cliff Grimley of the Association of Retirement Village Residents that, in your capacity as the Minister for Fair Trading, you have taken action to call retirement village operators and resident group representatives together and have indicated that you see a need based on a short timetable for the amendment of the current legislation to be undertaken."

As we have heard from previous speakers, Mr Cliff Grimley is certainly an outstanding Queenslander who has contributed a great deal to this debate over

the last two decades. I know that he will be very pleased to see the legislation passed tonight. His brother, Don Grimley, who lives in a retirement village in the electorate of Mansfield, is also a very outstanding gentleman. I was pleased to visit his retirement village, Tricare, to talk about the legislation. I can inform the House that residents at that village were very pleased with the initiatives undertaken by the Government.

A resident from the Robina Retirement Estate wrote to me on 11 September, stating—

> "We older folk feel extremely let down by the previous State Government who, after years of discussing the Retirement Villages Act amendments, nothing happened. Please assist people in our situation. We are your constituents and desperately need the Labor Party's help."

The residents committee of Robertson Park wrote to me, stating—

> "Thank you very much for your recent letter regarding retirement villages and your efforts to expedite the review of the Retirement Villages Act, which are very much appreciated."

The Domain Legislation Review Committee of the Domain Retirement Country Club wrote, stating—

> "Having become frustrated in our efforts by the previous Government's inequities and negative approach to the needs of freehold village residents, we are heartened by your letter."

Kim Teudt, the members' services officer of Aged Care Queensland, was quoted in the Gold Coast Bulletin in an article headed, "The new villages Act is welcome" as saying—

> "The new laws would mean more security for residents and better investment opportunities for operators."

Michael Isaac, the CEO of Aged Care Queensland, is quoted in the Toowoomba Chronicle as saying—

> "The Government should be applauded for allowing such a process to happen."

In the Sunday Mail, the same gentleman is quoted as saying—

> "Representatives of residents and operators of Queensland's retirement villages reached an historic agreement this month which will secure the interests of residents in all registered retirement villages ... together with the Minister for Fair Trading, the agreement introduces a new element of goodwill into the development of good legislation."

Finally, I hope that the member for Noosa is listening because this quote comes from Nambour. Diana Wilson is quoted in the Sunshine Coast Daily as saying—

> "The year of the elderly is coming to a close. Can the Minister, Judy Spence, make every effort to pass the retirement village legislation through the Queensland Parliament before the end of this year? Old age comes to everyone. If this Bill becomes law soon, it will be the best Christmas present that elderly residents in villages can receive."

This will be a good Christmas present for residents in Queensland retirement villages. Finally they have a Government that is prepared to face up to the difficult job. This Government is prepared to face up to the mess that it was left by previous conservative Governments which for too long allowed retirement villages to float along without any legislation and then finally, when they did introduce legislation, it was ineffective for most residents.

Tonight members have made much of the fact that most of the retirement villages in the State operate very well and that the problems that we see occur and that we hear so much about happen in only a very small number of villages. However, we all feel compassion for the residents who are disappointed by the contracts that they have signed. As no doubt we will debate in Committee, it was not possible for the legislation to provide such people with everything that they desired. In particular, they wanted a law that would compel the operators to buy back their units when they wanted to vacate them. Unfortunately, that would be a commercially impossible arrangement. The working party, which I remind members was comprised of residents and operators alike, spent much time agonising over the issue of buy-back. Ultimately, the working party agreed that buy-back was not an alternative commercial solution to the problems of the resale of units.

I know that many residents will also be disappointed that the amendments to the legislation do not have retrospective application. That issue was also raised by the working party and, after much discussion, it was rejected. As we will discuss in the Committee stage of the debate, while retrospectivity would be desirable for some residents, ultimately it would be undesirable for

the commercial interests of retirement villages. There is a fine line between balancing the interests of residents and those of the commercial operators, because we want to create a climate in which retirement villages can prosper.

This is obviously a growth industry for Queensland. In framing the legislation, I believe that we have, to the best of our ability, balanced the interests of both the residents and the operators. However, I will not stand here tonight and say that this is perfect legislation. We will review the legislation in 12 months' time. In the future, I would be happy to come back to the Chamber and make improvements to the legislation if possible.

I thank all members for their contributions. I commend the Bill to the House.

Motion agreed to.

Committee

Hon. J. C. SPENCE (Mount Gravatt—ALP) (Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading) in charge of the Bill.

Clause 1—

Mr LUCAS (8.59 p.m.): I did want to make a contribution to the debate on this Bill. The appropriate place to do it is during the debate on clause 1. I give credit to the Minister in relation to this legislation.

The TEMPORARY CHAIRMAN (Mr Reeves): Order! The member must talk on the title of the Bill at this particular juncture.

Mr LUCAS: It is my understanding that—

The TEMPORARY CHAIRMAN: Order! The member must talk on the title of the Bill in clause 1.

Clause 1, as read, agreed to.

Clauses 2 to 9, as read, agreed to.

Clause 10—

Ms SPENCE (9.01 p.m.): I move the following amendment—

"At page 17, lines 7 and 8—

omit, insert—

'(c) contain or incorporate—

(i) a service agreement or an agreement to enter into a service agreement that includes a copy of the service agreement; and

(ii) if the contract includes an ancillary agreement that is not signed contemporaneously with the contract, an agreement to enter into the ancillary agreement that includes a copy of the ancillary agreement; and'."

This amendment is necessary so that the cooling-off period defined in the Schedule 2 dictionary as being 14 days from the date the resident contract is made does not run a second or third time from the time an ancillary contract is made. The cooling-off period should run from the date the main contract is made, provided the resident receives a copy of any other contract at the time of signing the main contract. This amendment will ensure that the cooling-off period runs from the date of the initial contract.

Amendment agreed to.

Clause 10, as amended, agreed to.

Clauses 11 to 14, as read, agreed to.

Clause 15—

Ms SPENCE (9.02 p.m.): I move the following amendment—

"At page 18, after line 24—

insert—

'(2) The exit fee for a residence contract, other than an existing residence contract, that a resident may be liable to pay to the scheme operator is to be calculated as at the day the resident ceases to reside in the accommodation unit to which the contract relates.'."

This amendment is necessary so that, if the resale of a unit is delayed for any length of time, the amount of the exit fee payable will be calculated as at the date the resident ceases to reside in the unit and not the date of resale. Industry members of the working party agreed to this course of action, provided that the amendment only applied to new contracts and did not apply to existing contracts. This is because it would be unfair to retrospectively amend existing contractual arrangements.

Amendment agreed to.

Clause 15, as amended, agreed to.

Clauses 16 to 35, as read, agreed to.

Clause 36—

Mr LAMING (9.03 p.m.): This clause refers to inaccuracy in the public information document. It has been raised by constituents in relation to an inaccuracy. The clause requires the operator to advise those concerned regarding the inaccuracy. I would like to ask the Minister a couple of questions in relation to this clause. If the public information document is, indeed, found to be inaccurate and the public information document is by

definition a part of the contract, could this affect the validity of the contract? Secondly, if it does, indeed, mean that there is a lower consideration, a lower value within the contract because of the mistake or the misleading information in the information document, does the operator indemnify the resident for any loss of value in that contract because of the inaccuracy in the public information document?

Ms SPENCE: I am afraid that the Government cannot support this particular amendment, basically because I do not think that the amendment necessarily achieves what the member for Mooloolah sets out to achieve. This amendment, we believe, would invest the chief executive with an inappropriate—

The TEMPORARY CHAIRMAN: Order! Is there an amendment to this clause?

Mr LAMING: There is not an amendment; I was merely asking the question whether a flaw or inaccuracy that is discovered in a public information document could legally render that contract void. If the public information document is a part of the contract and it is found subsequently to contain misleading information, could it be that the contract is voided because of that misleading information? The second part of the question is: could it be that a resident should be able to claim that, if the contract does not have the same value as the contract that was signed because there is less value in the public information document, the scheme operator should be liable to indemnify the resident for any loss of value because of that misleading information?

Ms SPENCE: The answer to the question posed by the member for Mooloolah about the public information documents is that one of the features of this legislation is that we are introducing public information documents that will be standardised in an approved form approved by the registrar of retirement villages. If, in fact, it was found that there was false or misleading information represented in the public information document, that would be an offence under this Act and we would certainly prosecute.

Clause 36, as read, agreed to.

Clauses 37 to 39, as read, agreed to.

Clause 40—

Mr LAMING (9.06 p.m.): This clause refers to the cancellation of the registration of a retirement village. Some residents who have seen this clause are a little concerned because they believe that, when they enter a retirement village, they feel that they have a security of tenure and a security of the lifestyle that they have anticipated that they would enjoy—and they could have signed up 10, 15 or even 20 years earlier. If the village's registration is to be cancelled, there is some fear as to what happens to the resident. The Bill is a little unclear on that and I would like the Minister's comments on how the rights of the residents are protected—the lifestyle that they signed up for—if a scheme operator decides for whatever reason to cancel the registration of a village. I would imagine that that would take away the operator's responsibilities under the contract and he could perhaps walk away from the village. What position does that leave the residents in with regard to the lifestyle and the financial contract that they have entered into with a scheme operator if the village registration is cancelled?

Ms SPENCE: I can understand the concerns of residents about this particular aspect of the Bill. We found it necessary to put it in not because we have ever, I understand, cancelled any retirement village contracts, but in fact there may be a need to do so in the future. For example, there is a retirement village in the electorate of Lytton which is basically in very dire straits. It has been under the control of an administrator for at least a decade now and I understand the financial position of that village is deteriorating by the day. There may come a time when the residents of that village want to change the whole nature of the village because basically they cannot sell any of the vacant units in that village and it is a very non-commercial enterprise at the moment.

There may come a time when those residents come to us and want us to cancel the retirement village contract. That is why the provision was needed in the legislation, but the statutory charge stays over the land and funds until the residents are paid their exit entitlements. If the stage was ever to be reached at which residents came to us and we were compelled to take away the licence of a retirement village, because of the statutory charges over the village then certainly the residents would receive their full exit entitlements. So they should not be fearful that Government in the future would make that kind of decision without their consent, nor should they be fearful that they will be left without the entitlements that they are due as an exit fee as they would normally be. We can foresee a stage in the life of some of Queensland's retirement villages where it may be necessary to consider taking that very extreme action.

Mr LAMING: The Minister has answered one side of the question in relation to exit entitlements, but what is the situation regarding the ongoing running of the village? Do they still have monthly maintenance fees? Who would collect the fees? Who would actually conduct the work and run the bus, clean the pool and do all the things that are done by a village operator if it is no longer a village? The Minister has answered the question relating to the exit entitlement and winding up the affairs but, if people were continuing to live in the village, is there a provision somewhere that somebody would be responsible for actually running the village on a day-to-day basis in the meantime?

Ms SPENCE: If we were to take away the retirement village status, it would be more likely that the village had asked the Government to do that and the Government deemed it was necessary to do that to change the whole complex from a retirement village to some other unit type of complex. It might be the case that a retirement village went so bad that the Government, through the Housing Department, decided to buy it for use as pensioner units or something of a similar nature. Any of these developments are foreseeable in the future.

Under clause 38, we have given the chief executive power to appoint a manager in the meantime to ensure that the ongoing day-to-day running of the village continues. But it is more likely that we would take away the licence from a retirement village to change the status to something else completely.

Mr GRICE: In the interests of some balance from the other side of the argument, could the Minister advise the Committee of a response to this question. Clause 40(4) of the Bill contains this definition—

> " 'resident' includes a former resident who has not received an exit entitlement to which the former resident is entitled under the former resident's residence contract."

What about the situation where the operator has asked the chief executive to cancel the registration scheme but where a former resident, who is perhaps a disgruntled resident, who has left the complex comes back at a later time with the same sort of complaint? What mechanism within the legislation allows for the correction of that?

Ms SPENCE: I really could not understand the question, I am afraid. The member for Broadwater will have to explain it to me again.

Mr GRICE: I am happy to, Minister. Clause 40(4) of the Bill states—

> "In this section—
>
> 'resident' includes a former resident who has not received an exit entitlement to which the former resident is entitled under the former resident's residence contract."

From the point of view of the operator, if a disgruntled resident goes away and suddenly decides that there is a problem with the resident's residence contract, what protection is there if that person then comes back with the same complaints that are encapsulated under this regulation? Is that clear?

Ms SPENCE: I am happy to answer that. I think it is unlikely that an operator would find that there were problems with a resident's contract. The operator is in the employment of the retirement village owner. They are the ones who presumably do up the contracts and encourage residents to sign them. I think it would be extraordinary that an operator would have difficulty with a contract. From my experience, all the difficulties with contracts has been by the other party—that is, the residents, not the operators.

Clause 40, as read, agreed to.

Clauses 41 to 52, as read, agreed to.

Clause 53—

Mr LAMING (9.15 p.m.): I move the following amendment—

> "At page 36, line 27—
>
> omit, insert—
>
> 'mentioned in paragraph (a)(i) to (iii) as acknowledged and endorsed in writing by the chief executive.'."

Before I speak to the first amendment I have moved, I take issue with the Minister being critical of the member for Noosa in that I am moving some of these amendments. The member for Noosa recognised my longstanding interest in matters pertaining to—

Mr Nuttall: In other words, you did the work for him.

Mr LAMING: The member for Sandgate is interjecting.

The TEMPORARY CHAIRMAN (Mr Reeves): Order! The member for Mooloolah will speak through the chair and get on with the amendment.

Mr LAMING: I am very pleased to move these amendments because I had been working on amendments like this during the term of the previous Government. The member for Noosa has been kind enough to allow me to continue the work I had started, and I thank him for that. This amendment is in

relation to the termination by a scheme operator. Clause 53 states—

> "If the resident's right to reside in the retirement village is to be terminated on either of the following grounds, the scheme operator must give the resident 14 days notice—
>
> (a) the resident has intentionally or recklessly—
>
> (i) injured a person while the person is in the retirement village; or
>
> (ii) seriously damaged the resident's accommodation unit; or
>
> (iii) seriously damaged property of another person in the retirement village;(b) the resident is likely, intentionally or recklessly, to do something mentioned in paragraph (a)(i) to (iii)."

My concern with this is: who is to be the judge of this behaviour? We are talking about something that may not happen very often, but it is in the Bill. It is quite conceivable that it could happen. Could it be the judgment of a neighbour of the resident? Could it be the residents committee that says that a person is likely to do something that is reckless? Is it the village manager himself or herself who says that this person might do it? It seems to me that this is rather draconian in its possible application. It is of a very serious nature and it is a very important clause.

In relation to any action against anybody, whether for one of the three examples I gave or something else, where it has been claimed that a resident is likely intentionally or recklessly to do something I mentioned earlier which will seriously damage property or another person in the village, it could be a person who is getting older and who may have a mental health problem. I have heard of this. I know that it does happen. These things have to be managed. If we had a situation where a person in their 80s who had been there for 10 or 15 years could be bounced out of an independent village, on whose judgment may that person take the action that we are concerned about?

I think that is very serious. If the Committee and the Minister were prepared to consider and accept my amendment, it would mean that the persons making the charge—they do that either through the residents committee or through the scheme operator or the manager and say that they have a problem with this person—would need to make a case to the chief executive and convince the chief executive, an organ, if you like, of the Government, that this person was the threat that they thought that person was. Without that safeguard, I feel we do not have any control over possible excesses under this particular clause. I will leave it at that and hear what the Minister has to say regarding my concerns. I think this is a reasonable amendment and I ask the Minister to consider it.

Ms SPENCE: I acknowledge the seriousness of the issue about which the member for Mooloolah speaks tonight. I have heard of situations such as he describes, and they are serious. Obviously the operator has to take responsibility for the protection of all the residents in the village.

Something the legislation does, which probably has not been spoken about enough in this debate, is establish a formalised dispute resolution process in legislation. If any one thing is the hallmark of this legislation, it is the three-step dispute resolution process. Disputes are expected to be discussed, and hopefully resolved, in a committee of the residents of the village. If that fails, we expect the residents to use the resources of a dispute resolution mediator. If that fails, they may then make application to the tribunal. We have never before had such a process in this State. We have never had a tribunal to which residents can go to have disputes resolved.

I would expect that if something very urgent occurred, such as the member for Mooloolah alluded to, and someone was particularly dangerous in a retirement village, the village may be able to bypass the first two steps of the dispute resolution process and make urgent application to have the matter heard in the tribunal.

What the member for Mooloolah is proposing tonight is vesting the power in a chief executive of the Public Service to intervene in the process and terminate the resident's contract. I would say that the chief executive is not qualified or in a position to determine if a resident is likely to damage retirement village property. This would be an inappropriate delegation of decision making power to an administrative official with only limited right of review. This would infringe fundamental legislative principles set out in the Legislative Standards Act. It should be pointed out that this sort of situation is much better addressed by the dispute resolution process that is for the first time enshrined in legislation. For those reasons the Government cannot support this amendment.

Mr LAMING: The Minister's response seems to be well documented from her staff, and that is understandable. I am not suggesting that the chief executive intervene. The amendment just asks that the person be advised and acknowledges the fact that this clause is being enacted. I think that would have a dampening effect so that this clause is not used unwisely. The scheme operator would know that it has to alert and advise the chief executive that it is about to take this rather drastic action. It is, after all, throwing someone out of their home at 14 days' notice. I think that is not unreasonable.

The Minister referred to the dispute resolution process, and that is fine, but the legislation does not require the scheme operator to use that process. If the person is being difficult—the person may have some mental problem or be very anxious—he or she might not have the support of the management advisory committee. That person may not know that there is a dispute resolution process there. If the person does know about it, he or she might not know how to use it.

Unless the legislation is specific and says that the scheme operator must invoke the dispute resolution process, with or without going through as far as the tribunal, I suspect that the scheme operator will not use it and will just use section 53(1), which provides that the scheme operator may terminate a resident's right to reside for those reasons. There is no requirement in that clause for the scheme operator to use the dispute resolution process or the tribunal.

The Minister has rightly said that that process is there. Perhaps the Minister would consider including something in the clause that directs the scheme operator to take it to the tribunal—call a quick meeting of the tribunal or one of those dispute resolution processes that comes before the tribunal—so that there is some process there. I have visions in my mind of an 80 year old woman who is on her own and who is mentally upset doing something a little reckless and being thrown out, bag and baggage, into the street on 14 days' notice. I do not think this clause is fair in what it could mean to somebody in certain circumstances without some sort of override.

Ms SPENCE: It seems to me that all the member wants is for the scheme operator to have to inform the CEO of the department and I do not think that adds anything to the process. In fact, I am sure the member's colleague the former Minister for Fair Trading could tell him just how many letters come by the Minister's desk, let alone through the department, on a weekly basis relating to issues, problems and disputes in retirement villages.

Following the success of the Associations Incorporation Act, many residents now expect Governments to solve all of their disputes. Obviously we do not want to find ourselves in that position, nor do our public servants want to find themselves in that position. I think little would be gained by incorporating an amendment such as this, which would expect operators to inform CEOs when one of these provisions was to be enacted.

The member's other concern, which I think is quite just, is how we are going to educate retirement village residents about the changes to this legislation. Of course, it is important to educate them, and particularly to inform them about the new dispute resolution process, the new tribunal and how they can access that tribunal. We intend to undertake an extensive education process once this legislation is passed. We will be sending officers from our department, as well as representatives from the Association of Residents of Queensland Retirement Villages, throughout each retirement village in this State to explain this legislation. The member is quite right: it is important that residents understand their rights in this regard.

Amendment negatived.

Mr LAMING: I move the following amendment—

"At page 37, after line 19—

insert—

'(7) If a scheme operator terminates a resident's right to reside in a retirement village, any exit entitlement payable to the resident is to be paid immediately the resident vacates the unit.'."

I am disappointed with the Minister's decision to not accept the previous amendment. If such a situation arises or the possibility of such a situation arising is brought to the attention of the Minister or the department, I hope that in the future the Minister might be prepared to accept an amendment to overcome that problem.

My second amendment relates to the same clause, to the situation of a resident being asked to leave his or her unit within 14 days. My amendment provides that, if a scheme operator terminates a resident's right to reside in a retirement village, any exit entitlement payable to the resident is paid immediately the resident vacates the unit. Unless I am mistaken, other provisions of the Act would put the person who is asked to

leave the village in exactly the same position as a person who decides to terminate the agreement, to sell out, to move into a hostel, to move to another retirement village or to move out to live with children.

Let us not put too fine a point on this. A person who is thrown out of a unit and out of a village and who has not had the opportunity to make alternative arrangements and, in most cases, would not even have the funds to go into alternative rental accommodation, would probably find it difficult to get into another retirement village because of the waiting lists that usually apply, and they certainly would not get a reference from the one that they were just thrown out of. So I believe that there is a very strong case for the Minister to support this amendment so that that resident gets any exit entitlement payable to them immediately they vacate the unit.

Ms SPENCE: In a sense, the member for Mooloolah's amendment suggests that residents who are asked to leave a village get rewarded with an entitlement to which other residents are not entitled. For that reason, we cannot support the amendment. To enact this amendment would raise an internal inconsistency within the Bill. It would be inconsistent with the provisions already contained in clause 63, relating to the payment of exit entitlements.

In addition, I have proposed an amendment to clause 15 with respect to setting the time at which the exit entitlement is calculated. This amendment would ensure that the exit entitlement payable to a resident would be calculated as at the date the resident ceases to reside in the unit, not the date of sale of the unit. This would protect residents' exit entitlements from dissipation over time but would not jeopardise the financial viability of the village by forcing an operator to pay out the resident before funds became available.

The proposed amendment could also raise the possibility of a resident availing themselves of the provisions in clause 53 to force the hand of the operator so that the operator would have to terminate the contract for the protection of other residents. In this case, the operator would be obliged the pay the resident the exit entitlement.

I suggest to the member for Mooloolah that all of those residents in those retirement villages, particularly on the Sunshine Coast, who cannot sell their units—and that is the major issue in the member's part of the world—would be really cranky about an amendment like this, which rewards people who are forcibly removed from a unit by giving them their cash entitlements on the spot when other people are waiting for their cash exit entitlements. I believe that it would be an unfair and inconsistent provision.

I certainly acknowledge the sincerity with which the member moved this amendment. On face value, it looks reasonable. But I suspect that, commercially, it would be fairly non-viable and we would find certain disagreement with other residents who themselves are waiting for their exit entitlements.

Mr LAMING: Yes, I can follow the Minister's reasoning in saying that a person who was thrown out of a unit could be regarded by other residents as being rewarded by getting their exit entitlement. But all that does is place a spotlight on the fact that the clause to which the Minister referred is also inconsistent with equity. It is the other clause that is also wrong. And to refer to a wrong clause as being a reason for regarding this amendment as wrong does not hold up in logic. After all, it is not their call. One could hardly say that a person is being rewarded when they are being thrown out. They did not decide to leave. So one could hardly call it a reward.

And to say that to accept the amendment would be inconsistent with what the Act is all about, I might rejoin by saying that I believe that this whole section is inconsistent. That is why I moved two amendments, because I believe that the whole section has a certain amount of inconsistency to it. I still believe that the previous amendment should have been accepted and that this amendment, which relates to the exit fee, should also have been accepted. But it would appear that in addition to the first amendment the Minister is not going to accept the second amendment. That is unfortunate. I certainly hope that more than one situation does not arise whereby I get the opportunity to say, "I told you so." But if something like that does arise in the future, I hope that the Minister will have the good grace to revisit this clause.

Amendment negatived.

Clause 53, as read, agreed to.

Clauses 54 to 57, as read, agreed to.

Clause 58—

Mr GRICE (9.36 p.m.): Proposed subsection (2) of clause 58 states—

> "For an existing residence contract, the former resident and the scheme operator are to negotiate in good faith and, if possible, agree in writing on any work ('reinstatement work') that is

> necessary to be done to reinstate the accommodation unit to a marketable condition having regard to"—

certain conditions that follow. Here is the problem with this clause: getting residents and operators—who can be, and often have been, protagonists—to agree on anything would be similar to getting Peter Costello and Simon Crean to agree on something.

Proposed subsection (3) of this clause, when commenting on the situation, places the onus on the operator to get itemised quotes on work that the operator thinks is appropriate for the reinstatement work. This direction, I would suggest, can only inflame the resident, the former resident or, in the case of a deceased resident, their representative. It also ignores practical difficulties with existing contracts, where there may be units that have been vacant and possibly neglected for some years, particularly when the resident or the former resident may not be able to inspect the unit or obtain other essential information. This is a situation, I would suggest, that invites confrontation. We may have a situation where two parties have been in contact—aggressive contact perhaps—for some considerable time and there is no obvious reason for settlement.

Mr DAVIDSON: I also rise on this clause, particularly proposed subsection (3), which states—

> "If the former resident and the scheme operator can not agree on the reinstatement work, the scheme operator is to obtain a statement of the work, and an itemised quote for doing the work, the operator considers to be reinstatement work from a qualified tradesperson appropriate for the work within ... 14 days."

I believe that I need to expand on what the member for Broadwater said. It is very difficult, in some of these situations, to get an owner and operator to agree on any work that might be carried out, the extent of the work that might be carried out and the price of the work that might be carried out. This presents an opportunity for the Minister, in the future, to consider—perhaps during the review in 12 months' time—that maybe a licensed chartered building professional or someone from the BSA could inspect the unit, have a look at the extent of the work that, in their professional opinion, needs to be done and then, perhaps accompanied by the appropriate tradespeople, act as an adjudicator for the operator and the resident so that they could bring these things to finalisation. As the member for Broadwater correctly said, in many cases some of the owners and operators are at odds with each other and the relationships are very strained.

Introducing a third party to evaluate the extent of the work to be carried out may be one way of resolving some of these issues that can be ongoing for long periods of time, as the Minister will appreciate. Without moving an amendment, I ask that the Minister give consideration to that issue at some time in the future.

Ms SPENCE: The issue of refurbishment of units has been contentious in the past. It was ignored in the previous legislation. I know that the working party spent a lot of time thrashing out this particular issue because the members understood that it was one of the hardest issues involved in framing new legislation. I suspect that the residents might think that they have had a win on this one because, at the end of the day, the operator is going to be charged for reinstating the unit to its original state. That was something for which the residents fought very hard.

With regard to disputes over the state of original occupancy and the amount of work that needs to be done in refurbishment, if the operator is going to bear the cost it seems reasonable that the operator would obtain the quotes. Without wanting to sound patronising, I guess many residents are at that stage in their lives where they do not want to be the ones who have to go out and get quotes from tradespeople. That is not an easy thing for any of us to do. I do not think the question of which party gets the quotes is necessarily a big issue. The main issue is the question of who pays the costs of the refurbishment and how much work needs to be done.

Given that the operator is bearing the cost of refurbishment, I believe that that significant issue has been sorted out. However, I do not walk away from the fact that disputes will arise in relation to these issues. That is why we will have a tribunal. No doubt a number of disputes of this nature will go to that tribunal. After the tribunal has been operating for a year or so, I think it will be interesting to find out what legislative changes the tribunal would like us to make in this regard. We need to give these new laws operating for some time before we judge their workability.

Mr DAVIDSON: I appreciate that, but I believe some consideration should be given to the fact that we do not want operators and residents running off to the tribunal over all sorts of issues. Some of these issues will relate to minor works, including minor maintenance and minor restoration. I do not believe that the

parties should be racing off to the tribunal over such things as cracked windows or broken doors.

I believe that if the Minister was to give consideration to having a licensed chartered building professional or someone from BSA in attendance to mediate or evaluate the quality of the work, it could alleviate the situation where we have conflicts occurring over long periods of time. This action would prevent the tribunal from being clogged with minor issues which should be sorted out on site by the third party. We would have to give some consideration to whether the operator is required to take only one quote from a tradesperson. The legislation does not cover this aspect. The legislation simply refers to reinstatement work carried out by a qualified tradesperson. We have to decide whether to have two or three tradesmen involved. Someone from the BSA, or a licensed chartered tradesperson, could resolve a lot of issues on site.

Ms SPENCE: The member suggested trying to put the BSA into the role of mediator in these disputes. I believe the BSA would have the member's head because it would not see that as part of its core business at all. It would cost a fortune. It is not impossible for the BSA to undertake such a role, but people would have to be charged for the service. It would not be cheap. It would add extra cost to the resale of the unit. Perhaps it is something that we can look at down the track. I do not believe it is necessary to do it now.

I do not believe that the Government would want to take on the cost of the mediating role. Such cost would have to be borne by the operator and the resident. I do not know whether they would want to pay that kind of fee to have the dispute resolved. It costs only $50 to use dispute resolution mediators who could probably undertake the role just as well as a building service inspector. That sort of process is included in the dispute resolution legislation. It is something that we need to address once we have seen how the legislation is working.

Mr BEANLAND: I was going to raise that matter with the Minister. Since we have the ADR people involved in the process, I presume that one of the things that residents and operators will be made aware of is the fact that they can take this course of action. No doubt the committees in each of the villages will be made aware of this. I take it that the Minister will be making the committees aware that this is one of the things that they can do.

I agree with what my colleagues have been saying: it is going to lead to unnecessary disputes. This legislation is all about trying to take out the myriad disputes that we already have in this area. Although the legislation goes a long way to doing that, this sort of situation can still occur. I believe it would be useful to get some indication that every effort will be made under this legislation to ensure that the committees and the operators are made aware that issues such as this can be taken to the Alternative Dispute Resolution section of the Department of Justice.

This would be a big step forward in trying to prevent some of the arguments and pitfalls which might occur. Could I have some indication from the Minister that she might do something like this? It will allay some of the fears that we have on this side of the House.

Ms SPENCE: I suspect that the member for Indooroopilly was absent from the Chamber a half an hour ago when I was assuring the member for Broadwater that we believe that education is an important component of this legislation. Officers from the Department of Fair Trading, along with representatives of the residents' associations, will travel to every retirement village in Queensland and make sure that residents are fully informed about the changes involved in this legislation. One of the most important aspects of the legislation, as far as the residents are concerned, is the three-step resolution process.

I can assure the member for Indooroopilly that I agree with him; education will be very important. If this legislation gets through tonight, in the new year we will be on the road making sure that the 22,000-odd retirement village residents in Queensland understand the new legislation.

Mr BEANLAND: I thank the Minister for that, but I was particularly interested in getting an assurance in relation to this particular section. I understand what the Minister is doing in regard to the rest of the legislation, but I do not want people to be under the misapprehension that they cannot take a particular course of action such as dispute resolution.

This is one of the few areas that could end up getting us into unnecessary trouble. I am simply asking for that assurance. I am not talking about the rest of the legislation. I heard what the Minister said previously. I just want to clear up this particular section.

Ms SPENCE: I accept the sentiments of the member for Indooroopilly. This is one of the few retrospective features of the legislation. Obviously, people moving into

retirement villages and signing contracts in the future will be made aware of this via the contract. We need to inform existing residents of this new initiative.

Clause 58, as read, agreed to.

Clause 59—

Mr GRICE (Broadwater—NPA) (9.49 p.m.): We have just dealt with reinstatement work in clause 58. I presume that clause 59(2)(b) is meant to cover that contingency: that is, reinstatement work that is ordered by the tribunal. Given that the tribunal is to be formed by a Supreme Court judge or a District Court judge, or a representative of the residents association and the operators that the Governor in Council deems necessary to do the job, or a lawyer with five years' standing, as a final consideration, does the Minister believe that such a direction will be received satisfactorily by residents? I remind the Minister that I represent the electorate of Broadwater, which contains five very large retirement villages. Some of the residents of those retirement villages have certainly made their sentiments known to me that they regard this Bill as a handbook for developers of future retirement villages. How can the Minister judge the qualifications of the tribunal in relation to their ability to equate what is and what is not appropriate reinstatement work?

Ms SPENCE: I would think that the tribunal will be comprised not just of the legal person, who will head the tribunal, but also an industry and a resident representative. So it will be a three-person tribunal. I think that they will be just as competent at judging matters such as reinstatement as, for example, the Queensland Building Tribunal, which is headed solely by a legal person but who takes advice from the industry when advice is needed for technical matters. If the member is concerned about a legal person's qualification to judge practical matters such as reinstatement, I think that there are many parallels between this tribunal and a tribunal such as the Queensland Building Tribunal.

Mr GRICE: I understand that, but I wonder how much consideration has been given particularly to the situation that exists in retirement villages. I speak with some experience, because my mother is 94 and lives in a retirement village. With the ailments that she has had over the years, I think that the only thing that might get her in the end is rust or if the building falls over and hits her on the head. It is a fact that people of that age receive comment from things like tribunals with a great deal of trepidation and, in some cases, fear. This is a very sincere question: what sort of thought processes has the Minister had with regard to alienating that fear? Has the Minister thought about introducing a seniors comment, or advisory group, or panel, or spokesman?

Very often, these people are alienated by the word "tribunal", very often these people are alienated by the word "advocate", or by the word "agent", or by the word "barrister", or by the words "Supreme Court judge" or "District Court judge". At the end of the day, we are dealing with aged people. The ageing process affects not only the body but also it affects the mind. I am not saying that old age affects peoples' minds totally: aged people may not have Alzheimer's but may experience small problems in communicating their thoughts. The suggestion is that tribunals should be the be-all and end-all. What thought process has the Minister given to accommodating the fears of those aged people, because they are very real. They are not fears that are experienced by the Minister or me, because we know what tribunals and agents are. What thought process has the Minister given to satisfying some of those fears?

Ms SPENCE: I have a number of points to make. Firstly, I think that, although a number of elderly people will be frightened by the whole concept of the tribunal, a lot of other people in society are also. I do not think that it is unique to elderly people that tribunals and legal words are daunting. There are many retirement village residents who are well in charge of their faculties, who are very intelligent and who, I think, would enjoy the opportunity of fronting up to a tribunal. However, I acknowledge that there are many who would not. I think that they are just reflective of the rest of society.

For this very reason, we are allowing people to take legal representation to the tribunal. We acknowledge that some people may simply be not up to representing themselves at the tribunal. Finally, before the establishment of this tribunal, which is going to be the cheapest access to justice that these people have ever had, their only recourse to dispute resolution was to go to the court. So this is a great improvement on anything that has existed in the past.

Clause 59, as read, agreed to.

Clause 60—

Mr BEANLAND (9.55 p.m.): I just want to say a few words about clause 60, because it relates to reselling residents' rights to reside, the resale value, the termination of their accommodation, the termination dates and matters relating to the valuer.

This clause will make an enormous difference to the current situation. I notice that it has been made retrospective, and I can understand that. This is a very important clause because it relates to many of the arguments that exist. A great deal of dispute arises over the fact that, at the end of the day, people find that they are unable to dispose of their units. An argument starts between the operator and the resident as to who is responsible and why the sale of the unit has not gone ahead. When the resident thinks that they have found someone to sell the unit rights to, the operator steps in and then there are further arguments about the price and so on.

So the appointment of a valuer after a period to go through a process to try to settle these issues will resolve many of those problems relating to retirement units that are currently on the market and which are causing a great deal of hardship. Of course, it will also mean that the concerns of those people who feel aggrieved by the fact that they have to continue to pay the ongoing service charges will also be picked up under this particular clause because, six months after the termination date, a valuation is given and the real estate agent can effect the sale of the unit. I hope that that will mean that we will resolve many of these long outstanding arguments.

This clause relates to a section of the existing legislation that I well remember toiling over on more than one occasion. I think that it is largely intact. There may have been a couple of changes, but that is by the by. The concept of the clause in this Bill is designed to resolve most of those problems that occur—some of the major problems arising out of this legislation. This Bill is retrospective and picks up the people who fall under the current arrangements. I think that will resolve many of those ongoing disputes. Again, by having qualified valuers step in and then this further process of dispute resolution if people still cannot settle will mean that an effective method has been found to ensure that this process is undertaken relatively speedily.

Clause 60, as read, agreed to.

Clauses 61 to 63, as read, agreed to.

Clause 64—

Mr LAMING (9.59 p.m.): This clause relates to the ability to involve a real estate agent in the resale of a unit. The Minister might recall that, in my speech during the second-reading debate, I said that real estate agents may be reluctant to become involved in selling retirement village units. I have spoken to a couple of real estate agents whom I know, and I think that the problem is mainly that they do not understand the industry. However, a lot of units are sold and resold in the retirement village industry.

As I said in my earlier speech, the Department of Fair Trading could play a role by providing a course to real estate agents, at a cost, to encourage them to become involved in the sale of units or the sale of rights to occupy. That would be a boon to their industry as it would increase their business. Real estate people are usually looking to expand their horizons. Certainly it would be good for the residents and, in the longer term, it would be good for the scheme operators to have another skilled force that understands the retirement village industry to be involved in a more proactive way. I will not move any amendment to the clause, but I wonder what the Minister's thoughts are on involving the real estate industry in a more proactive manner in the future?

Ms SPENCE: The member has raised a good point. In the past the Queensland real estate industry has never been invited to participate in the sale of retirement village units. Certainly, there is some scepticism about that in some quarters, although I think that others are enthusiastic about entering the market. Certainly the evidence in New South Wales, where they have been involved in selling retirement village units for a number of years, reveals that it is a growing market for real estate agents.

Our department works very closely with the REIQ and I expect that it will see this as a profitable market, particularly under the new legislation. Because the operators cannot manipulate the market or frustrate sales, the REIQ will want to get involved. It will undertake to educate its own membership about the workings of retirement villages and how to enter that market. From my dealings with real estate agents, I know that they are certainly enthusiastic and inventive people. If they can see that this is a profitable industry, they will want to be involved in it.

Clause 64, as read, agreed to.

Clauses 65 to 67, as read, agreed to.

Clause 68—

Mr LAMING (10.03 p.m.): I move the following amendment—

"At page 44, line 10, after 'reside'—

insert—

'within 6 months after the termination date'."

This amendment refers to the involvement of a real estate agent in selling the right to reside. Clause 68(2) states—

> "However, if the former resident engages a real estate agent to sell the right to reside, the former resident must pay the real estate agent's costs of the sale, if any, and commission."

However, clause 68(1) states that the costs of sale are shared by the former resident and the scheme operator in the same proportion as they are to share in the sale proceeds.

Subclause 2 is somewhat discriminatory against the resident because, in most cases, the resident would be seeking the services of a real estate agent to facilitate the sale. In virtually all cases, the scheme operator would hang back and wait for the resident to become impatient and call on the services of a real estate agent, knowing full well that this reluctance would result in the resident, or the former resident, having to pay all the charges. I could accept it if that was the case immediately after the unit came onto the market.

However, in most cases, the village operator or the manager will sell or resell virtually all units without the involvement of real estate agents. It takes time to tidy and refurbish a unit, find prospective buyers to inspect the property and that sort of thing. I have just sold a right to reside on behalf of my mother, so I know that these things do take a certain amount of time. It may be unfair if the resident incurred the extra costs, perhaps unnecessarily, of a real estate agent as soon as the unit was put on the market when the operator, and perhaps the resident too, would know full well that the unit would resell perhaps in two or three weeks' time. I can see that the scheme operator would be a bit concerned about having to pay half of a real estate agent's commission just because the former resident was impatient to sell.

Members will notice that my amendment refers to inserting "within six months after the termination date". I selected six months because it ties in with clause 64, which also refers to the use of a real estate agent. If six months had elapsed, during which time the scheme operator had had every opportunity to sell the unit but nothing had happened, a resident would be taking a reasonable course of action by saying, "I think we should get a real estate agent in to help us sell the property." As the Bill stands at the moment, the scheme operator would nod and say, "That's fine." The former resident would hire the agent and have to pay 100% of the commission. The scheme operator would get the benefit of the sale and not have to contribute anything towards the cost of the real estate agent selling it.

I am not suggesting that we move to the extreme end of the scale. At the moment, as soon as a former resident says, "I think we should have a real estate agent involved", he or she has to pay all the commission. Members might expect me to say that that should happen from day one, but I am not saying that. I am saying that we should wait six months for the scheme operator or the manager to try to sell or resell the unit by his or her own devices. If that does not happen and the resident then says, "I think we should get a real estate agent in to help us", the costs of the selling—the commission and so on—should be shared in the same way as outlined in clause 68(1).

Ms SPENCE: I thank the honourable member for Mooloolah for his explanation, because I can see some validity in his comments. We agree on a number of things. We agree that the best person to attempt to sell the unit initially is the operator. Frankly, the operator has more to gain from selling the unit than any party other than the resident. If the operator has failed to sell the unit after six months, the resident should be entitled to enlist the support of a real estate agent. We agree on that.

I understood the member to say that he believes that the operator and the resident should share the costs of commission after that six months. That is an interesting point, but that is simply not what his amendment states. His amendment sets out the rights of a resident to engage a real estate agent. Under his amendment, a resident is only entitled to engage a real estate agent if a unit is sold within six months of the termination. Effectively this means that a real estate agent would not be engaged until after six months has expired. This amendment will be ineffectual because it is already contained within clause 64.

Frankly, we had difficulty working out what the member meant by this amendment because he is really agreeing with what we have already got in the legislation, that is, real estate agents should be engaged after six months. If he was attempting to explain that residents and operators share the cost of commission, I accept that, but that is simply not what these words are about. We can look at that at some future date if we want to amend this legislation further down the track, but that is not the import of these words here tonight.

Mr LAMING: My explanation might have clouded the issue and confused the Minister because clause 68(2) would then read—

> "However, if the former resident engages a real estate agent to sell the right to reside within 6 months after the termination date, the former resident must pay the real estate agent's costs of the sale, if any, and commission."

I have had the Parliamentary Counsel specifically draft that for that intent. Since the Minister has agreed with what I am trying to achieve and if she agreed that the words as I have just read do in effect put that in place—that, if the former resident engages a real estate agent to sell the right to reside within six months after the termination date, then the former resident must pay the real estate agent's costs.

That was not the way I was going to frame the amendment originally, but counsel suggested that this was the better way to do it and it was clear and it was consistent with the way other clauses are written. The more I read it to myself, the more I can see that counsel was correct. It does, indeed, mean that, if a person engages a real estate agent within that first six-month period, they pay all the costs. But if it is after the six-month period, then they share the costs as in clause 68(1).

Ms SPENCE: I accept the member's explanation there. I should not give him the indication that I necessarily agree with his proposition that residents and operators should share the cost of commission. I think it is something that is worth exploring. However, I do not feel in a position tonight to vote for an amendment.

Mr Johnson: We want to go home to bed.

Ms SPENCE: This is serious stuff, I am afraid. The member opposite may not have retirement villages in his electorate, but a lot of us do and we actually care about this situation.

I am telling the member for Mooloolah that I do not feel in a position to agree to the sharing of commission at this point. I am happy to look at it after further consultation with all parties. Frankly, I think it would be a betrayal of the heads of agreement that was reached which discussed these matters to a great extent to suddenly give to operators an additional burden of commission which they have not discussed with the residents. While I am happy to talk about it in the future with all parties concerned, I am not happy to agree to an amendment of this nature on this occasion.

Amendment negatived.

Mr LAMING: I move the following amendment—

> "At page 44, after line 11—
>
> insert—
>
> '(3) A scheme operator must not charge a former resident any sales commission on the sale of a right to reside in any particular accommodation unit.
>
> Maximum penalty for subsection (3)—40 penalty units.'."

The reason I am moving this amendment is that I believe that it would be anomalous if we have a provision in place for a scheme operator to charge a commission on sales of units. I say that because a scheme operator is not registered as a real estate agent. As I understand the legislation in the real estate industry as a whole, a person must be registered to be a real estate agent. It is my understanding that scheme operators are not, and it would seem to be a primary malfunction to allow scheme operators to act as real estate agents.

Another reason that I feel uncomfortable with allowing this to happen where it does happen is that, for goodness' sake, the sale and resale of units within a village is a part of their responsibility as a scheme operator. That is one of the things they do. That is wrapped up in the various fees that are charged to residents in retirement villages. For them to add another commission on top of that is certainly over the top.

The third one which is perhaps the most telling is that we have a situation in which a scheme operator would be acting as a principal as well as an agent. I just see that as being a conflict of interest because the village operator for all intents and purposes is the owner of the unit itself. The resident has a permit to occupy. To have a person charging a commission or a fee to sell their own property on behalf of a person to whom they have given a licence to live in it I think is bordering on being immoral, if not illegal. Of course, it would not be illegal because if it was it would not be in the Bill. However, I do not believe that it should be in the Bill. It is something that should be discouraged.

This amendment is not unreasonable. I am aware that the Minister circulated an amendment—and I apologise for not getting back to her; I did not realise that the second-reading debate was going to end so quickly. As a matter of fact, I did not have my pudding.

Ms Spence: You can go now.

Mr LAMING: I can go now?

I had the opportunity to read the amendment that the Minister circulated and I think that she must agree with the principle that I am putting forward and perhaps the reasons why I am putting it forward, because her amendment was similar. However, she did reserve it only for the new contracts and not the existing contracts. I think I am halfway there in the debate—she agrees with the principle but she believes it should only attach to the new contracts. That brings up the debate which we have visited and will visit again as to whether there should be two levels—two classes—of contract in the retirement village industry: those of existing contracts and those of new contracts. I dare say we will revisit that. I believe that the impact of and the reason for this amendment is strong enough for the Minister to accept the amendment on all contracts for the three reasons—and I will not go through them again—that I outlined. I think it is a very reasonable amendment.

Ms SPENCE: There is one basic reason why we do not want to make an amendment such as this retrospective. Before I go into that, I would just like to say that we do agree with the member for Mooloolah that operators should not act as real estate agents and take commissions for the sale of units unless, of course, they are registered real estate agents. Then they would be able to do that. However, there is a good reason why we cannot accept the retrospectivity of the amendment of the member for Mooloolah tonight, and that is because many of the existing contracts already contain provisions that allow an operator to charge a commission on the sale of a unit.

Residents and operators have already agreed to these contractual arrangements. It would be wrong of us in Parliament tonight to undo that contractual arrangement and say that operators can no longer charge commissions on existing contracts. For that reason, we reject the amendment put forward by the member for Mooloolah. We ask him to support the amendment which has been circulated in my name which we believe realises the intent of the amendment from the member for Mooloolah and which will apply to all future contracts. I move the following amendment—

"At page 44, after line 11—

insert—

'(3) Except as provided by subsections (1) and (2), a scheme operator must not charge a former resident a fee, charge or commission, however described, for selling the resident's right to reside in the resident's accommodation unit.

Maximum penalty—40 penalty units.

'(4) However, subsection (3) does not apply to an operator under an existing residence contract.'."

Mr LAMING: All I can say is that I am somewhat disappointed that my amendment is not seen as acceptable. I concede that it will not be accepted by the Minister and will not get up. I can only say that I would have to support the amendment to my amendment, because at least it is better than what is currently in the Bill. I accept that.

Mr BEANLAND: I understand the amendment I have here which the Minister has just circulated. The question I simply ask is this: is this part of the original agreement? The Minister said that the parties agreed to certain things. The Minister could not accept the member for Mooloolah's amendment before because it was not within that agreement. I presume that this was technically left out in the first place, that this particular error has now been picked up and that the Government is moving this amendment as it was part of the original agreement. Is that the case or is this something outside the arrangements?

Ms SPENCE: I do not know that this issue was discussed in the original working party or for the regional heads of agreement. Frankly, I do not know. However, I could not accept the last amendment, which dealt with retrospectivity and future laws, because it burdened the operators with a cost which had not been worked out by the original working party. This amendment does not burden operators in the future with an additional cost. I believe that, in the past, none of us wanted operators to act as real estate agents who charged commissions, but this no doubt slipped through many of the contracts in the past. I do not think that this would go against the spirit of the working party's agreement. Therefore, I am prepared to accept it tonight.

Mr BEANLAND: I take it then that this is designed to ensure that, in future, as this applies to future arrangements, unless operators get real estate licences in some form, they will not be able to sell as they have done from time to time in the past and will not be able to have that particular section in their contracts. Will this overcome that particular situation? They certainly will not be able to get commission for sales, anyway. It is quite clear about that. I presume that they will still be required to be licensed, will they not? Can I just have that point about the licences clarified?

Ms SPENCE: What we are doing tonight is declaring the intent of this Parliament—that is, in future, operators should not charge commission on selling units. If they did have a real estate agents licence, they would have to declare a beneficial interest in selling that unit. So I think it is a good amendment we are moving and it makes very clear our intention.

The TEMPORARY CHAIRMAN (Dr Clark): Before I put the question, I will explain the procedure to members. The Minister's amendment will omit subsection 3 and insert a new subsection 3 and 4. The question is that the Minister's amendment to Mr Laming's amendment be agreed to.

Amendment (Ms Spence) agreed to.

Amendment (Mr Laming), as amended, agreed to.

Clause 68, as amended, agreed to.

Clause 69, as read, agreed to.

Clause 70—

Mr BEANLAND (10.26 p.m.): This clause deals with the appointment of a valuer. I presume that the chief executive officer who has the responsibility in this area will have a group of valuers whom he or she will call upon for expressions of interest or something of that nature. How is the chief executive going to obtain this list of valuers in the first place? How is this going to operate? I presume that there would be expressions of interest called, or something of that nature, and a number of valuers who would be happy to do this sort of work would put their names forward. When the time came, if it was in Cairns, for example, then obviously the chief executive would choose a valuer in Cairns. If it was in Rockhampton, the chief executive would choose a valuer from Rockhampton, etc. Is that the way the system is going to operate, or is there some other system? I ask for some clarification as to how this is going to operate.

Ms SPENCE: I understand that the chief executive will advertise and will select and keep a panel of valuers from which we will choose to undertake those valuations.

Clause 70, as read, agreed to.

Clauses 71 to 73, as read, agreed to.

Clause 74—

Mr BEANLAND (10.28 p.m.): Clause 74 relates to the form and content of the public information document. I believe that this is a very essential feature of this legislation and one which will make a tremendous difference to people when they are looking at becoming a resident of a retirement village. I say that because it is quite clear now that many of these contracts that people enter into are very detailed. Their contents are not obvious at first glance, or even after many glances, in fact. It is very difficult to compare one retirement village to another. The public information document would, I would hope, be in such a form as to allow residents who are contemplating purchase and who do in fact proceed to weigh up one village against another village by looking at this document. After all, the contents of this document are designed to simplify and allow clarification of the various contents, aspects and operations so that one village can be compared to another. There needs to be some way in which to compare one village to another.

I accept that it is currently very difficult. We know of the fine print of dozens, and sometimes hundreds, of pages that contracts run to. This is one way in which people will hopefully be able to focus on a number of important features. That is why this includes things such as the residents' contributions information, information about the payments the scheme operator must make to residents, the funds information, facilities information, information about the village land, residents' rights and obligations to information, the resale process information, dispute resolution information and accommodation information.

Having said that, I think it is important that these documents do not end up being like contracts—that they do not become too difficult for residents to follow and understand. I think clarity is all important in this process. Although some people will want to make the document as long as possible, I think that would simply destroy the process. I think this document must contain essential information. It should not be too short, but at the same time it should not contain too many pages. It should also be in a suitable size and format so that people can easily read and readily understand it. The reason I say that this is a core feature of this legislation for the future, when people are looking at going into retirement villages, is that it will provide the information they need when they go to make that acquisition.

I looked previously and I must have missed it. I accept that it is here somewhere. I ask about the size of type that is being looked at. Is the Minister leaving it to the chief executive officer because this is in an approved form? Size of print is so important, as is the length of the document. I know what happens and I know how easy it will be to defeat the system. The size of the print, the length of the document, the types of words

used and the sort of information contained are all very important.

This is a core, essential, vital feature of this legislation. Sure, we are fixing up some matters retrospectively, but in the future hopefully many of the problems that are occurring out there and that the residents face when they go into retirement villages will have been resolved by this particular document in this first instance. People can tell me that there are contracts at the moment and that people should get lawyers, but when contracts run to some hundreds of pages it is very difficult to compare one retirement village with another. This will help with comparisons. This will help with the actual purchase. All around, I hope it will resolve many disputes before they get started, because the exact situation will be spelt out in this particular document.

All of these issues I raise are terribly important. I accept that some of this information might be somewhere else. I have looked in a couple of places and have not been able to find it. That is why I raise it at this time. I think this is all important in the legislation.

Ms SPENCE: The member for Indooroopilly is right in acknowledging that the new public information document is one of the most important features of this legislation. He is right in saying that in the past one of the problems has been the difficulty of making comparisons between one contract and another. In fact, retirement village residents have said to me that in many parts of the State it is actually very difficult to find a solicitor who is skilled enough to read the contracts and advise on them. As contracts are getting more complicated, solicitors simply do not necessarily have the expertise to advise on this, which is why the public information document is so important.

We have determined that the public information document will be no more than 20 pages long. We have not determined the size of type. This is a matter that will be determined by the working party and will be set out in the regulations. I agree that this is an important aspect of this legislation.

Clause 74, as read, agreed to.

Clauses 75 to 83, as read, agreed to.

Clause 84—

Mr DAVIDSON (10.36 p.m.): As I mentioned during the second-reading debate, this clause requires a scheme operator to give a prospective resident a copy of the public information document before the resident enters into a residence contract. However, the clause places no time limit on when this information must be provided. Under section 19 of the Victorian Retirement Villages Act 1986 there is a requirement on the village owner's agent to give all residence documents to a prospective resident at least 20 days before the resident enters into a contract. Prevention is always better than cure, and one way of minimising problems after contract documentation is signed is to make sure that relevant information is given to a potential purchaser as soon as possible.

Under this clause, a public information document could be given to a resident 10 minutes before a contract is signed and before a resident has had the chance to understand its implications. While there will be a 14-day cooling-off period, I would have thought that this legislation should have clearly set out time guidelines for the provision of this key information. Why is this Bill silent on the period before which a public information document has to be given before contract execution and why was the approach adopted in Victoria not followed?

Ms SPENCE: The answer is that the 14-day cooling-off period addresses this.

Mr GRICE: I suppose it is assumed that existing residents will be given a current public information document or any amendments made to their documents subsequent to the date of issue. Could the Minister comment on that? Could the Minister also comment on what assurance residents have that any amendments have been included? I think it is also essential that any amendments to the original document supplied to them which forms part of an existing contract not be prejudicial to a resident relying on that contract.

Ms SPENCE: Basically, the public information document is standardised. It will be a 20-page document that is designed for residents to make comparisons between one village and another. The contract will obviously be longer in nature. However, we are trying to standardise contracts. Hopefully they, too, in the future will provide easy comparisons for residents. I am advised that, in answer to one of the member's questions at least, there is no lowering of any existing contractual provisions.

Clause 84, as read, agreed to.

Clauses 85 to 90, as read, agreed to.

Clause 91—

Ms SPENCE (10.39 p.m.): I move the following amendments—

"At page 54, lines 24 to 28—

omit, insert—

'(b) hold amounts standing to the credit of the fund in a separate account—

(i) that is established and kept for the purpose; and

(ii) the name or style of which includes—

(A) the operator's name; and

(B) the retirement village scheme the account is for followed by the words 'secured capital replacement fund account'; and

(iii) that requires withdrawals from it, whether by cheque or otherwise, to be signed by the scheme operator.'.

At page 55, lines 4 to 9—

omit, insert—

'(3) No amount standing to the credit of the fund may be applied or used for a purpose other than—

(a) replacing the village's capital items; or

(b) paying the quantity surveyor's reasonable fees for giving a report for section 92; or

(c) paying tax on amounts paid into the fund under section 94(1)(b).'.

'(3A) A person who applies or uses an amount in contravention of subsection (3) commits an offence.

Maximum penalty—540 penalty units.'.

At page 55, line 16—

omit, insert—

'Maximum penalty—540 penalty units.

'(5) Immediately the fund is established, a statutory charge is created over it for the benefit of the residents of the village to ensure the availability of the balance of the fund for the purposes mentioned in subsection (3).

'(6) The charge has priority over any other charge over the fund given by the scheme operator, including a charge given before the commencement of this section, other than a charge created and given priority over other charges under a Commonwealth law or another law of the State.

'(7) Regardless of any change in who controls the scheme's operation, the charge is irrevocable and continues until—

(a) the village ceases to operate as a retirement village scheme; and

(b) all former residents have been paid their exit entitlement.'."

Amendment No. 3 is necessary because of concerns that have arisen whereby contributions to the fund may be subject to income tax in the hands of the operator. This amendment will ensure that the fund is not designated as a trust account but as a fund held in the name of the operator and the village. Payment of money into the fund will be made by the operator and, in effect, there will be no receipt of income by the operator.

Amendment No. 4 is necessary to ensure that any income tax that is payable on interest earned from investment of the fund can be deducted from the fund. The provision limits the amounts that can be withdrawn from the fund to the purposes listed.

Amendments agreed to.

Clause 91, as amended, agreed to.

Clause 92—

Ms SPENCE (10.40 p.m.): I move the following amendment—

"At page 55, line 19, 'a quantity'—

omit, insert—

'an independent quantity'."

This amendment is necessary to ensure that the quantity surveyor engaged to undertake the reports about the amount required for capital replacement is an independent quantity surveyor and not an employee or associate of the scheme operator.

Amendment agreed to.

Clause 92, as amended, agreed to.

Clauses 93 to 96, as read, agreed to.

Clause 97—

Ms SPENCE (10.41 p.m.): I move the following amendments—

"At page 58, lines 17 and 18—

omit, insert—

'(b) hold amounts standing to the credit of the fund on trust solely for the benefit of residents in a trust account that—'.

At page 59, after line 2—

insert—

'(c) paying tax on amounts paid into the fund under section 100(1)(b).'.

At page 59, line 11—

omit, insert—

'Maximum penalty—540 penalty units.

'(5) Regardless of any change in who controls the scheme's operation, the trust is irrevocable and continues until—

(a) the village ceases to operate as a retirement village scheme; and

(b) all former residents have been paid their exit entitlement.'."

Amendment No. 7 is necessary to ensure that contributions by the residents to the maintenance reserve fund will not be considered to be income of the operator. It will ensure that the contributions of the residents will not then be subject to income tax in the hands of the operator.

Amendment No. 8 is necessary to ensure that any income tax that is payable on interest earned from investment of the fund can be deducted from the fund. The provision limits the amounts that can be withdrawn from the fund to the purposes listed.

Amendment No. 9 is necessary so that the trust remains in place for the benefit of the residents to maintain the village. The trust will be irrevocable and will continue until a village ceases to operate as a retirement village and until all former residents have been paid their exit entitlements. The trust will also continue regardless of whether the village is sold and another operator takes over the responsibility of the fund.

Mr DAVIDSON: This clause provides for the operator to establish a maintenance reserve fund to be held in a trust account upon which an operator is to sign withdrawal cheques. The security envisaged by the use of a trust account under this provision is illusory. The account will hold, on behalf of residents, their joint contributions, formerly paid into a sinking fund, to finance repairs, renovations, replacements and maintenance of a substantial but infrequent or irregular nature. This is the generally accepted purpose of such a fund. The purpose of payment into a trust account is self-evident, and funds should only be available with the approval and authorisation of an independent trustee. It is inappropriate that the operator act in this capacity.

Clause 46(1) provides for the appointment of a trustee for ingoing contributions under a residency contract. This person should also act as trustee for funds held on behalf of residents, available only for the purposes specified, and should not be available to a receiver or liquidator in the case of insolvency of a manager or operator—conditions which are presently in existing contracts. Residents are responsible for the replenishment of this reserve and should not see it dissipated by a receiver or liquidator preparatory to the sale of the village to another person.

To obviate these concerns, this clause should be amended to state—

> "... that the trustee appointed under clause 46(1) shall also be the only trustee appointed to manage the maintenance reserve fund trust account and endorse and issue withdrawal cheques available for the dissipation of the funds, available for the purposes specified."

Also within these confines, and in connection with the maintenance reserve fund, the income tax implications of present legislation need further consideration.

Under income tax ruling 94/24, retirement village operators are given most generous income tax concessions. Basically, the following provisions apply. A deduction is allowed for all development costs incurred, including landscaping, roads and footpaths, as well as holding costs during development and normal operating costs. The operator is assessed on the sale price of units—original or resale—exit fees, service fees and other extraneous income. A deduction is also allowed for exit entitlement paid to a former resident.

It will be observed that these provisions are most generous. However, with the maintenance reserve fund being paid to and under the direct control of the operator, the amounts paid into that fund by residents for the reserve against the future long-term maintenance costs will, under paragraph 10 of that ruling, become assessable income of the operator subject to tax in his hands. Thus the residents' reserve fund contributions can be eaten away by income tax payable by the operator. To obviate this, the funds must remain trust funds held on behalf of residents by an independent trustee. In this way, it will only be the interest earned on the reserve which will be assessable. To ensure taxation at a reasonable income tax rate, residents in actual residence from time to time should be presently entitled to have both the income and capital of the reserve applied for the purposes intended.

Again, to obviate these concerns, this clause should be amended in the following manner—

> "... funds must remain trust funds held on behalf of residents and managed only by the appointed trustee. Only interest earned on the reserve fund will be allowed to be assessable and be paid from this reserve."

Ms SPENCE: The intent of the amendments that I have just moved is about ensuring that residents of retirement villages

do not have to pay tax on their trust accounts. That is all we are doing in this amendment tonight. I do not know where the rest of what the member for Noosa said came from.

In the original legislation, we were calling it a trust account. We got advice from the taxation department that if we changed the wording and the intent of this legislation from calling it a trust account to moneys held on trust, not only would that more clearly establish that this is the residents' money, but it would mean that it would not be taxable. That is all we are doing in these particular amendments.

Amendments agreed to.

Clause 97, as amended, agreed to.

Clause 98—

Ms SPENCE (10.46 p.m.): I move the following amendment—

"At page 59, line 14, 'a quantity'—

omit, insert—

'an independent quantity'."

This amendment is necessary to ensure that the quantity surveyor engaged to undertake the reports about the amount required for the maintenance reserve fund is an independent quantity surveyor and not an employee or an associate of the scheme operator.

Amendment agreed to.

Mr LAMING: Proposed subsection (3)(a) states that—

> "... if the first resident in the village occupied an accommodation unit 5 or more years before the commencement—10 years."

This refers to the time that is allowed for the fund to be built up. I did mention this in my speech on the second reading of the Bill. I know of a village—and there are probably others—that is in a run-down condition. I am somewhat concerned that these villages, starting from less than a zero base, might find some difficulty in reaching the stage that the fund is required to be at under the provisions of the Bill. I am just wondering whether there is a mechanism for the department to assist or make particular allowances for a village that is obviously having difficulty getting its maintenance fund into the situation that is required under the legislation within 10 years.

Ms SPENCE: The member for Mooloolah raises a legitimate issue. I agree with him. There are many, many villages in Queensland that have inadequate sinking funds. That is why we have addressed this in the legislation that members are debating tonight. The working party certainly discussed this at great length, and the operators were involved in that discussion. They believe that 10 years is a reasonable time within which to expect retirement villages with inadequate sinking funds to maintain appropriate capital replacement funds. This is not just for the benefit of the operator; this is for the benefit of residents of retirement villages so that they maintain adequate capital replacement funds. It is for the benefit of future residents of those villages. It is very difficult for a smart purchaser to be talked into buying into a village which has an inadequate sinking fund. It is to the advantage of all residents that these funds be properly maintained. I am afraid that 10 years is the length of time that we expect them to take to maintain and establish these adequate funds. We have not discussed alternatives to the 10-year rule.

Clause 98, as amended, agreed to.

Clauses 99 to 102, as read, agreed to.

Clause 103—

Mr DAVIDSON (10.51 p.m.): Under clause 103, the operator should be prevented and prohibited from paying, out of residents' service charges, his holding costs such as rates, etc., on undeveloped land held for future development. He is allowed an income tax deduction for these costs under income tax ruling 94/24, as I previously indicated. As with any other developer, these costs form part of the establishment costs. Therefore, this section should be replaced by an amendment worded as follows—

> "An operator is expressly prohibited from paying from a resident's service charges his holding costs (e.g. rates etc) on undeveloped land held for future development."

I am not moving an amendment here; I am simply bringing this to the Minister's attention.

Clause 103 (3) specifically prohibits an operator from including in a general services charge an amount for replacing village capital items, and further provides that this does not apply to an existing residence contract. Presumably the other provisions contained in Part 5 do apply to existing contracts. Clause 113 provides benefits additional to those specified in the Bill—that is, in relation to the PID. This is permitted under clause 74(6), but clause 37(4) provides that the Act shall prevail to the extent of any inconsistency with the PID; thus the additional provisions in the PID may be an inconsistency and, therefore, are of no effect. Will this allow the operator to be permitted to amend the PID to provide lesser

benefits than previously contractually permitted?

This will affect every contract in existence and should be remedied by more precise rulings. For the Minister's benefit, an amendment to indemnify existing contract holders may be necessary to prevent such changes to existing contracts since they are specifically excluded from clause 103(3).

Ms SPENCE: I move the following amendment—

"At page 62, line 19—

omit, insert—

'period the resident resides in the resident's accommodation unit.

'(6) Subsection (1) or (2) does not prevent the resident from being required to pay, as part of the charge for a general service under a residence contract, an amount directly or indirectly attributable to GST payable for the supply by, or to, the scheme operator for the service.

'(7) In this section—

"GST" has the meaning given by A New Tax System (Goods and Services Tax) Act 1999 (Cwlth).

"supply" has the meaning given by A New Tax System (Goods and Services Tax) Act 1999 (Cwlth).'."

This amendment is necessary so that general service charges can include the amount of goods and services tax that an operator may be required to pay for those services. It is not unreasonable that operators should be entitled to pass on their costs with regard to increases in taxes, including the GST. However, because of section 6 of the Acts Interpretation Act 1954, a reference to an Act in Queensland legislation is a reference only to a Queensland Act and will not include a Commonwealth Act. Therefore, the section needs to specifically refer to the Commonwealth GST legislation for this charge to be passed on by operators.

Clause 103, as amended, agreed to.

Clause 104—

Mr LAMING (10.54 p.m.): I move the following amendment—

"At page 63, lines 6 and 7—

omit, insert—

'(3) However, subsections (1)(a) and (b) and (2) do not apply to a former resident under an existing residence contract for 6 months after the resident vacates the unit.'."

This amendment refers to subclause (3), which reads—

"However, subsections (1)(a) and (b) and (2) do not apply to a former resident under an existing residence contract."

I guess this is the great disappointment in this Bill. It was predictable that it would invoke some debate. This is the clause that sees a probable continuation of the erosion of an elderly person's assets. This is a situation that has been very well canvassed. A number of people in my electorate are affected by the fact that this provision is not in the existing Act. I am trying to amend this clause tonight to do away with the anguish that many former elderly residents and their families suffer.

This situation is continuing. Former residents, who have left their units, find that they have to continue paying maintenance funds. These people have sometimes moved on to another village, a nursing home or a hostel where they are also paying maintenance fees. They have to keep paying maintenance fees on an unsold independent-living unit. This is financially and mentally crippling for these people and their families.

I have heard the arguments against including existing contracts in the 90-day period. I do not believe that there is an argument that has been put over the past two years which I have not heard. Frankly, I am completely unmoved. I do not accept those arguments.

The provision contained in the amendment I have moved was accepted in the first draft produced by the previous Government. It was accepted by the operators. It was also accepted by the representatives of the villages. However, for some reason it got off the track. I believe it had something to do with the village representatives who wanted to make sure that they covered every aspect of the Bill before they would agree to this particular aspect being attended to. It has been accepted by a working party in the past.

The amendment I have moved doubles the 90-day period in recognition of the fact that it would be fairer on the scheme operators to allow them a more reasonable time. The same situation applied to the earlier amendment I moved which shared the costs of a real estate agent involved in the resale of a unit. I have doubled the 90-day period to a six-month period. If my amendment is accepted, this will bring the clause into line with the provisions of clause 64 and clause 67. If it is good enough for new contracts to contain this provision, it would be inequitable not to extend the

provision to the long-suffering people who have to move out of their independent units, but who still have existing contracts.

It has proved to be, perhaps, the major flaw in the 1988 legislation. This matter has been dealt with in New South Wales. I understand that provisions similar to the amendment I have moved apply to existing contracts in New South Wales. The whole world has not come tumbling down in New South Wales.

I believe it would be very remiss of this Minister and this Government to allow this clause to proceed in its present form. I have not moved to delete the clause even though that action was available to me. It would have meant that the people with existing contracts would have had the same provisions as people with new contracts. I believe I have been reasonable in this approach.

If village operators cannot sell a property in a six-month period, one must wonder why. People have told me that it is sometimes in their best interests not to sell a property because they still gain the benefit of the maintenance fees that are rolling in. In many cases these people do not have to provide the services because the residents are not occupying the units.

If it were not for this aspect of the legislation, I would be surprised if it had been pushed onto the agenda—and, I might add, maybe pushed off the agenda so often for so many years. I find it quite iniquitous and I find it very disappointing that this most important provision is not allowed to be addressed.

I am not moving to delete this clause, which would put the old contracts and the new contracts on the same footing. My amendment moves the period in this clause to be the same as that contained in clauses 64 and 67, which is a six-month period. If the scheme operators and the managers—together with the help of real estate agents, who are now allowed under the provisions of this Bill—cannot sell the property, then the price is too high. They have to accept the price that the market will give them for it. When operators will not accept the price that a unit is worth on the open market, sometimes I really wonder about their motives.

I could not speak strongly enough in support of this amendment without perhaps breaching the bounds of what I should say in this place. I feel very strongly that this Parliament should support this amendment, because I believe that it is reasonable and it is—

Ms Spence interjected.

Mr LAMING: No, I am not given to tears. It is a most important amendment and, to use the Minister's own words, it is not something that we should be joking about. A lot of other people in this State, along with their families, are in tears about this issue. I think that this is the opportunity to fix it. Let us bite the bullet, be a bit white knuckled about it, and do it.

Ms SPENCE: I am happy to respond to the member for Mooloolah. In terms of the general fees, I would like to explain clearly what the Government is proposing and what the member for Mooloolah is proposing, because I suspect that very few people in this Chamber actually understand what each side is putting forward. The Government is proposing that, once a resident leaves a retirement village, that person will continue paying their general fees for three months and then after that, both the resident and the operator will share the cost equally of the general fees. We believe that this is a fair system because, after three months, there will then be a great incentive for the operator to sell that unit to avoid paying part of the general fees.

The member for Mooloolah is proposing that, when a resident leaves a village, they will not pay any general fees for six months and then, after that, they will go back and pay full fees for the rest of the time that unit is not sold. Where is the incentive for operators to sell that unit? More likely, the operator will hold out for six months. They will have no incentive in the world to sell that unit, because they are getting full general fees after the six-month period.

This issue occupied an enormous amount of time and debate of the members of the working party. It was agreed that general fees should be capped. Tonight, the system that we are putting forward was agreed by all members of the working party to be fair. The one thing that they did want, but which the member is not proposing, is retrospectivity. Many residents would like this provision to be made retrospective. However, they agreed that they would be unable to agree to the retrospectivity of these provisions.

We believe that what we are putting forward tonight in our legislation offers a real solution to this problem of general fees—a solution that is fair to residents, is fair to operators and, more importantly, gives operators a great incentive to get rid of that unit. After three months, they will be kicking in for the general fees.

Under the member's scheme, after six months the operators will have no incentive at

all to sell the unit, because the resident will be picking up the fee. The member should not forget that, in many cases, these units are deceased estates. The people involved will be picking up the entire cost of those general fees. So for those reasons, we cannot support this amendment.

Mr LAMING: Once again, the Minister has not understood the content and the intention—

Ms Spence: You don't understand what we're doing here.

Mr LAMING: No, I have had this amendment prepared carefully by Parliamentary Counsel. Once again, the Minister has to understand what the amendment says. It states that sections (1)(a) and (b) and (2) state that the general service charges do not apply until after the right to reside in the unit is sold and after the 90-day period. We are saying that those provisions do not apply to a former resident under existing contracts for the first six months. The Minister is saying the reverse. It does not mean that at all. It means, effectively, that the maintenance fees continue for the first six months and then after that, the provisions apply to an existing contract in exactly the same way as they do to a new contract.

This issue has received a lot of attention from Parliamentary Counsel. The Minister has actually reversed what it means. That is not what it means. I can perhaps excuse the Minister for being confused on this issue. However, I cannot excuse myself for not pointing out the Minister's error in misreading the amendment.

The Minister said also that the residents would not agree when the residents got together with the operators to talk about these provisions. Sometimes, I really wonder who speaks for residents. I speak to residents and I listen to residents. None of them are telling me what the Minister is saying—that the residents are the representatives. I have talked to some of the people who have talked to the Minister. I have expressed my displeasure at some of the things that they have been saying, because I believe that what they have said has not been in the best interests of the residents—certainly not the ones whom I represent; the ones who are still paying their maintenance fees.

As I said earlier, I feel that this is the major point of this whole legislation, yet it has not been addressed. It certainly has not been addressed for existing contracts. This issue does not relate just to the people who are experiencing problems now, it affects virtually all people who have contracts with retirement villages. Until this legislation is passed, they will eventually fall into the trap that so many people are in now. At the end of the day, to bring legislation relating to retirement villages to this Chamber and not fix the main problem is a waste of flaming time. I can only ask the Chamber to support this amendment.

Ms SPENCE: I acknowledge that this legislation does not address all the wrongs that are in place in existing contracts in Queensland. It would be wrong to expect that, through this legislation, this Government can fix up 10 years of past poor retirement village legislation in this State. Nor can we, as responsible members of Parliament, start unravelling every aspect of existing contracts. This deal was agreed to by operators and residents alike. Frankly, the member is asking us to support something that the operators would be horrified at, because they have an important contractual relationship with their existing residents. By this amendment, the member is adding an enormous financial impost to those operators. I am afraid that, as a responsible Government, we cannot allow the member to do that.

Question—That Mr Laming's amendment be agreed to—put; and the Committee divided—

AYES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Gamin, Goss, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Wellington. Tellers: Baumann, Hegarty

NOES, 40—Attwood, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, D'Arcy, Edmond, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

Resolved in the **negative**.

Clause 104, as read, agreed to.

Clauses 105 to 125, as read, agreed to.

Insertion of new clause—

Ms SPENCE (11.15 p.m.): I move the following amendment—

"At page 74, after line 11—

insert—

'Division 5—Exemption from stamp duty and charges

'Exemption from stamp duty and charges

'125A. A notice by the chief executive under section 116(2), 117(4) or 125(2)

and any other instrument given to the registrar of titles to give effect to the recording of a charge or the release of a charge mentioned in those sections by the registrar, is exempt from the payment of—

(a) stamp duty under the Stamp Act 1894; and

(b) registration or other fees under the Land Title Act 1994."

This amendment is necessary because the exemption from stamp duty and other registration fees as the result of the creation of a charge by statute that previously existed under the Retirement Villages Act 1988 should be continued in the new legislation.

New clause 125A, as read, agreed to.

Clauses 126 to 155, as read, agreed to.

Clause 156—

Ms SPENCE (11.16 p.m.): I move the following amendment—

"At page 88, line 20, 'of the termination'—

omit, insert—

'after the payment of the former resident's exit entitlement'."

The amendment is necessary because disputes may arise in relation to the revaluation of units that may occur six months after the termination of the contract. It also addresses difficulties for executives trying to sell units as part of the estate of a deceased resident. The amendment will ensure that the dispute notice must be lodged within four months of the payment of the exit entitlement, which is effectively the end of the relationship between the resident and the operator.

Amendment agreed to.

Clause 156, as amended, agreed to.

Clauses 157 to 168, as read, agreed to.

Clause 169—

Ms SPENCE (11.17 p.m.): I move the following amendment—

At page 92, line 14—

omit, insert—

'section 86;[1] and'.

[1] Section 86 (False or misleading documents)."

The amendment is necessary to correct an incorrect cross-reference in the Bill.

Amendment agreed to.

Clause 169, as amended, agreed to.

Insertion of new clause—

Mr WELLINGTON (11.18 p.m.)**:** I move the following amendment—

"At page 92, after line 18—

insert—

'Resident may apply for unjust provision to be set aside

'169A.(1) This section applies if a resident of an existing retirement village believes a provision of the resident's existing residence contract is harsh, oppressive or unconscionable.

'(2) The resident may apply to the chief executive for an order by a tribunal to have the provision set aside.'."

The intent of the amendment is to enable current residents of retirement villages to apply to the tribunal for a review of the appropriateness of clauses contained in their existing contracts. One thing we must all clearly understand is that, by and large, this Bill does not apply to existing contracts and the problems associated with them. For example, some village agreements have clauses that require the residents to vacate their units before the village management advertises the units for sale. I believe that this type of clause is inserted for the sole benefit of the village operator and should be subject to review by a tribunal. Let us face it: the normal situation is that a house is listed for sale whilst it is still occupied because most people, and this applies particularly to elderly people who live in retirement villages, need the proceeds from the sale of their residence in order to move somewhere else.

I believe that it is harsh and oppressive to require the resident of a village to vacate his or her unit before the management advertises it for sale simply because this requirement is contained in the fine print in the retirement village contract in existence between the resident and the village management. I believe that some residents in some retirement villages are being discriminated against because of the application of these types of clauses. Residents who are concerned about how the village management operators attend to the advertising of their units should be able to apply to the tribunal for a review of the appropriateness of clauses contained in their contracts. If there is a clause contained in a retirement village contract that appears to be harsh or oppressive, I believe that it should be capable of being reviewed by the tribunal to either rebut the claim that the clause is harsh and oppressive or, if it is found to be harsh

and oppressive, it should be capable of amendment.

I note that the Bill does contain some retrospective aspects. In particular, I refer to where the Bill prohibits village operators from exercising powers of attorney for residents even if that is permitted under current contracts.

I urge members to support my amendment, which simply enables residents to apply for unjust provisions to be set aside. What I propose is that if a resident of an existing retirement village believes a provision of their contract is harsh or oppressive, under my proposal the resident may apply to the tribunal to have the provision in dispute set aside. Under my proposal, for the tribunal to be able to set aside a provision of an existing contract, the tribunal must be satisfied that the provision of the resident's contract in question is harsh and oppressive. There are thousands of elderly people who have been waiting anxiously for years to receive some relief from these circumstances. They have suffered enough and I urge members to show some compassion towards these people and support my amendment.

Ms SPENCE: The honourable member for Nicklin proposes in new clause 169A that an existing resident living in a retirement village under an existing contract at the time the Act commences will have a right to apply for an order to the Retirement Villages Tribunal. There are a number of objections that I wish to make to this proposal. However, before dealing with them, I point out that the proposed relief in the event of a resident's contract being harsh, oppressive or unconscionable would be available only for existing residents and not for those in the community who may enter residence contracts after the new legislation comes into force.

The proposal put forward by the honourable member would create two classes of retirement village residents in Queensland. There is no basis on which such discrimination or artificial lines of distinction within a seniors community should be encouraged. The provision would be unworkable because it has the potential to destabilise the retirement village industry in Queensland. In addition, I am concerned that the provision suggests that an applicant will have an entitlement to be heard based solely on that person's belief as to whether an existing contract is harsh, oppressive or unconscionable. Once a resident had formed this opinion, the resident would be able to apply to the chief executive for an order by the tribunal to have the provision set aside.

Normally applicants must satisfy a threshold test as to whether an action can be maintained. Generally where legislative provisions are made for opening contracts, a basic requirement is that the applicant must show that the contract was harsh, oppressive and unconscionable or unjust at the time the contract was entered into. This clause makes no requirement for an applicant to be able to prove this and opens the gate for residents to merely change their mind as to their residence contract at a later date. In some cases this could be years afterwards.

At the time that residents entered into their contracts there was no legislative requirement setting time limits on the payment of general service charges, for example, even though we have seen the Opposition try to undo that tonight. It was up to negotiations between operators and prospective residents to bargain for a suitable term. It would now be inequitable to retrospectively allow residents to have their residence contract rewritten by the tribunal to the detriment of the retirement village and the operator in question. Such a provision could jeopardise the financial viability of some villages where cash flows have been calculated on the basis of existing contracts. Operators have agreed to alter the position with respect to future contracts, and this is reflected in the Bill.

As I have already pointed out, if at the time a resident entered a residence contract that person had been overborne by duress or undue influence on the part of the operator, a remedy is already available to the resident, that is, to take that issue up in a court of law.

Question—That Mr Wellington's amendment be agreed to—put; and the Committee divided—

AYES, 39—Beanland, Black, Borbidge, Connor, Cooper, E. Cunningham, Davidson, Gamin, Goss, Grice, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Mitchell, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Wellington. Tellers: Baumann, Hegarty

NOES, 39—Attwood, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, D'Arcy, Edmond, Fenlon, Foley, Fouras, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

The numbers being equal, the Chairman cast his vote with the Noes.

Resolved in the **negative**.

Clause 170, as read, agreed to.

Clause 171—

Mr WELLINGTON (11.32 p.m.): This amendment is consequential on the previous amendment that I moved, so I seek leave to withdraw it.

Leave granted.

Clause 171, as read, agreed to.

Clauses 172 to 192, as read, agreed to.

Mr WELLINGTON (11.33 p.m.): The amendment that I was going to move is consequential on the previous ones. I seek leave to withdraw it.

Leave granted.

Clauses 193 to 238, as read, agreed to.

Schedule 1, as read, agreed to.

Schedule 2—

Ms SPENCE (11.34 p.m.): I move the following amendment—

"At page 122, line 3 '12(2)'—

omit, insert—

'12(3)'."

This amendment is necessary to correct an incorrect cross-reference in the Bill.

Amendment agreed to.

Schedule 2, as amended, agreed to.

Bill reported, with amendments.

Third Reading

Bill, on motion of Ms Spence, by leave, read a third time.

FORESTRY AMENDMENT BILL

Second Reading

Resumed from 12 November (see p. 5054).

Hon. T. R. COOPER (Crows Nest—NPA) (11.35 p.m.): I noted in the Minister's second-reading speech that one of the objectives of the Forestry Amendment Bill is to implement part of the Queensland Government plan for the south-east Queensland regional forestry agreement. The Forestry Amendment Bill 1999 is misleading on two fronts. Firstly, this is not a plan. This is in fact just a deal between the Beattie Labor Government, the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society and one representative of the Queensland Timber Board. Secondly, it is not a legitimate agreement either, because most of the actual stakeholders were ignored and left out when the deal was cut.

We have heard a lot of rhetoric from the Government ever since this so-called deal was announced as being the saviour of the timber industry, which is something that it is not. It is far from it. A lot of people were conned into thinking that this would in fact be the answer to our prayers as far as a regional forest agreement was concerned. As I have said, it is not an agreement. The main peak players have been left out. It was just a set of so-called principles with no detail and no consultation. As such, we are now finding that the people who were conned in what was just a cruel hoax are now realising that they have been conned.

At a meeting yesterday in Gympie there were some 20 mayors and local authorities represented. I have resolutions from that meeting which I will read into the Hansard which demonstrate very clearly that this is not a legitimate agreement at all. In fact, it is full of holes. It will not hold water. It will not stand up. As far as we are concerned, it certainly has not yet received support from the Federal Government, so it can hardly be billed as a genuine regional forest agreement.

Where was the workers' endorsement of this deal? I will read into the Hansard some press releases that indicate clearly where they stand. What happens to the 80 workers who are to lose their jobs at Nandroya? Where was their endorsement? Obviously, there was none. Where were the shire councils' endorsements of this deal? Where was the Forest Protection Society's endorsement of this deal? The Forest Protection Society was one group that actually stood up for its members. I cannot say the same for the Timber Board or the one representative who supposedly was going to represent them. But the Forest Protection Society has played its part and will continue to play its part, because this issue is not dead yet. In fact, it is just beginning to spring to life once more now that the confidence trick has been exposed.

I say from the outset that we will not be opposing the Bill, but it is certainly very difficult to support it as it stands. We do so because of the so-called 25-year guarantee. I will speak more about that later, as well as the 10-year extension under the Trade Practices Act. Therefore, in order to give as much support as we can to the industry, we will not oppose it, but I will certainly be moving amendments in the Committee. We will divide on at least three occasions to demonstrate clearly that we are not happy and that the 25 years is in fact another con. The period needs to be not just at least 35 years, but 35 years where the industry has access to timber that has some

sustainability and some life. Quite obviously, what it has been left with for 25 years will not last 25 years at all. Those in the industry know it and we know it. Again, it is just one of those dreadful, cruel tricks that has been played on them.

I would also like to know where the rural and regional communities' endorsement of this deal is. There is none. I would like to know where the contractors' endorsement of this deal is. There is none. The graziers, who are certainly affected by it, and the leaseholders in the forestry areas, again, were not involved in any consultation. The beekeepers, trail riders, four-wheel-drivers and campers have not been included, in spite of endless promises that they would be. They are aware of it. They are not stupid. If anyone thinks this thing has been put to bed, they have another think coming.

None of those people I mentioned have endorsed this so-called plan because they were not privy to the wheeling and dealing that was conducted behind closed doors. All of these groups of the community have more stake in the forest industries than those three conservation organisations will ever have, yet they were not included. These people depend on forest industries for their livelihoods, their way of life and their futures. In the Beattie Government's haste to strike a deal, it maintained its commitment to the Greens in exchange for their preferences. They did not bother consulting the community. One thing and one thing only came first.

We have seen it before. We saw it in north Queensland in relation to the rainforests at Ravenshoe. In spite all of the promises of jobs—people catching butterflies, three-fingered waiters and all of that sort of thing—none of that ever came true. There were no jobs for them. That industry was closed completely. All we have left is silence. The second was the Hervey Bay/Maryborough/Fraser Island farce, when all of that was virtually closed, too. Very little continues in that area. Again, all there is is silence. Even Labor mayors in that region say that not one job was created. Here we have promises of more jobs. It is absolute rot. This is the third time people will be burnt. No science is used in formulating this. It is purely a political deal. It is a case of the devil take the hindmost.

The communities of the timber towns will suffer. If anyone thinks the timber they have left will last for 25 years, they are kidding themselves. If it lasts five years they will be lucky. That is when the industry will collapse. That is good enough for this Labor Government. It can buy time with these sorts of deals and after that it will not have to worry, because all the mills will be closed down anyway. We all know very well that that is the aim.

Mr Palaszczuk: What did you do in two and a half years?

Mr COOPER: One thing is for certain: we were not going to ram this sort of rubbish down the then Opposition's neck. We were not going to do sleazy deals behind closed doors with the Greens just for the sake of a few lousy preferences. That is all Labor has done. That is all it has ever done. This has not been based on science; this has not been based on proper data; it has been based purely on a sleazy deal. We know it, the Government knows it and the Greens know it. That is all they care about. All they want to do is close the industry down. They have said so. They have said that their bottom line is to close it down. That is all they want. They will creep up on it bit by bit.

When the Government is finished with the South-East Regional Forest Agreement, it will move to the west—out into western Queensland. Any of those native forests out there will be next on the list. We know the agenda. We have seen it time and time again. I know that the mayors and those people out there in the rural communities that we met with the other day will not be conned any longer. They are not going to take this any more because they know it is their livelihoods that are at stake. It is about the livelihoods of their timber towns, their workers and all of those people who depend on the spin-off effects of the timber industry.

They have had that for 150 years, yet this Labor Government is going to close them down. They know that they are fighting for their livelihoods. I sincerely believe that they will fight, because they know that if they do not they are finished. We will certainly revisit this when we get back to office so that these timber towns will have a chance to actually live again and also to maintain a decent livelihood. All of those workers in that area will have a life ahead of them again. What is ahead under this sort of deal is nothing but hopelessness.

The Minister and his colleagues have made much of the timber industry's apparent support for this regional forest deal. The feedback we are receiving is that sawmill operators are far from comfortable with this deal. As I usually do, to ensure that the views of primary producers in this State are being represented in this Parliament I wrote to a number of sawmill operators and others with a

stake in the forest industry throughout the south-east Queensland RFA region seeking their comment and views regarding this Bill. The range of responses I received was interesting, to say the least. Far from echoing the glowing endorsements of the Beattie Government regarding its regional forest deal, many of those mill owners expressed real concern and a fear for their futures—for the future of their work force and for the future of their communities—under this shabby deal. I will quote a couple of those responses.

Mrs Lavarch interjected.

Opposition members interjected.

Mrs Lavarch: I am just asking for somebody to be honest here.

Mr COOPER: We are being honest with the people who are being affected. The first response states—

> "We confirm that as members of the Queensland Timber Board we reluctantly supported the 'In Principal Heads Of Agreement' that was negotiated. We do have some ongoing concerns that we have been assured will be progressively addressed and seek your support in ensuring that commitments made and assurances given will be actually put in place."

We will do all we can to see that the detail that is gradually worked out is favourable. Of course, we know that we do not have the numbers in this place. Another response states—

> "We are very concerned about the RFA as we do not feel it is the best outcome for Queensland. We could have had an income from forestry and tourism if controlled properly. We do not feel the government can supply the timber needed to fulfil their obligations to sawmillers for the next 25 years, now that they intend to lock up many hectares of previously logged forest."

They are far from glowing endorsements. If the sawmills and the members of the Queensland Timber Board are concerned, the shire councils, the contractors and the communities are arguably even more concerned. While this Bill provides 25-year wood supply agreements for sawmill operators, it gives these other stakeholders very little in the way of guarantees to allay their concerns.

Such is the concern mounting in regional and rural south-east Queensland with this regional forest deal that 21 shire mayors met on 22 November and unanimously carried a lengthy resolution conveying the following concerns. It is important that I quote that resolution for the benefit of the House. It states—

> "That representations be made to the state government outlining the following issues which relate to the development and implementation of the Regional Forest Agreement:
>
> (a) Lack of consultation"—

How often do we hear that? It goes on—

> "Whilst there was some acknowledgment of limited direct consultation in local communities some years ago, there was an absence of consultation at the local level particularly prior to the signing of the agreement.
>
> (b) 25 years is too short a period—there was concern expressed that 25 years is too short a period for a hardwood tree to be grown to a millable size."

Any idiot would know that 25 years is not long enough. It continues—

> "It was suggested that the 25 years for the closure of logging on State forestry should begin after substantial and successful planting of seedlings.
>
> (c) Including people with practical experience—the meeting acknowledged that many people with substantial useful experience in the timber industry that would provide useful practical expertise and these should be accessed to allow a more balanced perspective.
>
> (d) Social Impact Assessment at the Local Level—there was some acknowledgment of work undertaken regarding social impact assessment, however the extent and scale of the work was inappropriate. The focus should be at the local level particularly looking at the social impact in communities and associated local businesses including transport and other subcontractors.
>
> (e) Loss of Rate Income—concern was expressed that the local government rate base might be undermined as changes occur in the forestry industry resulting the reduction of grazing leases over Crown land. The State government should consult with local government directly on these issues.
>
> (f) Future Forestry Agreements in Western Areas Need More public consultation—it was understood that

a forestry agreement in the western areas will be developed in due course and local government in those areas were anxious to see a more consultative process particularly looking at social and economic issues at the local level.

(g) Support for Tree Planting in Dry Areas—It was acknowledged that the major portion of tree planting was to occur in the higher rainfall areas and this was clearly planned to ensure a high growth rate. Whilst this was acknowledged it was argued that there should be greater direct support for tree planting in the dry areas which would provide future resources for local mills in the area.

(h) The impact of vegetation management issues and security of resources for private plantations—members expressed the view that there is considerable anxiety and confusion among private landholders who are grappling with not only the impacts of the Regional Forestry Agreement, but the potential impact of the Vegetation Management legislation. Of particular concern is the need for some form of resource security for private landholders wishing to retain timber for future harvesting."

Those sentiments were reaffirmed unanimously in another meeting of 16 shires, called at very short notice—shires which are impacted on by this regional forest deal and the imminent introduction by the Beattie Government of tree-clearing restrictions on private freehold land—which a number of my coalition parliamentary colleagues and I attended at Gympie on Monday.

The regions are starting to boil. They know that this so-called regional forest agreement is little more than policy on the run. This Bill represents the first plank of the Beattie Government's regional forest deal, and yet there is little or no detail as to how this plan will work. There are grave doubts about plantation developments. In reply to my recent question on notice, the Minister conceded that no trees have yet been planted in the apparently planned plantations.

A report released last week by the Bureau of Resource Sciences and ABARE found 1.4 million hectares of agricultural land suitable for hardwood plantation development, but only 200,000 hectares of that land exceeded just 75% of the estimated agricultural land values. A total of 47,700 hectares were identified which could generate plantation values that exceed 95% of estimated agricultural land values. That is great. The Opposition supports plantation development. But despite those findings, the Beattie Government has no strategy on how it will convince farmers to sacrifice up to 25% of their earning potential and convert from their current farming activities to invest in a long-term venture where there is no guarantee that they have an iron-clad right to harvest that investment.

And while it may be achievable to develop plantation resources in some areas in 25 years, those plantings must start immediately and there must be certainty to encourage that development. With little land available for immediate conversion to plantations, little incentives on offer for private landholders to do so, and many doubts about the commercial viability of doing so, this is a gamble that rivals Labor's net bet. Commonsense would dictate that it would be far wiser to defer the conversion of at least some of the 425,000 hectares of forest to be set aside as reserve until those plantation developments come on line. Again, that is one of those commonsense things. These are the sorts of deals that are nutted out by people who do not have the faintest idea of what they are trying to do.

Mr Rowell: How long does it take to get a return on a 25-year forest? How much money does it cost you to go and plant a forest and wait for 25 years?

Mr COOPER: The figure would be endless. I could not give the member a figure off hand. It would be massive.

Mr Palaszczuk: Invest in farm forestry.

Mr COOPER: But there has to be right-to-harvest legislation. They would have to be convinced that, at the end of that 25 years—and they need more than 25 years; 35 years would be more applicable—and even if it was sensible and 35 years, then at the end of that time, or even during it, they would not know whether they were going to be allowed to harvest it. So there must be guarantees that they will be allowed to harvest it. That must be part and parcel of it. Also, what do they do for an income in the meantime while they are waiting for those 35 years to go by? There must be arrangements whereby there are payments along the way.

Mr Palaszczuk: Diversification.

Mr COOPER: What of? I see, grow a bit of timber, a bit of wheat and a bit of barley?

Mr Palaszczuk: Come with me to Boonah and Beaudesert and just see what has happened out there.

Mr COOPER: Been there, done that!

Commonsense would also allow for some margin of error and err on the side of caution in forecasting the development of plantations in only 25 years—a largely unproven claim for many areas. Commonsense would dictate that if the Beattie Government remained intent on phasing out this viable and renewable Crown resource, it would do so over 35 years rather than 25 years, and that

would be the sensible thing to do. According to the people with whom we have spoken, that was to be the arrangement. But again, because of the Greens, that was negotiated down to 25 years. It is just so pointless and stupid.

This Bill provides for 25-year wood supply agreements, and yet there are concerns about the ability of the remaining loggable area to meet those needs, let alone on a sustainable basis. The Beattie Government claimed that no clear felling would be allowed under its plan, but the harvesting practices to be employed in the remaining area of Crown forest able to be logged where the minimum girth size of millable logs is to be reduced so that every tree 40 centimetres or greater in diameter will be harvested is virtually clear felling. It is cutting down the size of the girth, so that they can go for the smaller trees and knock them down within five to 10 years at the most. But then there will not be any timber left to cut. Then, of course, in will go the cameras and in will go the Greens saying, "Isn't this terrible!"

Mr Palaszczuk interjected.

Mr COOPER: The Minister will not be here then. We are trying to look ahead to ensure that people are looked after for the next 25 or 30 years. People are saying, "That should shut people up. It is 25 years. Who cares?" We are saying that the timber will not be there because most of the good timber areas have been put into reserve where people cannot get at them; so what is the point?

Mr Palaszczuk: Twenty-five years will be manageable.

Mr COOPER: It is easy for the Minister to say that, but he does not know. Generations of people who have been involved in the industry for 150 years know that, by taking out that timber and putting it into reserve, they do not have a hope.

I can imagine the howls of outrage from the environmental groups. They will be calling for this dreadful practice to be stopped. And if Queensland is so unfortunate as to have a Labor Government, the so-called forced rethink on this plan and the premature closure of all Crown native forest ahead of the 25-year deadline will be a fact.

There are also concerns about the varying impact on different sawmills and different communities throughout the RFA area.

Some mills have done well out of the Beattie Government's plan, and there is no denying that. Others have done very badly, like the Nandroya mill, which has been made the sacrificial lamb and where 80 workers will lose their jobs. Still others will suffer a more prolonged but nevertheless heavy impact. Under the interim forest management agreement, those mills are receiving assistance to offset the added cost to their operations of hauling timber, processing different timber types and so on pending the outcome of the RFA.

Some of those mills have informed me that they may not survive under the Beattie Government's regional forest deal unless they continue to receive assistance. This Bill alone and 25-year wood supply agreements will not guarantee their continued operation. They will need assistance for additional log haulage costs, structural adjustment assistance to cope with a change in species mix and an industry development package to assist in improving sawing technology, downstream processing and value adding. But there has been no commitment from the Beattie Government to maintain that assistance, and there is no provision in this Bill to do either, let alone for 25 years.

What I am saying there is that we had assistance under the interim arrangements to assist with transportation. But by taking more and more timber out of the equation, those mills will have to transport their product even further, the transportation costs will be even greater, and they will not be able to afford them. The powers that be know that. Therefore, the mills will close and people will say, "That was not our fault. It was the fault of the mill. They could not keep going." They can see that coming just as well as we can.

Even if it had the detail, the Beattie Government has no money to implement its regional forest deal. That is why we have witnessed yet another in a long list of ambit claims on the Federal Government by the Premier for $36m. We ask why should the Federal Government—in reality the taxpayer—fund this plan to put people out of work, to close down an industry and hurt other rural industries. I ask the Minister to address how this legislation will now provide long-term security of wood supply to sawmillers after his

Federal ALP colleagues backed the Australian Democrats' amendment to give the Senate the power of veto over RFAs between State and Federal Governments.

In doing so, the ALP showed that it was more interested in playing politics than in delivering certainty for the timber industry and the workers it purports to represent. The industry knows it, the community knows it and the workers know it. The National Association of Forest Industries issued a media release on 24 November—not so very long ago—headed "Labour denies timber resource certainty." This is a statement from the NAFI acting executive director. The statement reads—

> "The ALP's decision to vote down the Regional Forest Agreement Bill has left the timber industry high and dry.
>
> It is hard to believe that the ALP any longer supports the National Forest Policy Statement.
>
> No specific faults have been found with any RFA. Yet the ALP wants the right to expose all RFAs to possible Senate disallowance.
>
> Amendments to the Bill proposed by the ALP do not withstand close scrutiny. They are a retrograde step, and are difficult to explain on any basis other than as part of a continuing quest for green second preference votes.
>
> That the ALP should bid for so small a prize—at such a potentially high cost to regional communities, timber industry workers and value adding investment—does not reflect confidence in the Party's electoral standing or in the policy achievements of the previous Labor government.
>
> The industry has embraced extensive restructuring, and resource reductions based on thorough scientific research, but the goal of long-term resource security—which should have been the end product of the RFAs—has been snatched away by the ALP's decision.
>
> The industry is at a loss to know what the ALP wants.
>
> It set up the RFA process to put complex forest management issues beyond the reach of political horse-trading. Now that the RFA process has been shown to work, the ALP wants to draw the RFAs back into the political arena.
>
> This does not look like a principled policy. It looks like political manoeuvring."

The Forest Protection Society issued a media release entitled "Labour abandons timber communities." Once again I quote from the media release.

Mr Palaszczuk: What date was that?

Mr COOPER: This was 24 November—only six days ago. The media release reads—

> "Timber communities around Australia have been betrayed and abandoned by the ALP and its Leader—as the party voted to amend the Government's RFA Bill in today's Senate debate.
>
> At his insistence Mr Beazley has driven Labor to ignore the plight of timber communities and workers despite pleas from within the ALP and the union movement.
>
> In fact support for this Bill has come from communities, industry and unions which begs the question—who is the ALP, and Mr Beazley responding to by not supporting this Bill?
>
> Clearly Labor has some higher priorities above the security, investment opportunities and jobs in regional Australia because their role in the Senate's amendment of this Bill clearly says to timber communities, workers and industries—'we are prepared to trade your future.'
>
> It is a sad day for workers, communities and firms involved in forestry as it would appear that the ALP is willing to reopen the politics of forestry despite the bitter and divisive lessons of 1994/95—as once again all pro-forestry groups oppose the party's position.
>
> Labor initiated the National Forest Policy Statement in 1992 as a direct result of the poisonous impact forest politics was having on timber communities, workers and industries. Since 1992 forest policy has enjoyed bipartisan support—until today!
>
> If the Government's Bill somehow did not provide security in line with the expectations of timber communities—we could understand the ALP's position. However, Labor has rejected the Government's legislation because it wants RFAs to be subject to parliamentary disallowance.
>
> In other words despite the science of the RFA process which Labor established, Mr Beazley now wants to reinstate Federal politics, emotion and backroom deals as the primary drivers of forest

policy. State Premiers with signed RFAs must be looking on in disbelief.

Mr Beazley's position is now clear. Under Labor, workers, communities and forest-based industries in towns like Morwell, Traralgon (Victoria) and Smithton and Scottsdale (Tasmania) could have their region's RFA disallowed by the politics of the ALP in Federal Parliament.

So much for relying on science to guide the RFA process and supporting legislation to provide security to timber communities and industrial development in forestry.

Clearly, the lessons of 1995 have been forgotten, as have the results of the recent Victorian election, as Labor seems determined to rob regional timber communities of a secure future within investment growth and development opportunities."

Mr Palaszczuk: Not one mention of Queensland.

Mr COOPER: They have got their RFAs. This is supposedly starting here. This is the Federal legislation which now allows political deals to be done by way of disallowance in the Senate. No RFA is now safe. We are heading in this direction in Queensland. It is not an agreement; it is a sleazy deal.

The cracker of them all was from the ALP's very own Construction, Forestry, Mining and Energy Union, whose media release was entitled "Forest union lashes Labor". I quote from that media release for the benefit of the House—

"The Construction, Forestry, Mining and Energy Union today slammed the ALP Federal Opposition for failing to support jobs in the Forest and Forest Products Industry and turning its back on regional communities.

Mr Trevor Smith, the National Secretary of the CFMEU's Forestry Division, condemned the Federal ALP for its position on the Regional Forest Agreement Bill. The Union has accused the ALP of breaking commitments made to the Union during the last Federal Election.

'The Leader of the Opposition made public commitments to the Union and he has failed to deliver' Mr Smith said.

The Union will consider its response to the ALP's actions in the Senate within the next week.

Let no one in the Parliament think that this issue will go away. Every regional community reliant on the forest and forest products industry is going to be informed of this betrayal and the Union will urge the Government to reintroduce the Bill as soon as possible.'

The union will also approach Labor MPs in regional seats seeking their support for the RFA Bill.

It will be up to Labor members in regional seats to educate the ALP leadership on this issue. It is obvious that the ALP Parliamentary Party has lost touch with regional Australia,' Mr Smith said."

That just about says it all. As I have said, this is not over yet; in fact, it is just starting. More and more is going to be exposed when this Government brings its Bill before the Parliament. This Government will be brought to account.

After reading those press releases—particularly the one from the union—I want to know where the Beattie Government has been in relation to this issue. As far as the coalition can see, the Government has gone to ground. It has ducked for cover. The Beattie Government is always willing to blame someone else for its own failings; it is always the Opposition's fault or the Federal Government's fault.

That Act was crucial to making RFAs work, giving the long-term security that the timber industry needs. The Act was crucial to giving the Bill we are debating some legislative teeth. But when it was time for action on the part of the Beattie Government—when it was time for those opposite to influence their Federal ALP colleagues for the benefit of the industry, they were nowhere to be found.

By the Government's silence, it has condoned the acts of its Federal ALP colleagues. That is why I cannot see how this Bill will give the industry, the workers and the community any security. Until the Labor Party stops playing politics with the timber industry and supports the Federal Government's RFA Act, this Bill is of little or no value.

The Bill provides for 25-year wood supply agreements which, according to the Minister, have been agreed by those groups privy to the negotiation of the Government's regional forest deal. I have highlighted already the Opposition's concerns about the phasing out of the Crown hardwood forests from use for logging and our misgivings about the forecast replacement of that resource with plantations

that have yet to be developed. They have not been even planted.

The coalition does not support the closing down of the Crown native forests to logging, or indeed, to other uses such as grazing, beekeeping and leisure activities. Many people in the community share those concerns and have highlighted the need for, at the very least, greater flexibility and, at best, the continued sustainable use of the Crown resource. In acknowledging the Government's policy to close down the Crown forest, I would still like the Minister to address just how the figure of 25 years was reached. As I have said, initially 35 years was sought by the timber industry. The coalition remains to be convinced that this was not a more desirable objective than the 25 years provided for in this Bill. I also noted that there is provision in the Bill for compensation to be paid in certain stated circumstances. The Minister made fleeting reference to that in his second-reading speech. I would like the Minister to explain what those "stated circumstances" are. During the Committee stage, I will be asking for those things to be addressed. On two or three occasions, the Bill says "stated circumstances". We would like to have what that means spelt out. Again, in the correspondence that I am getting from the industry the question is asked, "What are these 'stated circumstances'?" So all I can do is ask the Minister. Nowhere in the Minister's second-reading speech, the Bill or the Explanatory Notes is there any detailed explanation of what constitutes a stated circumstance.

It has been put to the Opposition that compensation should be paid in all circumstances to permit holders if the agreed wood supply is not met. I would like the Minister to address why this has not been reflected in the Bill. The Forestry Amendment Bill also provides that where a mill seeks to sell its wood supply agreement or its business, the Queensland Government will have the first right of refusal over purchasing the agreement and business at a fair and reasonable market price. This amendment is extremely concerning. It appears short-sighted, impractical and unworkable. How will a fair and reasonable market price be determined in a climate where mill owners and other potential purchasers know that the Government will, in exercising its intention to close down the Crown resource, inevitably purchase a wood supply agreement or sawmill business? Again, that is another crucial part of this Bill. Why does the mill owner have to go to the Government for a first right of refusal? That is something that they cannot understand and that is something that we cannot understand. It seems to me as though the Government will have them over a barrel. They will not have anywhere else to go. The Government gets first crack. It can name its own price. If that price is not acceptable, the mill closes. That is something that the Minister can explain not just to us but to those mill owners who are extremely concerned.

This amendment stifles competitive market activity. As the Bill reads, the mill owner wishing to sell his agreement or business would have to somehow identify a buyer who would ordinarily be expected to spend considerable time and money investigating the viability of the purchase. However, against a backdrop of inevitable acquisition of that agreement or business by the Government, what possible incentive is there for that prospective buyer to even consider the purchase of the agreement or business? The short answer is that there will be no incentive to do so and the seller will be left at the mercy of the Government in the price received.

We are not talking about pocket money, either. Mill owners and contractors have invested millions of dollars in their businesses with the intention of realising a gain on that investment. However, under this amendment legislation, if they wish to exit the industry, they will have no hope of realising any recoupment of their investment. As one mill owner put it to me—

> "The statement that states first right of refusal to an assignment or transfer of the permit is very scary for a sawmiller."

Another issue that relates to this amendment and which is of vital concern to the communities is that the assurances given by the Government that existing mills have 25 years security and that jobs will be retained cannot possibly stack up. If a mill owner decides to get out of the industry within the 25-year period and is inevitably forced to sell his allocation and/or business to the Government, the mill closes down, the jobs go, and the community suffers.

Mr Rowell: Who would want to buy a mill?

Mr COOPER: Who would want to buy a mill? That is exactly what this Government is looking for—to be able to close them down in that sneaky way and achieve its end. That is the sneaky part about this legislation. In many of these rural towns, the timber industry is the economic backbone of the community. This amendment legislation exposes the cruel hoax

of this regional forest deal. It undermines the supposed 25-year security.

The Opposition has no problem with the second objective of the Bill, namely the extension of the legislative exemption from the provisions of the Commonwealth's Trade Practice Act 1974. In his second-reading speech, the Minister stated that he expected wholehearted support for the Bill. He certainly will not get wholehearted support from the coalition. Although we begrudgingly accept the need to pass this Bill to provide the TPA exemptions, that is by no means an indication of our support for the Beattie Government's grubby regional forest deal to close down the native hardwood industry.

I refer to some of the comments contained in the submission by the Local Government Association of Queensland in response to this South East Queensland Regional Forest Agreement directions report. Firstly, I want to let the Minister know of some of the councils that attended the Gympie meeting yesterday.

Mr Palaszczuk: Could you table the list after you have read them out?

Mr COOPER: The only problem I have with that is that I know how the members opposite will persecute them. I will not read out the names. I will read out the councils: Cooloola Shire Council; Mundubbera Shire Council; Hervey Bay City Council; Maroochy Shire Council; Eidsvold Shire Council; Gayndah Shire Council; Noosa Shire Council; Cooloola Shire Council, again; Burnett Shire Council; Perry Shire Council; Kilcoy Shire Council; Monto Shire Council; Kolan Shire Council; Gatton Shire Council, which was well represented; Tiaro Shire Council; Woocoo Shire Council; Burnett Shire Council—over and over; and Gympie, which was represented by various timber industry people.

Obviously, those people showed their grave concern by voting for the resolution. Those are some of the organisations that attended. I can tell the Minister that they expressed a very, very real concern. They fought it in the first place when these so-called negotiations were taking place. With the grandstanding, the media hype and publicity that came out with the first announcement, they then thought that all would be well. Ever since then, they have realised more and more that they are now faced with a total lack of detail and a total lack of assurances. They know that, although we might live on, their livelihoods are very much at stake. That is what is going to drive them, because they can see that they have been conned. They can see that their workers are not going to have jobs and that their industries are going to die—and they will over time. That is why they are going to fight. I hope that they do because, as I say, they are the ones who are going to be best placed to save their industry.

I was also worried and I asked questions in this place about the number of forest grazing leases that were involved in this 425,000 hectares of Crown native forest. The answer that I received to a question on notice stated that there are 570 current grazing leases and stock grazing permits over forestry reserves within the SEQRFA region and there are approximately 250 current grazing leases and stock grazing permits covering about half of the 425,000 hectares of the RFA identified secure conservation reserve areas. We are concerned whether they, too, will be able to continue to operate or whether they are going to be tossed out of their leases.

From time to time, certainly in Crows Nest, people have been told that they cannot continue running trail rides, trail bike rides and the like in the State forests, despite the assurances that we heard from the Premier himself that that would not happen. I put that on the record and I want it followed through, because those activities are used to raise funds for the P & C associations. If it is happening at Crows Nest, it is happening elsewhere. It must be happening elsewhere, but it was never supposed to. Of course, words are often not followed through with actions. Again, that leads to people feeling undermined.

The Dennings sawmill in the Brisbane Valley is one of the oldest sawmills around. It has been around a mighty long time. I hope that the owners of that sawmill will not be persecuted, although they are the sort of people who are prepared to stand up and fight for their industry. Thank heavens a lot of their timber comes from private sources, because more and more they are being isolated from the State forests, as all the other mills are. The owners of Dennings sawmill have raised a number of questions that I want to refer to the Minister. They are so concerned, agitated and filled with anxiety that they do not know where to turn. When they ask the Government about the future of their livelihoods they get no satisfaction, so often they turn to us and others.

In a letter dated 25 November 1999, Mrs Denning stated—

> "With regard to my telephone call to you 23/11/99, and your request to outline my concerns with the Forestry

> Amendment Bill, the issues which concern me and my family are the amendments as follows:
>
> (1) the Amendment of s. 58 (Power to cancel, suspend, permit, licence etc);
>
> Clause 5 section 58
>
> Under the RFA all sawmillers who cut from Gov. State forests have to have a sawmill licence plus a contract with the State Gov. If one does not have a contract with the compensation clause included then the miller can be closed down any time without payment of compensation.
>
> Under clause 6 section 69C(2) the State Gov. can refuse to allow the mill licence to be transferred to anyone else ie son, wife, family, etc, without it first being offered to the State Government.
>
> These clauses can be open for interpretation and would need to be clarified."

I will be raising that issue with the Minister in the debate on the clauses. The letter continues—

> "My concern with the whole business is that the land holder, the person who is growing the timber, has not been consulted, nor has the miller who buys the timber from a private property owner.
>
> Why is it that the big mill owners and their managers who have large timber allocations (forestry) are making most of the decisions?
>
> No consultation has taken place with we the people who own Dennings Sawmill or the land holders in the Brisbane Valley who we get our timber from."

Those are some of the queries that people who have the courage of their convictions have raised in writing, as many have done. Those questions have to be answered, because they bring to the fore the concerns of those people. If their questions cannot be answered, that is proof positive that this has been a con job from the start—and we know that it has. The Minister will get his chance to respond to those queries and more, as I will be raising more questions in the debate on the clauses of the Bill.

At a conference held in Toowoomba earlier this year, the Local Government Association expressed its concerns about the lack of consultation. The association also raised concerns about the rural economic downturn; the impact on the timber industry, local communities and the loss of jobs; the impact on council planning, particularly in relation to open spaces and recreation; the impact on grazing leases and other non-timber forest uses and councils' rate bases; and sawlog timber allocations and sustainable forest management which largely negates the need for locking up resources, that is, transferring reserves to national parks. The association said that consideration must be given to other wood products, that is, non-mill locally sourced products. It stated that recognition of differences in community and local circumstances in specific areas will dictate alternative RFA outcomes, reflecting those differences. It recognised that there needs to be a strong commitment from both Commonwealth and State Governments towards the development of hardwood plantations on both State and freehold land.

The Opposition is particularly concerned that if, in addition to what has already been taken out, an additional 425,000 hectares is taken out of the State forests, the total will be very close to one million hectares of forest. Obviously that limits the resources available to timber mills. If one is going to replace those trees in 25 years, which we know cannot be done, or even in 35 years, one million trees will cover about 10,000 hectares. We want to know where those plantations will be and how accessible they will be to the mills. Each mill will have its own individual problems and each mill is entitled to receive due and proper attention. We believe that quite a number of mills will then become isolated. Obviously, if they do not receive assistance in getting the mill product to the mill, they will have no alternative but to close down. As I said, that is exactly what the Government wants and certainly it is exactly what the Green movement wants.

In its submission in response to the south-east Queensland forest agreement, the LGAQ also stated that it wanted a return to best practice management techniques in all hardwood forests, based on the optimum utilisation of available resources. It outlined the need for local government and community compensation. While the compensation issue continually raises its head, one thing is for certain: compensation is not everything. Those people want to continue their businesses. As far as they are concerned that must be the first consideration, because otherwise the whole industry falls to the ground.

The LGAQ wants certainty of harvest on private land, which is a big issue. I have often heard it said that this issue is covered in the Integrated Planning Act, but a lot of people would disagree with that. I believe that legal advice needs to be taken on the point. As I

have always said ,that is a good idea if one is going to invest in a plantation. A lot of people would probably like to be involved in such an investment and receive the income that would flow from it, as I believe has been done in other States. However, at the end of the day it all depends on who is in Government and how strong the Greens are. After this Minister's time and mine, someone could easily come along and say, "That plantation is too nice. It is pristine. You can't have that." They could then make sure that it could not be harvested. In that case, the investment obviously falls to the ground. There has to be certainty in that situation.

The LGAQ pointed to insufficient research and development and called for the encouragement of private grower participation in R and D and its associated gains by way of tax incentives. Again, that idea would be well worth pursuing. The association called for the assurance of supply and quality of sawlogs and forestry quotas for existing sawmills. Councils have stated that to achieve this, legally enforceable 20-year contracts are needed. Appropriate compensation provisions must accompany those contracts should a change occur which removes any rights associated with the contract.

The association pointed to insufficient consideration of the social assessments of local communities. It stated that councils have expressed concern that valuable time and resources that were dedicated towards reviewing the social implications of the RFA on certain communities have not been adequately incorporated in the directions report. This has meant that the information included in each scenario has not presented a comprehensive picture to ensure that all stakeholders are advised of their full implications.

The Local Government Association is one body that without any doubt must be taken notice of. These are councillors who represent hundreds of thousands of people. They certainly represent people in the timber towns and all that that means. If they are expressing these sorts of concerns and need for consideration, then any Government should sit up and take notice. The fact that this Government can just ignore them and proceed with this faulty and fake so-called regional forest agreement which, in fact, is just a political deal, I think is a massive slap in the face to local governments right throughout the State.

The association goes on to say that consideration should be given to 20-year tenures in stock grazing permits in State forests. Councillors recommended the development of an RFA provide a basis on which consideration should be given to the introduction of 20-year tenures for stock grazing permits in State forests, an eminently sensible suggestion providing again reasonable long-term security—not tenure on an annual basis. Graziers, farmers and cattlemen need to know for a little bit longer than a year into the future whether they are going to be able to hold that lease or not. Stock grazing is good for State forests. For a start they keep fuel down, but also they make use of an available resource.

The Local Government Association also wanted expanded opportunities to be provided for joint venture arrangements for lessees and the State Government with natural regeneration of State forests. The development of these expanded opportunities should be progressed to develop harvestable timber from existing stands. It also asked that consideration be given to the regional forest development plan being used as a primary reference document. Councils have stated that the regional forest development plan includes information regarding another scenario that should be considered throughout any further discussions involving the RFA. I think all of those suggestions coming from the Local Government Association are well worthy of consideration. They should have been considered. Quite obviously that is another group that was not involved in this clique—the so-called discussions that occurred in the first place. It, too, has been left out of the equation. It is no wonder that the association is angry.

Again the Minister can see that we have only just proceeded a little way down the track towards the so-called RFA. He cannot expect the Feds to tick off on and agree to something like this. He has seen that he has been dudded by his own party in the Senate. That has upset even more unions and that again is going to cause even more trouble. It is the sort of thing that we predicted in the first place. It is the usual thing: the real stakeholders have not been consulted. The Government consulted only those to whom it wanted to talk. As far as I am concerned the Green movement has the Government by the short hair; there is no doubt about that.

The end result when we look ahead is that we are going to see the demise of the timber industry, and for what? A political deal! That is what is so sad and so cruel about this whole thing, because the development and management that the timber industry has

employed since the time that it started has been exemplary. It has been an example for the rest of the world. Its management techniques are second to none. It has a sustainable product that can continue for hundreds of years. That is all being knocked on the head, and for what? That is what is so sad and so wrong and that is why we on this side of the Parliament intend to stick up for those workers, defend them and fight for them every inch of the way. We will carry their case for them as long and as hard as we possibly can.

When we return to Government, this coalition will most certainly revisit this so-called deal, this so-called agreement, and ensure that the timber industry in this State has a sustainable, long-term future based on the management, science and data that we have used and which should have been adhered to. I know that once the South-East Queensland RFA is in place, the Government's next step is to move on to western Queensland and those State forests, which other speakers will address. They, too, will suffer the same fate—there is not the slightest doubt in my mind—and I do not know why.

I cannot understand it when the people opposite purport to support unions, timberworkers and people of that ilk. So do we, but we believe that they are entitled to a future. Those opposite are making sure that they have no future, and that is what again is so sad. Some of them are their own people. How can they do it? The families and everyone else involved in keeping a town and district going are the social fabric, the glue that keeps those towns together. The Government is doing everything in its power to make sure that they come unstuck. That is what I think is so sad.

This legislation provides for a 25-year agreement. We will try to ensure that we can provide a 35-year agreement. There is a 10-year exemption from the Trade Practices Act. We have to support that. I think I have gone a long way towards exposing the Government's intent for what it is: a very shabby, political, underhanded deal that is going to impact very adversely on many of the people of this State, the sort of people who have worked so hard and who have done so much to build up country towns and rural communities and create jobs. They have also ensured that they have a product that actually brings in income to the State, be it export income or domestic income. They have gone a long way towards making this State great, and this Government is presiding over their destruction. That is what I find to be so sad about this.

I think I have made my point. I will leave the rest to other speakers on this side of the Parliament. Quite obviously the people opposite are not interested; there is only one Government member on the speakers' list for this Bill.

A Government member interjected.

Mr COOPER: I have seen the speakers' list and there is only one Government member on it.

Time expired.

Mr SEENEY (Callide—NPA) (12.36 a.m.): I rise to participate in the consideration of this legislation which, as the Minister said, is the first step in implementing the Government's so-called plan for south-east Queensland's forestry industry. In his second-reading speech, the Minister claimed that the agreement was the outcome of two years of analysis and negotiation to determine the future of the forest and timber industry in south-east Queensland. That statement at best is grossly misleading.

This legislation is based on an agreement that was signed by four groups: the Australian Rainforest Conservation Society, the Queensland Conservation Council, the Wilderness Society and the Queensland Timber Board. That was consultation with three conservation groups and one representative of the Queensland Timber Board—hardly a group inclusive of all stakeholders. There was nobody from local government, nobody from the grazing industry, nobody from the recreation industry and nobody representing all those other stakeholders who have a legitimate stake in the future use of south-east Queensland's forests.

This legislation bears no relation and very little relevance to the scientific analysis that has gone on over a long period of time to establish a sustainable yield of commercial timber from south-east Queensland's forestry reserves. That was part of the regional forestry assessment process agreed to with the Commonwealth Government. I said at the time when this agreement was signed with much fanfare and backslapping—and I take this opportunity to repeat it again—that I believe that the agreement that was signed was a political con job. It was all about smoke and mirrors. It was sold by a battalion of clever public relations people as a regional forestry agreement, yet it bore very little relevance to the regional forestry agreement process as was originally entered into by the State and Federal Governments.

The Queensland Government plan that the Minister referred to so extensively in his

second-reading speech is really the continuation of an agenda that is being driven by the Left Wing of the Labor Party and its cohorts in the conservation movement. It is an agenda to achieve one aim: a strategy to achieve the complete end of logging in native forests and the destruction of the native forest industry in south-east Queensland as we know it. There is no scientific reason why that logging should end and there is no scientific reason why that industry, which has to date been sustainable, should be destroyed. There is no scientific reason identified in all the studies that were conducted as part of the RFA process that even begins to justify a complete end to logging in native forests—none at all! That is the key issue that has to be considered as part of this whole forestry debate. There is no scientific reason why sustainable logging cannot continue in our State forests, and that is the point that makes a mockery of the much trumpeted agreement on which this legislation is based.

This particular legislation provides for 25-year supply agreements to mills that are currently operating. For many of those mill operators, it will be welcomed. As such, it will receive some support. However, it is impossible to avoid the conclusion that it is based entirely on a false premise. This legislation is not based on science, which was supposed to be the basis of the regional forestry agreement. Let us not forget that the regional forestry agreement set out to establish what the sustainable yield was from south-east Queensland's forestry reserves. It set out to establish for all time, to put beyond doubt, what the sustainable yield of sawlogs was.

Out of that whole process, a process that reportedly cost $11m, we never got the proposed regional forestry agreement which was its very purpose. Instead, we have a shallow agreement signed by three conservation groups and a representative of the Queensland Timber Board that has determined that logging will end completely in all State forests after 25 years—not for any scientific reason but to satisfy an agenda, to satisfy a philosophy, that has been driven to the exclusion of all scientific evidence by the Left Wing of the Labor Party. It is an agenda that is being supported and promoted by the so-called conservation movement to bring about what for them has been a long-term strategy. It is an erroneous strategy that is based on a complete misunderstanding of what logging does to native forests. It is a strategy that is based on the assumption that logging somehow destroys forest areas forever and those areas are somehow removed from the forestry reserve once they are logged. We have seen that stupid emotive notion supported in interjections in the House tonight.

Shutting down the native forest timber industry is like shutting down a productive factory. It is like shutting down a factory that can go on producing forever. Our native forestry reserves can be a non-polluting, regenerating factory that will be still producing quality timber products for many generations to come if it is correctly managed. Indeed, that is the very reason they were designated as forestry reserves in the first place. That is their very reason for existing. They were set aside to produce timber forever on a sustainable yield basis.

Selective logging does not destroy forests. Selective logging allows forests to regenerate. Queensland forests have never been clear felled. Queensland forests have never been destroyed by logging, and no-one has ever suggested that they should be. Generations of practical forestry management, backed up by scientific study, would indicate that the forests of south-east Queensland can be selectively logged on a rotational basis that would vary between 10 and 20 years, depending on the species involved. That means that every 10 or 20 years the commercial sized logs can be removed from those forests to produce quality timber products. The trees that are left will continue to grow to maturity and in their turn produce quality timber. That does not mean that a tree will grow from a seedling to a mature tree in that 10-year to 20-year cycle. It means that by removing the commercial sized logs it gives an opportunity for younger immature trees to grow to maturity, and that is an opportunity that they would not have in an unlogged forest simply because of the dominance of the mature trees.

Once that concept is understood, once that reality is accepted, it is not hard then to understand how hardwood forests can continue to produce quality sawlogs in perpetuity, as they have done successfully for the past 100 years. The only question is at what level they can be logged. What is the sustainable level of sawlogs that can be produced from a particular forest region? That is what the regional forestry agreement set out to determine. That is what the $11m was spent for. The regional forestry agreement process was well on the way to establishing that sustainable yield by scientific analysis. Then it was derailed and disrupted by the election of this State Labor Government and the whole process was hijacked by the

extreme conservation movements, who make no attempt and no effort to understand the timber industry. They are driven by a short-sighted, philosophical commitment to the complete ending of native forest logging and the complete destruction of the native timber industry as such.

Instead of a regional forestry agreement that has integrity, one that is based on science, one that guarantees the future of the Queensland hardwood timber industry and also ensures that adequate areas will be reserved, we have a political deal that achieves none of the original aims of the RFA process, but seeks to appease the extremists in both the Left Wing of the Labor Party and the conservation movement. It is a deal that is impossible to deliver in reality. It is widely accepted in the timber industry by many practical timber managers that it will be impossible to deliver 25 years of continued supply of quality sawlogs from the areas that are left outside the reserve system.

There is absolutely no detail from the Government or the promoters of this legislation where that timber is to come from. We should never forget that the agreement calls for nearly a million acres, 400,000 hectares, to be locked up now and excluded from logging. The remaining State forest reserve has to, under the terms of this legislation, provide sufficient timber to give the existing mills security of supply for the next 25 years. That is increasingly being seen as totally and completely impossible by the forestry people in the field.

Already moves are being made to harvest more intensively in those areas that are still available to the forest industry. Already timber cutters are being told to cut more immature trees down to what the industry knows as a GBH of 40 centimetres, which is a tree of very small diameter, a diameter of 40 centimetres at breast height. That is undesirable from a timber production point of view, but it is a response to this much trumpeted agreement. It is an attempt to produce as much timber as possible from the remaining areas that are left outside the reserve system.

In an attempt to achieve the objectives of this legislation, it is becoming increasingly likely that mills are going to be asked to cut more and more a greater proportion of immature trees and a greater proportion of poor quality timber. This will have quite an obvious impact on the viability of their operations and lead to what I believe is the classic escape clause that the Government has built into this legislation. The legislation adds clause 4 to section 46 of the existing Act to allow for sales permits for the getting of forest products or quarry material. It allows those permits to be granted for a period of not more than 25 years. However, the sting is in the tail. Clause 4(c) requires the permitee, the person who is granted the permit, to give the State the first right of refusal to an assignment or to the transfer of the permit. This is the Government's escape, and is the only way the Government has any chance of even partially achieving the aims of this legislation.

Some mills will get 25 years' supply as the Government exercises that first right of refusal and buys out the mills that find the going too tough. It is not hard at all to envisage the situation where a particular mill is given access to an inferior standard of timber and asked to process not only young and immature logs but also an increased number of logs of poor quality that would not normally be processed. In so doing, they will find themselves in an unviable situation because of the economics of processing such timber. The conditions that are attached to their permit then mean that the State has the first right of refusal of the assignment that is included with that permit. The Government will then obviously purchase those mills and make the timber available to other mills to try to help them meet their 25-year guarantees.

It is important to realise that the Government, according to the Minister's second-reading speech, would purchase not only the timber allocation but the business as well. It is difficult to escape the conclusion that this escape clause in this legislation is in effect a backdoor means to shut down some of the mills that rely on the hardwood native timber in south-east Queensland's State forests, and to shut them down sooner rather than later. The only way 25 years' supply of sawlogs can be delivered to any of the existing mills under this legislation is for some of those existing mills to be closed. The mechanism to do that is the escape clause which has been built into this legislation.

To have any chance of operating in the long term, the current mill operations have to continue to operate economically until timber becomes available from the proposed plantations. The time frame for that has been set at 25 years to match the time frame for the permits. That, too, is widely considered within the industry as being an impossible target to meet. There are no successfully growing hardwood plantations in Queensland of any size or maturity—none. There is no scientific basis upon which the prediction of a 25-year production cycle for a hardwood plantation is

being made. There are any number of things that can go wrong between the planting of a hardwood plantation for the first time and its subsequent harvest, given that the technologies involved are unproven in the south-east Queensland environment. They are totally unproven and untried in this environment.

There is an almost total and unanimous belief within the timber industry that the 25-year target will prove impossible to reach, even under the most optimum growing conditions. For the mills involved, it will be a hard slog trying to continue to operate economically while being given access to poor quality and immature timber while they wait for the timber supply to become available from plantations that have not yet been planted. The land for these plantations has not even been identified yet. There is no scientific proof that they can even be grown successfully in this environment. All the while, the Government has its escape clause ready and available, an escape clause which requires the permitee to give the State the right of refusal to an assignment or transfer of that permit should the mill wish to sell it for any reason or should they find that their operation has become unviable because of the limited or poor quality timber they are being given access to or because of the transport distances that are involved or because of any number of other reasons the Government may impose upon them.

There is a woeful lack of detail in this legislation about what the timber assignment that each particular mill will have access to will entail. There is a woeful lack of detail from the Government about the whole forestry agreement. There is no detail about which areas are going to be assigned to which mills. There is nothing to suggest that there will be enough timber to provide the supply agreements that this legislation provides for, given the unnecessary lock-up of 430,000 additional hectares. There is no detail about minimum quality standards or minimum size standards that will be included in those permits and there is no detail about how the 25-year supply guarantees that are promised by this legislation will be met.

Meanwhile, there are large areas of valuable timber that could quite readily be harvested on a sustainable basis that are being locked up for purely philosophical reasons. It is a philosophy that is quite simply wrong to anyone who understands the bush and anyone who understands the business of forestry. It is senseless to lock up such a resource. It is senseless to lock up vast areas of south-east Queensland's forests when commonsense, logic, experience and science would suggest that they can be successfully regenerated and can successfully supply quality sawlogs in perpetuity.

An actively growing forest—a constantly regenerating forest—is much more likely to fulfil the role of the lungs of the earth that the conservation movement quite rightly suggests is an important role for our State forestry reserves. South-east Queensland forests can fulfil that role and they can also produce a constant ongoing supply of high-quality sawlogs, which was their original purpose. Our forests can fulfil both roles if they are managed according to science rather than to meet narrow philosophical agendas. The potential for this win/win solution has been totally lost in the Queensland Government plan which is the basis for this Forestry Amendment Bill before the House tonight.

This legislation must be seen for what it is. It must be seen to be the result of an agenda which seeks to completely destroy at any cost the hardwood native forestry industry in south-east Queensland—not only in the forestry reserves but also ultimately on private land. It has been mooted that in the future more legislation will be introduced into this House which will seek to restrict a landowner's right to manage vegetation of all types on his freehold and leasehold land.

I call upon the State Government today to completely exempt commercial timber from any such controls. Commercial timber of all types, whether it is planted in farm forestry plots or in native stands, should be exempt from future legislation to restrict land clearing. Its management is very distinct and very different from the management of vegetation for pastoral or farming activities. At least if that timber is exempt from those controls then the hard-pressed timber mills will have one secure source of supply.

Commercial timber should be available for the land-holder to sell at his own discretion. It should be completely exempt from any controls that are placed on freehold land by any future legislation that is introduced by this Government. Land-holders need that assurance. They need to know that they can continue the responsible timber management practices that they have engaged in for generations. They need to know that they can continue to harvest this timber—a resource which is part of the land that they own. Timber mills need to know that they have access to that resource. Land-holders need to know that they can continue to manage that resource

and to harvest that timber in a sustainable, responsible way. Unless they get that assurance, they can hardly be blamed for the rapid harvesting of timber to get a maximum return in the shortest possible time before some future legislation is introduced and their right to harvest their timber is taken away forever.

This legislation is being promoted as giving security to the current timber industry. I do not believe it can achieve that goal for all of the currently operating mills. I do not believe it provides the industry with any security at all. The mills will be pitted against each other in a survival of the fittest contest over the very limited remaining resource, with the Government using the built-in escape clause to rationalise the number of mills over a very short time frame.

If this Government wants to provide the timber industry with the security that it needs, it should revisit the agreement upon which the legislation is based. It should accept that the commercial harvest of sawlogs from our State forest reserves can continue in perpetuity, so long as that harvest is conducted at a scientifically sustainable rate. The Government should acknowledge that the commercial production of timber from freehold land is a sustainable and responsible practice that land-holders have been engaging in for generations and it should guarantee the right of those land-holders to continue the responsible and sustainable management of their timber on their land.

This legislation is seen by some in the timber industry as offering more security than they had in the past. That is probably so for a proportion of operators, given that they were starting from a very low base. It is impossible to avoid the conclusion that the degree of security it offers is questionable indeed. If the proposition it contains is examined in detail in the full context of the agreement signed, it is difficult to avoid the conclusion that it will be impossible for the aims of this legislation to be delivered. It is undoubtedly based on a completely false premise. It is based on an agenda to completely end native forest logging, both in State forest reserves and, I believe eventually, on private land. That agenda must be seen for the nonsense that it is. That agenda must be subject to scientific scrutiny and exposed as the fraud that it is. That agenda must be abandoned, and the timber industry in south-east Queensland must be guaranteed a future. This legislation certainly does not guarantee that future.

Time expired.

Mr STEPHAN (Gympie—NPA) (12.56 a.m.): It gives me great pleasure to join in this debate on the Forestry Amendment Bill, although it is very sad that we have to debate this subject under these circumstances. Anybody who knows anything at all about timber would know that it is slow growing. We cannot just put it in the ground one day and come back in two or three years and think we are going to get a tree. It just does not happen that way. As with all other living things, trees go through the cycle of growth, death and decay. Each of those stages is a very important aspect of the growing program and of the use of the timber.

I can mention a number of the stands that we had over a period of time. I remind the House of the amount of timber that was taken out of Fraser Island, for example. People who go there now would not know where that timber was taken from. It is the same in Cooloola. The growth in the trees there was phenomenal. It was handicapped only by the fact that the process which the Government put in place was not a natural phenomenon but one that we have to work around. In those areas, the only thing stopping harvesting is the will of the Parliament to put in place a process to get something out of those stands.

Other speakers have commented on the hardwood and plantation timbers. The messmate at Pomona has now been harvested. Those trees were nowhere near full growth. They could have been there for another 30 or 40 years. Those trees were planted back in 1948. So under those sorts of conditions, and realising that those trees have been there for 40-odd years, that is something that we can be proud of and learn from. I do not think that there are any stands of that particular type of timber around Brisbane. But it is no good our turning a blind eye and not going down that path.

I remember using messmate timber on the family farm. One of our houses, which was built in the mid forties, was built with messmate from our property. The timber stands were so substantial that the millers themselves had to come down and have a look at the wood to see for themselves what they were able to do with it. We can all be proud of that—not because that messmate was ours but because it was utilised and will continue to be utilised for many generations to come. I would like to think that the amount of timber being harvested from that area will be sustained for a very long time.

If one wants to find out what is happening in the timber industry in other countries, one

need look no further than South Africa, which is learning from us very well just as, indeed, we can learn from it. There appears to be scope in Australia for the development of a new plantation forestry strategy to increase commercial timber plantations, especially eucalypt plantations, but we need direction and a goal to work towards.

In considering this possibility, it is interesting to compare Australian plantation resources with those in South Africa. The two countries have similar graphical and climatic conditions. Both countries produce commercial softwood—pine—and hardwood timbers, and they do that very well indeed. An evaluation of the plantation industries in both countries shows that South Africa has a commercial timber industry which is considerably more advanced than Australia's. We should learn from South Africa—to our advantage as well as South Africa's. This is especially so given that the entire South African land mass would fit comfortably within the State of Queensland, and considering that South Africa's timber resource industries, like those in Australia, are predominantly centred on European countries. There is a clear need to increase plantation forestry in Australia, especially hardwoods, if the environmental concerns of an increasing number of voters are to be considered seriously and overcome.

Plantation forestry in South Africa dates back over 100 years, but it developed rapidly during the last 30 years. That should give members an idea of which way that country is heading. Both countries will continue to develop along the same lines. South Africa was once ranked the 12th-largest pulp producer in the world and the 22nd-largest paper and paper board producer. By the mid 1990s, South Africa was expected to be among the top 10 pulp and top 15 paper and paper board producers in the world. It is a major exporter of timber products, including woodchips, pulp, paper, paper board and processed timbers. It is also using other types of timbers, including wattle. Wattle has not previously been considered as a timber of any great consequence. However, it does grow prolifically, and it does make an impact. It can look after itself for quite some time without needing any attention or anybody to look after it.

I turn now to some comparative statistics between Australia and South Africa in order to see just how alike the two countries are. For example, the total area of commercial plantations in Australia is nearly one million hectares. In South Africa, the figure is 1.1 million hectares. The total area of privately owned plantations in Australia is 300,000 hectares, which is similar to the figure in South Africa. So the situation in the two countries is much the same, and I am sure that we can learn from that.

In relation to environmental management, I congratulate the Department of Primary Industries, Forestry, which is Queensland's principal forest grower. It is regarded as a leader in forest management. It certainly does a fantastic job. Its record on environmental protection is substantial, and it is an expert on forests, plantations and farm forests.

A lot of work has been going on in farm forestry, but it has been going on very slowly. I would not like to give any indication that farm forestry is paying many bills. There is a long way to go. Some people prefer to put their dollars and cents into it and look to the future for their sons and daughters. These people have been working in the forests for a long time. We must ensure that we have sustainable timber production. That will go a long way towards developing other industries.

I will leave it at that. As I pointed out, we have a long way to go. It will not be an easy row to hoe. With a lot of support and a lot of hard work I believe that we will be able to continue with the forestry plantations and with the forests themselves. We have to put our heads down, and away we go.

Debate, on motion of Mr Hobbs, adjourned.

ADJOURNMENT

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (1.11 a.m.): I move—

"That the House do now adjourn."

Ammonium Nitrate Export Markets

Mrs LIZ CUNNINGHAM (Gladstone—IND) (1.11 a.m.): I rise tonight to speak on behalf of a company that is established in my region. Orica, originally established as ICI, has identified export markets worth $30m a year to maintain AN production and employment at its Yarwun plant near Gladstone. The $180m Yarwun AN plant employs 55 people directly and an estimated 150 people indirectly. The plant has operated since 1993. Yarwun also supports the jobs of 200 people at the Incitec ammonia plant in Brisbane. Ammonia is the key raw material in AN manufacture.

To compete successfully in extremely competitive export markets, Orica must ship through the port of Gladstone. The cost of

shipping the same amount of material through Port Alma is $25 a tonne extra in handling and transportation costs. To enable those savings to occur, and to facilitate Orica's securing the export sales, the Gladstone Port Authority must be able to increase the amount of AN loaded onto a single ship from the present limit of 400 tonnes to a new limit of between 3,000 and 5,000 tonnes per shipment. The Gladstone Port Authority supports this increase.

Port limits on ammonium nitrate exist only in a small number of countries, namely Australia, New Zealand and Singapore. The current limit is set in Queensland by the Transport Operations (Marine Safety) Act and Regulations. The reasons behind the limits appear to be historical and not based on any particular standard. Other major trading nations in ammonium nitrate, such as South Africa, France, the UK, Canada, the USA, China, Chile and so on have no such limits. The limits in Australia apply only to port limits—that is shipment size—and not on storage size or any other transport modes such as rail.

Brisbane has a limit of between 400 and 1,800 tonnes and an accumulated tonnage of 3,000; Darwin has 5,000 tonnes; Fremantle, 1,000 tonnes; Newcastle, 3,000 tonnes; Townsville, 400 to 2,000 tonnes; Kwinana, 3,000 to 4,000 tonnes; Port Alma, 15,000 tonnes; Wyndham, 5,000 tonnes; Broome, 2,000 to 3,000 tonnes; and Dampier, 10,000 tonnes.

The Maritime Division of Queensland Transport has rejected the GPA's application to increase the port limit on the advice of the Chief Inspector of Explosives in the Department of Mines and Energy. The chief inspector has an advisory role only, but he says that his refusal to support the port limit increase is based on societal risk.

In declining to support an application to increase to 5,000 tonnes the amount of ammonium nitrate that may be loaded onto a ship at the port of Gladstone, the Department of Mines and Energy is concerned with the remote risk of 5,000 tonnes of ammonium nitrate in a ship at the No. 4 berth. It has not given any weight to the safeguards that would be in place to prevent that happening.

Over a number of years AN has been recognised as dangerous goods; however, handling regimes, guidelines and constraints both in the ship and on shore have increased exponentially. There must also be safeguards as far as safety is concerned. The company has had a number of risk assessments carried out, including one by a company called SHE Pacific. Its findings approved the risk assessment as acceptable. However, because SHE Pacific is a wholly owned subsidiary of Orica, the company has indicated to me that it is more than happy to obtain independent assessments of the risk involved, as well as any other comments that an independent person might make.

I am not recommending that any department makes a decision which puts my community at risk—far from it. I would, however, ask that part of the decision-making process to date include advice from other independent experts. One recommended expert is Professor Mark Tweedale, who is regarded by some as "the father of risk assessments". He would be a person who may be able to review the SHE Pacific risk assessment which has been carried out.

The company has indicated to me that it is prepared to take all necessary precautions to ensure the safety of the residents and the port of Gladstone. However, at the moment the export potential for this company is stymied because of a decision that was made in the past, based on past experience—I believe the last incident was in 1972—and based on past handling experiences. I urge the Government to review that decision in the best interests of all involved.

Mr J. Moore

Ms BOYLE (Cairns—ALP) (1.15 a.m.): At the recent annual general meeting of Cairns District Rugby League, President John Moore gave his last annual report to members. After 12 years John declined to stand again for president.

While those of us close to Cairns District Rugby League had been given some indications that this might happen, it was nonetheless big news—news both important and sad to all the Rugby League members, players and fans in the far north.

Honourable members should know that John Moore has done pretty much everything that there is to do in promoting the game of Rugby League in Cairns. He played Aussie Rules and Rugby Union as a schoolboy and a young man. He played in the commercial league in Brisbane for BP. He won BP player of the year in 1959 and was captain of the premiership team. He represented Central West in 1962. He played A Grade for Brothers Rockhampton for three years, though they missed the premiership in 1963.

He returned to Brisbane and rejoined BP and captained the team in the final in 1968. He was transferred by BP to Cairns in 1968. This was to the good fortune of Cairns and Cairns District Rugby League. He coached Cairns Junior Rugby League for two years. He refereed juniors for three years and seniors for six years in the 1970s. He was secretary/treasurer of the CDRL Referees Association for three years.

In promotion, he has also done an excellent job. He was a member of Radio 4CA's Rugby League panel show for six years and also did the ABC Radio show with Dick Chant for 14 years. He was a committee member of Cairns Brothers Club and was president of the club for six years. He was a Cairns Foley Shield selector for two years.

He was executive officer of the Cairns Cyclones for four years and is still a board member of the Cairns Cyclones. He was a foundation board member of the North Queensland Cowboys and president of CDRL for 12 years.

This is an amazing record—a tremendous contribution given to Rugby League in the far north, a contribution underlined by John Moore's continuing no-matter-the-trouble love of the game. Nonetheless, we accepted John's decision that it was time to move on. So we welcome Nigel Tillett, an experienced executive committee member, as the new president of CDRL. This week, we were extremely pleased to hear that John Moore has been named Chairman of QRL Northern Division. This is the first time that a Cairns delegate has held the position. Quite rightly, tributes have been flowing to Ben Wall for his 14 years in the position as division chairman.

Already John Moore has made it clear that it is the future that will occupy him. These events and John's history in various administrative positions are themselves much like a good game of football—ups and downs, sudden changes, excitement right up to the final whistle. However, the final whistle has not been blown for John Moore. His service to the game of Rugby League is not yet over. As patron of the CDRL, I for one am pleased about that. I have worked well with John Moore and learned much from him. I have proudly supported Rugby League in Cairns and expect to continue to do so and hope that I will do so as well with the new president, Nigel Tillett.

To all others in Cairns who have worked hard for Rugby League—to all the players, all the coaches, all the referees—I am sure that they are with me tonight in congratulating and thanking John Moore on his excellent service in the far north and wish him well in his new position.

River Noise

Mr BEANLAND (Indooroopilly—LP) (1.21 a.m.): I rise to make some brief comments about the growing problem of noise emanating predominantly from speed boats on the Brisbane River. I do so because, in recent times, the situation seems to be getting worse. It is quite obvious that, with the cessation of dredging, which occurred some time ago now and which was brought about by the coalition Government, the next issue that really needs to be addressed is that of noise. The problem of noise affects people who not only live along the banks of the river but also those who live some distance away. Quite often, one finds that the speed boats, which are predominantly the culprits, create such a noise that they can be heard for some considerable distance.

It is worth while noting that, in this day and age—and, in fact, for some time now—we have had noise controls for such things as stereos and musical instruments. The police can actually confiscate that type of musical gear and, from time to time, have done so when their use become a nuisance to neighbours. I am sure that we have all experienced or witnessed that occurring within our electorates. However, the noise problem as it relates to the river is vastly different from other noise problems. Although issues such as noise from motor vehicles has been addressed, noise from river traffic has not been addressed. In fact, over time very little has been done about noise emanating from that source. There are probably a number of reasons for that. Nevertheless, I believe that it is time for a close, hard look to be taken at this particular problem.

In the past—and it still does—the Department of Transport's Maritime Services and Harbours has had a lot of control over the vessels that use the river and the noise that emanates from those vessels. Nevertheless, the issue of noise emanating from those vessels is rarely addressed. Consequently, it is not only people living near the river who have to put up with this problem but also the University of Queensland, where students are studying, particularly during exam times and over weekends when a lot of this noise occurs. Therefore, this situation certainly needs to be addressed.

I understand that the Government has been looking at imposing a 75-decibel cut-off

level. Of course, 75 decibels is simply far too noisy. Those of us who know what that noise level is like would know that, in those conditions, it is very difficult to carry on a conversation within a home nearby, have visitors over and carry on a normal lifestyle. Certainly, a person could not study or watch television with that level of noise. I believe that 55 decibels is much closer to the noise level target that we ought to be aiming for.

That level of noise will still allow for boats and vessels to go up and down the river, including speedboats. Some people believe that the more noise the speedboat makes, the faster the speedboat is going to travel or the better it is. We do not need that type of unmuffled noise emanating from speedboats. The problem emanates not only from speedboats but also from jet skis, which are a more recent arrival that cause a great deal of noise on the river. The noise of jet skis or water scooters—whatever we want to call them—is causing a great deal of community distress.

It is quite obvious that, with the 55-decibel noise level, those people who want to waterski can still do so and those who want to travel up and down the river can still do so. It just means that, with that noise level limitation, there will be more passive uses of the river rather than other uses that create rowdy noises measuring up to something like 75 decibels. I believe that that level is totally excessive.

That level of noise also creates a hearing problem for people. I know that many of us in this Chamber suffer from some hearing impairment. Anywhere near 75 decibels is quite noisy indeed. Quite frankly, over time that level of noise will certainly impair people's hearing capacity.

I think that it is time that further action was taken against the noise level of boats on the river, not only to put a limit on it but also to enforce that noise limit, as occurs with motor cars, stereos or whatever. We have limitations on the noise level of all of those things and noise limits on activities carried out in commercial areas, but when it comes to the river, little is done about the noise level. I believe that we must focus on that.

Widow's Allowance

Mr PEARCE (Fitzroy—ALP) (1.26 a.m.): Today, I draw the attention of the House to a situation that fails the equity test, and that is the Commonwealth Government's widow's allowance. The allowance recognises the difficulties faced by women who lose a partner and who have little or no recent work force experience. I am told that prior to July 1987, widows received a widows B pension, which gave them the same amount of money as those people who are in receipt of the aged pension. Those widows also received a concession card which gave them a discount on their rates, electricity, car registration and train and bus fares. However, since July 1987 the allowance paid to widows has fallen to the same rate as that received by the unemployed, $162.85 per week. That is $17.85 less than a pensioner receives. The widows do not get the $2.70 pharmaceutical allowance. So, effectively, they are cash in hand $20.55 cents worse off. In addition, widows have lost the concessions that they used to receive for electricity and car registration, although a health care card entitles them to free glasses, dental work and a cut on prescriptions.

Widows should be treated no differently from any other person on a pension, and they deserve respect. They must be valued and respected for the contribution that they have made to the community as mothers and as wives or partners to men who have contributed to the building of this great nation. As decision makers, we should be moving as one to eliminate confusion, inequity, uncertainty and concern about concessions and support policies that allow widows to receive at least the same income and benefits as a person on a pension. Widows have a right to live in the homes they have shared with their partners and families with some sort of dignity and quality of life. Being entitled to the same income and benefits as a pensioner will not take them from living below the poverty line to being well off. However, it would bring some equity into the income of dependants.

In Queensland, the Labor Government is now looking at what can be done to assist these women. The vast majority of them are fit and well. Many of them would like to work, but they lack the skills or they are disadvantaged by age. As a Government, we cannot increase the allowance that is paid by the Federal Government, but we can make available those concessions that are accessible to holders of a Seniors Card. The Seniors Card was an important initiative of the former Labor Government in Queensland. It provides Queensland residents aged 65 and over who are not in full-time employment with a range of services.

A Labor Government, compassionate about those in need, must look closely at the plight of widows. We must put people first. Widows deserve no less consideration than others who are dependent on the Government for their survival. We must be understanding.

We must be considerate and implement initiatives to offset the pain and heartache caused by the Howard Government's stingy anti-family policies that take from the poor and give to the rich. Those decent Australian women should not burdened with the worry of finding money to pay full rates and other costs like car registration and electricity. One in five Queenslanders now live below the poverty line. I ask: what percentage of those people are widows who are struggling to stay in their family homes, meet mortgage payments or pay rent, and pay rates, medical, power and telephone bills, as well as maintain a healthy diet?

Members in this place must support me in my efforts to gain improvements for this small but disadvantaged group of people. Widows are not asking for a special deal; they are asking only for a fair go and equal access to the concessions provided to other persons who are dependent on pensions. They deserve to be treated better than they are at present. Only as a united force can we ensure that these changes are implemented.

Sunshine Coast SES Function

Mr MALONE (Mirani—NPA) (1.30 p.m.): On Saturday afternoon I attended a barbecue at Booroomba Dam in the Sunshine Coast hinterland for those people who were involved in the recent massive search for three missing women in the area. The search started out as being one for a missing schoolgirl, but was expanded because of circumstances at the time. The bulk of those involved in the function were members of 31 SES groups throughout 13 south-east Queensland shires. They were joined by their families. The function was regarded as a wind down to what was the biggest search of its kind ever held in Queensland.

Few people would realise what a massive undertaking the search was. It involved 1,500 man-days and between 60 and 140 people on any one day. About half of the man-hours were put in by members of four SES groups from the Maroochy Shire. The search lasted 26 days and involved almost 400 people from all parts of the community, including the SES, the Salvation Army, the St John Ambulance and many others. The coordination of the search required a great deal of effort and skill. While there were some unavoidable hiccoughs, the whole exercise highlighted the competence of hundreds of SES personnel and other service providers.

The use of a communications bus, hand-held GPSs and a mobile repeater are examples of the technology that was necessary to make this an effective search, as was the use of helicopters and 15 SES vehicles. There were many examples of the community giving additional support to the search effort. For example, the Maroochy Shire RSL donated a satellite telephone worth over $4,500.

Although the search itself attracted a great deal of public attention, many aspects of the personal and community effort went unnoticed. I would like to use the time available to me today to highlight the excellent work being done by members of SES groups throughout the State and to stress the problems that we are likely to face in the future if Governments of all persuasions do not face up to their responsibilities in this area.

The search I referred to earlier was a very expensive exercise, but the State bore very little of the cost. Had the SES volunteers been paid, this Government would have been up for a bill of around $250,000 in wages alone. However, there was no wages bill for the SES members. There was no invoice for the 1,500 man-days spent on the job in an area noted for its very rugged terrain. Those 1,500 days were given freely by community-minded citizens.

I am extremely concerned that, as time goes by, the number of volunteers available to local organisations such as the SES will decline to an alarming level. In recent years we have regularly heard how organisations such as service clubs, P & Cs and other similar bodies have struggled for membership. We have seen sporting bodies fold or come close to folding, mainly because their volunteer pools are drying up. It is often said that part of the reason for that is the threat of litigation that volunteers are exposed to. I do not know the accuracy of the research to back up that statement, but I would not be at all surprised if it was the case.

I do know that SES groups give of their time for weekly training exercises and call-outs for no other reason than to help their communities. They get a great deal of personal satisfaction out of that, but they receive no monetary gain. I wish to stress that it actually costs them quite a deal more than time and effort. For many, it also means money. Many are self-employed but they are prepared to sacrifice part of their income to help where it is necessary.

If we reach the stage where the number of volunteers decreases, we simply could not afford to replace them. It would not be that simple. We could not afford to have a paid

reserve of people to take up what is now a volunteer role. In recent years, successive Governments have poured additional funds into the SES in this State. I was disappointed when the Minister ruled out any additional service assistance to local authorities in this year's budget to help this arm of Government provide SES services. The burden is being placed more and more on local government, but nowhere near enough support has been given from the State level. I was very pleased to see the Government flag its intention of obtaining an additional $1m for SES cadets, which was an initiative of the Borbidge Government. However, nothing was allocated to local government and nowhere near enough was provided to assist volunteers in avenues such as the provision of clothing and equipment.

I know that SES volunteers like to hear their work being recognised and praised. It is easy for us to stand up and heap awards and praise on them.

Time expired.

Inala Urban Renewal Project

Mr FENLON (Greenslopes—ALP) (1.35 a.m.): I rise in relation to a visit that I undertook on Monday of this week to the Inala urban renewal project. That is the third time I have visited that project in recent times. The first time was upon the opening of the underground project associated with the urban renewal project by the Honourable Minister for Mines and Energy, Mr McGrady. The second time I visited the project was actually after it had got under way and drilling of the underground pipeline areas had already commenced. That was a very interesting exercise in that I was able to compare that with a similar exercise that I was able to inspect in Perth, which was a very important development. It is a city in Australia which has progressed further than any other city in that it is undertaking to underground approximately one half of the City of Perth by the year 2010.

The Inala urban renewal project has certainly been of merit in its own right in terms of the general beautification in that area and the many aspects of the urban environment that are being improved currently in conjunction with the Department of Works and Housing. It is also doing some very important and valuable work to basically reconstruct that suburb. As we know from the earlier trials of these urban renewal projects, it is in fact going to have very real consequences in terms of the social outcomes in that community, particularly in relation to reducing crime in that community.

The undergrounding exercise at Inala is also extremely valuable because it is a trial project which is basically finding the way in Queensland in terms of the undergrounding of power. It is establishing various parameters for operating the various technical aspects of the capital equipment and the undergrounding of cables, etc. Also it is establishing the economics of this particular project. I am very pleased that the officers from Energex were able to brief me very closely again on this project. I particularly thank Pat Pearl and Mike Griffin, the officers from Energex who have been most helpful in assisting me in understanding exactly what is going on out there in this undergrounding project at Inala.

A number of outcomes are already starting to emerge in terms of the analysis that has been provided. The general cost estimate was originally estimated at about $4,000 a house and seems to be a realistic target for future phases of this project. Indeed, there were some indications that that cost figure could even become lower as the project progresses. That project takes the undergrounding all the way along the streets and to the house itself. It is a very valuable outcome for the community in terms of beautifying it and removing overhead cables entirely from the street.

There is a scenario analysis being conducted at present under which emphasis is suggested to be placed on optimising low voltage losses and also in terms of transformers being located near gas infrastructure to permit replacement by fuel cells in the future, which may be an important element in future planning. There are various other savings which are being estimated. In total, those savings appear to come to about 15% of the estimated total cost of the undergrounding itself. That is in terms of such matters as savings of energy, savings on pole inspection and replacement, savings on tree trimming, etc. So there are great savings directly as well as the obvious aesthetic improvements and the general safety for the community in terms of outages that occur because of falling wires during storms and also motor vehicle accidents. I will continue to urge the Honourable the Minister to continue to investigate the viability of this very important project.

Motion agreed to.

The House adjourned at 1.40 a.m. (Wednesday).