WEDNESDAY, 8 DECEMBER 1999

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

AUDITOR-GENERAL'S REPORT

Mr SPEAKER: Order! I have to report that I have received from the Auditor-General a report titled Audit Report No. 3 1999-2000—Results of Audits Performed for 1998-99 as at 31 October 1999. I table the said report.

PETITIONS

The Clerk announced the receipt of the following petitions—

Moreton Bay Islands

From **Mr Beanland** (214 petitioners) requesting the House to (a) ask the Premier of Queensland, the Honourable Peter Beattie MLA, to instruct the Local Government and Planning Minister, the Honourable Terry Mackenroth MLA, to dismiss Redland Shire Council and appoint an administrator; (b) immediately cancel the Southern Moreton Bay Islands Planning and Land Use Strategy and begin a comprehensive, independent, public investigation into the study, consultation with landowners, devaluations and associated land deals; and (c) halt any sales of public land on these islands by the council at "devalued" unimproved capital value until after an inquiry.

Bypass Road, Cairns

From **Dr Clark** (682 petitioners) requesting the House to alter the long term—10 years or more—time lines in the Main Roads Department's Future Strategic Plan to build a bypass road from just south of Caravonica State School to the roundabout on Captain Cook Highway to two to five years.

Wetlands

From **Mr Mackenroth** (437 petitioners) requesting the House to urgently (a) protect all wetland areas in Queensland from development with legislation; (b) place a full protection order on Brisbane's last remaining WW II ammunition magazines; (c) not approve rezoning of the rural residential land to general and light industry; and (d) protect residential areas from industrial developments.

Petitions received.

PAPERS

MINISTERIAL PAPERS

The following papers were tabled—

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

Department of Communication and Information, Local Government and Planning—Annual Report for 1998-99

Written statement in accordance with s 46KB of Financial Administration and Audit Act 1977

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

Annual Reports for 1998-99—

Intellectually Disabled Citizens' Council of Queensland

Pacific Film and Television Commission.

MINISTERIAL STATEMENT

Land Clearing

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.34 a.m.), by leave: In 1997 I promised the people of Queensland that, if elected, my Government would protect all land from unsustainable tree clearing and land degradation by introducing a new Vegetation Act or other appropriate regulation. My Government was elected and I am delighted to be able to inform honourable members that today we will deliver on this commitment. And we will deliver in a way that not only protects the unique biodiversity of this State but also gives our farmers the certainty they need to be able to plan and develop their properties on a sustainable and long-term viable basis. This is a pro-farmer, pro-sustainability of land, pro-Queensland outcome. This is in Queensland's long-term interests. Let me repeat that: my Government will protect our unique biodiversity and give certainty to our farmers—not just the current farmers but also their children and their children's children.

This outcome has not been achieved easily. Months of protracted negotiations and discussions have gone into this result. Indeed, yesterday I met separately with farmers and environmentalists, as did my Ministers. Last night I had a two-hour meeting with all the stakeholders and Ministers Mackenroth and Welford. Although there is not complete agreement between all stakeholders, I believe that the result will be seen by fair-minded people as the best possible outcome for the future of this State. We achieved agreement on approximately 80% of the issues. I would

have preferred 100% agreement, as we had with the regional forest agreement. But in the absence of that, my Government must make decisions. That is what we were elected for—to make tough decisions when we cannot get consensus, because this is a consensus Government. If the Opposition was genuinely interested in the future of Queensland, the future of the land and the future of farmers and their families, they would support this initiative.

In 1997 the Borbidge/Sheldon Government signed a partnership agreement with the Commonwealth Government to allow for the release of funds to Queensland from the Natural Heritage trust, which was a product of the sale of one-third of Telstra. This agreement, in part, committed the State Government of the day to "help reverse the long term decline in the quality and extent of Australia's native vegetation cover" and "to have effective measures in place to retain and manage vegetation including controls on clearing". That was the Borbidge/Sheldon agreement. Unfortunately, as with so many other pressing State issues, the previous Government failed to deliver. They squibbed it. The former Minister for Natural Resources failed miserably. He squibbed it, too.

For the benefit of the House, I would like to outline some of the more significant aspects of my Government's new policy on vegetation management. Most important, for the first time in Queensland, a head of power will exist to control land clearing on freehold land. These controls previously existed only on leasehold land. Second, these controls will expand protection from endangered regional ecosystems to now include vulnerable—or of concern—regional ecosystems. This means that protection will be provided to species that have shrunk to less than 30% of their original range, instead of the previous 10%. Of the 1,085 regional ecosystems recognised in Queensland, 10% are considered to be endangered while a further 22% are vulnerable. In conservation terms, this is a significant achievement for Queensland and one of which all members of this House should be proud.

For the first time in this State, legislation will recognise and allow for the protection of threatened regional ecosystems as well as individual threatened species. In addition—as a broad practice mechanism—vegetation across all bioregions will be kept above 30% total cover. Where more than 30% of the original vegetation types remain, the Minister will be able to protect those areas that have high nature conservation values, such as areas of high biodiversity and areas vulnerable to degradation such as salinity.

But most importantly, these gains have not been won at the expense of our farmers' ability to develop their land responsibly. For example, regrowth will generally be exempt from clearing controls. The controls will also not apply to essential management, which includes the maintenance and protection of all farm infrastructure. Nor will the controls apply to routine management, apart from areas declared to be endangered or vulnerable, or having conservation values.

I also want to make two points very clear to every farmer in Queensland. First, the State Government will honour all existing permits to clear on leasehold land. Second, there will be no moratorium on broadscale clearing. The legislation that my Government will introduce here today through the Minister, Rod Welford, will not be the final word on this matter. While today's Bill will set in place the Statewide guidelines, provision has been made for regional vegetation management plans to be devised. These regional plans will be the subject of wide consultation and will give farmers the regional flexibility that they seek to accommodate different land types and land uses. This consultation phase will be used to pinpoint the precise areas of high nature conservation value and areas vulnerable to degradation in each region.

When the regional vegetation management plans are in place, they will be the ongoing basis for assessing applications for clearing. In order to administer these controls, the Government has chosen to use the existing provisions of the Integrated Planning Act and rejected the option of drafting stand-alone legislation. The Government believes that the system of assessment codes and associated performance indicators that the Integrated Planning Act gives are more than adequate for this task. The move to give local authorities the responsibility to administer tree clearing controls brings rural development in line with the system applying to most other land-holders in Queensland. Such a move has been long overdue. It puts decision making on development issues back where it belongs: at the local level.

Some concerns have been expressed by the private farm forestry lobby that these new guidelines will prevent logging on freehold land for timber production. This is not correct. I stress that: this is not correct. Forestry practices—and that includes the initiatives in the south-east Queensland forest

agreement—are, and will remain, exempt from the provisions of the Integrated Planning Act, but the appeal and enforcement provisions of the IPA will apply in all other cases. For example, restoration provisions for illegally cleared vegetation are included and will work in much the same way as they do for heritage buildings that are demolished illegally.

All stakeholders in this process have acknowledged that financial compensation is a major, if not key issue in delivering a balanced outcome. It is a matter of great regret to me and to this Government that the Federal Government remains oblivious to the situation of rural land-holders affected by this policy. Senator Hill wanted the details of our proposal. He will get that in the Bill presented to the House at 11.30 this morning. There will now be no excuse for him to withhold the $100m that Queensland is due. This has been agreed by the Commonwealth and State departments involved in negotiation. If he fails, the coalition will be judged as anti-farmer, anti-the bush, anti-land conservation and anti-Queensland.

It appears that the Federal coalition Government has learned nothing from the recent demise of the Kennett Government, which turned its back on the rural and regional communities of Victoria. I am pleased, however, that all stakeholders in this process unanimously support a strong incentives-based approach to vegetation management. All stakeholders also support the provision of financial assistance to farmers whose business is adversely affected by these guidelines.

I should thank all stakeholders for participating in the negotiation and discussion process with the Government. I thank them for their support. I asked for common ground and goodwill. In my view, we certainly achieved as much as we could under the circumstances. I note, however, that the Federal agricultural Minister and National Party member, Warren Truss, has said that the Commonwealth should not be expected to fund compensation for Queensland farmers. He says that the Queensland taxpayers should pay. Here is a Federal National Party Minister from Queensland—a Queenslander; I stress that—trying to stop Queensland farmers from getting compensation. Let the record show that a Federal National Party Minister from Queensland is trying to prevent Queensland farmers from getting compensation. My Labor Government will fight to see Queensland farmers get their fair share of compensation from the Commonwealth. We will stand side by side with farmers to fight the Commonwealth on this issue.

This has been a difficult issue to resolve with the wide range of stakeholders and their varied individual hopes and aspirations. My Government does not shy away from tough decisions. We confronted and resolved the RFA question. We confronted and resolved the vexed issue of native title. We confronted and resolved workplace reforms. We confronted and resolved tough law and order and public health issues, such as prostitution controls. We have now confronted and resolved the tree clearing issue.

No responsible Government can allow uncertainty, and that is why my Government has acted on tree clearing: to remove that uncertainty. Queensland's unique biodiversity and Queensland's farmers deserve a positive outcome, and that is what these new guidelines will deliver. I appeal to the farmers, the environmentalists and the other stakeholders to take a deep breath and then read the guidelines before commenting publicly. I urge all Queenslanders and all stakeholders to read our plan in detail and not be duped by the scaremongers and the political opportunists who will seek to misrepresent this plan.

This is a Queensland plan to guarantee Queensland's future. I also appeal to all stakeholders to work with the Government in implementing these new guidelines. Finally and most importantly, I again appeal to Federal Environment Minister, Senator Robert Hill, to release Queensland's fair share of the hundreds of millions of dollars that are specifically included in this Budget for this purpose. My Government has done its part. It is now over to Senator Hill and his Government to do their part.

I want now to set out in some detail the significant benefits for each particular category of stakeholder. I will summarise. These are the new vegetation management arrangements.

Significant benefits for conservation

For the first time in Queensland, the legislation will provide a head of power to control clearing on freehold land.

For the first time in Queensland, legislation will recognise and allow for the protection of threatened regional ecosystems as well as individual threatened native species.

The legislation will provide the Minister with the power to declare areas of high nature conservation value, for example areas of high biodiversity; and areas vulnerable to degradation, for example areas subject to salinity, and provide for clearing in those areas to be assessable.

Remnant endangered regional ecosystems and remnant of concern regional ecosystems will be protected from clearing.

Vegetation across bioregions will be maintained above 30% total remnant vegetation cover. Regional vegetation management plans may extend this approach to individual catchments.

Regrowth that contributes to the conservation of endangered regional ecosystems may be declared as an area of high nature conservation value and protected from clearing. Regrowth may also be declared as an area of high nature conservation value or an area vulnerable to degradation for other reasons.

Broadscale clearing becomes assessable once the Bill is proclaimed. While no moratorium is proposed, applications for broadscale clearing will not be caught by the Integrated Planning Act processing period restrictions until 31 December 2000.

While situations where clearing is prohibited are not written into the Act, these will be clearly specified in the purpose and associated performance indicators of the assessment code.

Penalties for breach of development approvals associated with clearing are set under the IPA, with courts empowered to order restoration of any damage to vegetation. The Bill also expressly allows for offenders to be prosecuted for causing environmental damage under the Environmental Protection Act.

Significant benefits for primary producers

Regrowth is exempt from controls, except in areas declared following consultation to be of high nature conservation value or subject to land degradation.

Essential management, including the maintenance and protection of farm infrastructure, is exempt from controls in all areas.

Routine management, including the establishment of new farm infrastructure, is exempt from controls outside endangered and of concern regional ecosystems and areas of high nature conservation value.

Remnant endangered regional ecosystems will be protected from clearing as agreed by the QFF.

Areas of high nature conservation value and areas vulnerable to degradation may be declared following consultation so that the obligations of land-holders are clear and up front in these areas.

Regional vegetation management plans must be developed with public consultation. These will be the basis for assessing applications for clearing.

No prohibitions written into legislation so that flexibility can be built into regional vegetation management plans.

No moratorium on broadscale clearing applications.

Existing permits on leasehold land are not affected by the legislation.

No new penalties. Penalties and enforcement provisions are consistent with the Integrated Planning Act and other legislation. Entry and seizure of property cannot occur without the consent of the landowner or a warrant.

Initial approvals will be for two years. Longer-term approvals will be available once regional vegetation management plans are in place.

Significant Benefits for Urban Development.

The new arrangements will not apply to:

Urban areas outside areas of remnant endangered regional ecosystems, remnant of concern regional ecosystems and areas declared following public consultation to be of high nature conservation value.

Development with an area of less than five hectares outside an urban area and outside areas of remnant endangered regional ecosystems, remnant of concern regional ecosystems and areas declared following public consultation to be of high nature conservation value or vulnerable to land degradation.

Building a single residence and associated building on a property.

Essential management, including the maintenance and protection of buildings.

Regional vegetation management plans must be developed with public consultation. These will be the basis for assessing applications for clearing.

No prohibitions written into the legislation so that flexibility can be built into regional vegetation management plans.

Penalties and enforcement provisions are consistent with the Integrated Planning Act and other legislation. Entry and seizure of property cannot occur without the consent of the landowner or a warrant.

Application and approval procedures to operate under IPA time-lines applying to applications for development other than those solely involving tree clearing.

Significant Benefits for Local Government.

The new arrangements will be applied through the Integrated Planning Act to ensure that they build on existing arrangements in place for assessing development applications.

Local laws and planning schemes can be used to manage vegetation in addition to the State framework.

Responsibility for assessment of clearing may be delegated to local government at the request of the local government.

This is a Queensland solution to guarantee Queensland's future.

MINISTERIAL STATEMENT

Hatch Associates

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.51 a.m.), by leave: The Beattie Government remains vigilant in its effort to attract new business to the State and to put more Queenslanders in jobs. The reason why this proactive Government remains focused on not only attracting new businesses but also to continue its partnership role with business is simple. It comes down to three words: jobs, jobs and jobs. Our obsession with jobs is why we are in Government. By building our State's economic base, Queensland will grow and prosper and the cascade effect that a confident business base provides is jobs. That is why I am delighted to inform the House of another success in attracting business to this State.

Later today leading international engineering group Hatch Associates will announce that it will locate its Australian and Asian headquarters in Brisbane. The decision by Hatch will lead to the creation of 400 jobs by July 2002. Apart from engineering, the Hatch group's activities encompass international consulting, project management and information systems supporting clients in the mining, metal infrastructure and energy industries. Hatch now has 3,200 employees and a network of more than 40 offices worldwide, covering North America, South America, Africa, Europe, Australia and Asia. The company has been active in Australia for many years and, recently, Hatch established a permanent presence in Australia and will continue to grow.

Currently, Hatch has some 100 employees in this State. The company's decision to establish its headquarters in Brisbane will lead to phased employment growth, with 300 people by July next year, growing to 400 in July 2001 and 500 people by July 2002. Hatch has recently acquired BHP Engineering, raising the group staff number by about 900, mostly Australian, employees. BHP Engineering was Sydney based. Hatch managing director Mr Ralph Catterall is to be applauded for the company's decision to locate its head office in Queensland. The new head office will have responsibility for current overseas offices in the Philippines, China and India. Apart from the Brisbane office, Hatch currently has two major design centres, one in Toronto with 1,000 staff and the other in Johannesburg, with 500 employees. Apart from BHP, QNI and Western Mining in Australia, other Hatch clients read like a list of who's who of the global mining giants. They include Rio Tinto, Billiton, Anglo-American, Faulconbridge, Inco and North American gold major Barrick. Currently, worldwide Hatch has programs and projects under management with an aggregate value of US$6 billion.

Hatch is the latest in a long list of companies attracted to Queensland by this Government. The list includes Saville Systems, Indis, Parmalat, Citibank, Bechtel and Quantum, just to name a few. This Government has unashamedly courted international companies already active in the Asia-Pacific region with a view to getting them to establish their regional headquarters in Queensland, and we will continue in those efforts. This is the best year on record for doing just that. This Government welcomes Hatch's commitment to locate its important headquarters in Queensland and wishes it well in its endeavours.

MINISTERIAL STATEMENT

Water Charges, Logan City Council

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities) (9.55 a.m.), by leave: On 26 November 1999 the Supreme Court handed down a decision in relation to Logan City Council's water charges. The decision related to Chapter 10 of the Local Government Act. This chapter was introduced in 1997 and required the 17 largest councils in Queensland to assess the cost effectiveness of applying a two-part tariff as the basis of utility charges for water services. A utility charge based on a two-part tariff involves the following components—a charge for access to the service and a charge for the volume of water consumed.

The court found Logan City Council did not sufficiently comply with Chapter 10 of the Act in considering whether to introduce water charges based on a two-part tariff. Following the court's decision, Crown Law advice was sought about its implications and, in particular, how legislation might be framed if there was a need to introduce legislation to deal with any effects of the decision. The Local Government Association of Queensland has also written to me about legal advice it has received on the implications of the decision and requesting me to introduce legislation as soon as possible to deal with the court's decision. The association's legal advice was passed on to Crown Law for its consideration.

I would have preferred to resolve this matter expeditiously by introducing immediate amending legislation before the House rises this year. Crown Law has advised, however, that given the complexity of the legal and factual issues raised by the judgment it is not possible to develop and settle amending legislation which would be sufficient and certain to address all issues raised by the court in the time available. The operation of all relevant parts of the Local Government Act needs to be considered. This is not something which can practicably be undertaken within the very restricted time frame until the end of the parliamentary year.

Further detailed assessment of the court's decision will be undertaken. On the basis of this assessment, I intend to introduce legislation early in 2000 to ensure that councils affected by Chapter 10 can continue to make and levy utility charges for water services and to validate charges which as a result of the court decision may be questioned. In the meantime, the decision of the Supreme Court directly relates only to Logan City Council. The council has resolved to appeal against the decision. Therefore, it is not appropriate for me to comment further on the decision at this time.

As I have just said, I do not propose to comment further on the court's decision. The court decision did not, however, comment on the amount of the charges levied by Logan City Council. It seems to me a lot of the disquiet amongst businesses in Logan City about the council's new water charges related to the sudden and substantial increase in the charges and this was the impetus for the legal challenge. I understand the council subsequently introduced a rebate scheme and offered other means to mitigate disproportionate increases on non-residential consumers.

Local governments are given considerable autonomy to set rates and charges and I would call on all councils to ensure they exercise their powers responsibly with careful consideration, not only in relation to two-part tariffs for water but for all rates and charges generally. Councils are not immune from challenge on the grounds of unreasonableness. Logan City Council would in my view be well advised—and I will be asking council—to give further consideration to the criteria it has used to determine water charges, particularly that used to set the access component of its two-part tariff and to consult with business on this matter.

MINISTERIAL STATEMENT

School Commercial Activities, Code of Practice

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) (10 a.m.), by leave: Commercial activities such as advertising on the back of school newsletters or sponsorship of a school award have been part of State education for many decades. In recent times, larger commercial ventures have become of interest to school communities, particularly as school communities become aware of the obvious advantages of some commercial ventures, both through partnership with businesses and commercial gain. In 1997 the previous Government introduced amendments to the Education (General Provisions) Act and regulation to recognise formally that these activities were allowable in schools.

A working party set up by the previous Government started the process of developing a detailed policy that attempted to cover every commercial activity in schools. However, it was necessary to have a short, easily consulted document to provide quick guidance to school communities. The code of practice on commercial activities in schools which I present to the House today has been developed to guide schools in such activities. It does not attempt to address every scenario or control every commercial activity a school engages in. That would be undesirable and, I would suggest, impossible. We cannot anticipate every exigency that may arise in our diverse system of schools, which may be large or small, bucolic or urban, long established or new.

The code is based on the underlying principles that the integrity of the State-provided financial budget must be maintained irrespective of commercial activity and the primary functions of State schools—the education of students—should not be

interfered with in any way. All commercial activities must operate within existing legislation, departmental policies and guidelines and, where applicable, the Queensland Government sponsorship policy. In other words, commercial activities in schools may be used to enhance educational programs but will not replace formal public funding for schools. It must be lawful, consistent with Government policy and can be considered only when it does not diminish a school's focus on teaching and learning. I table the guidelines.

MINISTERIAL STATEMENT

Pacific Film and Television Commission

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (10.02 a.m.), by leave: This morning I table the 1998-99 annual report of the Pacific Film and Television Commission giving an operational overview of the commission's activities and achievements during this period, with detailed and audited statements. From these facts and figures emerges a rosy future for Queensland film and television in terms of jobs growth, regional involvement and international investment for this State. It heralds initiatives that will effect a ground shift in Australia's film and television landscape, positioning Queensland as a major location and production centre for domestic and overseas film.

As the PFTC 1998-99 annual report states at page 3—

> "A feasibility study is already underway for a Brisbane film studio. Such a studio, if successful, promises a huge local economic boost for the local industry."

Such has been the growth in local production, we are already at a point where there is a need for affordable studio space to complement the Gold Coast Warner/Roadshow Movie World studios. Offshore production company Coote-Hayes has already set up a Queensland production office to handle 10 projects, including the television series Beastmaster and Lost World and movies of the week for Paramount's UPN network. In 1998-99 movies like Paperback Hero and Dear Claudia gave Queensland's outback and Barrier Reef landscape the kind of international exposure that makes our film industry a tourism showcase. Documentary making also surged, with 12 documentaries produced in Queensland over the last 18 months. Our production levels have grown, cumulatively, a massive 500% since 1993.

Some $105m in domestic and international film production budgets was spent in Queensland in 1998-99 creating jobs, training and economic flow on. State Government incentives through PFTC have secured for Queensland a large majority of cast and crew jobs including heads of department and, in many cases, lead roles in many of those projects. Pacific Film and Television Commission's $9.5m 1998-99 budget returned Queensland a cost benefit ratio of 31 to one. That means that every $1m PFTC invested in film and television in 1998-99 returned an impact of $31m and around 228 jobs to Queensland. So successful has the Queensland Government film funding model proved that other States are studying it with a view to adopting the same model.

In 1998-99 the PFTC took the State Government's regional strategy to heart, extending its charter for film festivals and events outside the capital city with festivals in Cairns, Mackay and Townsville in 1999. In 1998-99 the PFTC also embraced the Government's theme of reconciliation through initiatives like First Film and a documentary project addressing this important goal. This is part of a larger process of reconciliation being engaged in by the cultural statutory authorities within the Arts portfolio in the lead-up to the Centenary of Federation.

MINISTERIAL STATEMENT

Wollemi Pine

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries) (10.05 a.m.), by leave: Earlier this year I announced that Queensland had won the exclusive world rights to propagate and commercialise the rare living fossil, Wollemi pine. I have brought a Wollemi pine into the House for the interest of all honourable members but, unfortunately, it is far too rare to table. Indeed, Wollemi pine is only found in two natural stands in an isolated section of the Wollemi National Park near Sydney. The exact location of these natural stands has not been publicly revealed.

The Department of Primary Industries and the Brisbane based Birkdale Nursery were awarded the rights to commercialise Wollemi pine on behalf of the New South Wales Royal Botanic Gardens ahead of proponents from interstate and overseas. I can announce today that work is under way in Queensland to propagate the Wollemi pine, whose closest relatives are fossils from about 100 million years ago. Construction of a new climate controlled greenhouse and potting shed for the propagation of Wollemi pine at Gympie is

due to be completed before Christmas. For the honourable member for Gympie, that is good news because that is going to create more jobs in his electorate. Additional facilities at the Wollemi propagation complex at Gympie are due to be completed in February.

This project will generate new jobs and millions of dollars in new exports. Two million plants are planned for annual sale by the year 2005. Wollemi pine has enormous potential as a household plant, especially in the lucrative Japanese market where about 300 million conifer pot plants are sold each year. More than 50 jobs are expected to be created in the development phase of this project alone.

Importantly, commercialisation of Wollemi pine will also ensure this living fossil is preserved and any illegal trade is discouraged. Later today I will join representatives from the Department of Primary Industries and Birkdale Nursery to demonstrate the propagation process. Queensland is using its growing capacity as a Smart State to generate new jobs and new profits and, at the same time, preserve this rare living fossil for future generations. I will hold up the sample of the Wollemi pine for the benefit of all honourable members. Every time I look at this beautiful plant, all I can think of is jobs, jobs, jobs.

PERSONAL EXPLANATION

Allegation of Misconduct

Hon. K. W. HAYWARD (Kallangur—ALP) (10.07 a.m.), by leave: Late last night in what was at times vigorous debate on the Forestry Amendment Bill, the shadow Minister, Mr Cooper, suggested to this Parliament that, if I was to quote him, I was "on meths". Because of the rowdiness of the debate, it was not until I read the Hansard proof that I became aware of Mr Cooper's comments. I have taken his comments to mean that I was drinking methylated spirits. I do not want to sound too precious about this, but such a comment is outrageous, wrong, unparliamentary and, as I am sure Mr Cooper knows, totally without foundation.

I am sure the member for Crows Nest never meant to say it. To give him the benefit of the doubt, he has had little history of such behaviour in the time I have known him. I trust he will make that clear to the Parliament this morning, as I am sure he is an honourable person.

Hon. T. R. COOPER (Crows Nest—NPA) (10.08 a.m.): Mr Speaker, I am perfectly happy to make it clear to the Parliament that that comment was said in the heat of the moment. I have a very good relationship with the honourable member for Kallangur and can assure him that it was not meths that he was drinking.

SCRUTINY OF LEGISLATION COMMITTEE

Reports

Mrs LAVARCH (Kurwongbah—ALP) (10.09 a.m.): I lay upon the table of the House the Scrutiny of Legislation Committee's Alert Digest No. 16 of 1999 and move that it be printed.

I also lay upon the table of the House the committee's report No. 15 on the Fisheries East Coast Trawl Management Plan 1999, subordinate legislation No. 289 of 1999, and move that it be printed.

Ordered to be printed.

COMMONWEALTH PARLIAMENTARY ASSOCIATION CONFERENCE

Report

Mr SULLIVAN (Chermside—ALP) (10.09 a.m.): I lay upon the table of the House my report as the Queensland branch delegate to the 45th CPA conference.

NOTICE OF MOTION

Transport

Mr JOHNSON (Gregory—NPA) (10.09 a.m.): I give notice that I shall move—

> "That this House notes the increasing failure of both the public and private transport systems around south east Queensland in particular, and condemns the Minister for Transport for his failure to address the infrastructure and policy initiatives necessary for the effective movement of people and goods in this area."

PRIVATE MEMBERS' STATEMENTS

Importation of Fresh Durian

Hon. T. R. COOPER (Crows Nest—NPA) (10.10 a.m.): I wish to bring to the attention of the House yet another example of imports adversely affecting our primary producers. This time it is the importation of fresh durian fruit from Thailand. Primary producers are in dire straits and many may even be forced off the land in the near future, particularly the sugarcane farmers of far-north Queensland. To make matters even worse, they now face the problem that fresh imports will be allowed,

which could lead to the introduction of pests and diseases that could decimate our Australian industries, not to mention cause a market collapse.

Some canegrowers have diversified into horticultural crops such as durian, rambutan, mangosteen, bananas and pawpaws as a support income to help them stay on the land. This source of income is now threatened by AQIS agreeing to allow Thailand to export fresh durian fruit to Australia, and the process to allow bananas and pawpaws to enter Australia is also in the pipeline.

Three hundred to 400 tonnes of frozen durian from Thailand have been imported annually for many years. We have no objection to those frozen durian imports as the frozen durian fruit poses no threat of the dreaded durian seed borer establishing in Australia. This pest entering Australia could be equivalent to the papaya fruit fly episode.

We have until only 16 December to appeal against the AQIS decision to allow the importation of fresh durian fruit. This case is the forerunner of what is to come for other horticultural crops. It is therefore imperative that we fight this appeal in a unified way. I am fully aware that the Minister has details and I believe that he should join with the coalition in defending our primary producers from such imports in order to give them a fair go.

Acacia Ridge Employment Program

Ms STRUTHERS (Archerfield—ALP) (10.12 a.m.): It is disturbing that many bosses are snubbing older workers, considering them out of touch and unable to learn new tricks. A study by Dr Margaret Steinberg found that 7% of Queensland employers labelled workers past their prime at the age of 36. Corporate downsizing has also left in its wake many unemployed mature age people.

Despite being the economic hub of Brisbane, the suburb of Acacia Ridge has a higher than average rate of unemployment, including many retrenched and long-term unemployed people over 35. It is a hard slog for many of these people and I take the problem very seriously. I moved quickly to take up Minister Paul Braddy's support for mature age people through the Community Jobs Plan. I initiated a project called Into Work with the Acacia Ridge Community Centre. This project received State funding to give intensive support, training and job placement to unemployed people over 35 in the Acacia Ridge area.

I am delighted to report that the first 11 participants graduate from this project this Saturday and that most of them have already scored jobs. I congratulate Steve, Bruce and the other participants and also the project coordinator, Jean Jensen. It is times like these, when I see people directly benefiting from our Government's commitment to jobs, that I know for sure that I am on the right team—not that I have ever had any doubt about this, but it is good to see the consistent good results from our Government.

Bridgeman Downs Sporting Complex

Mr GOSS (Aspley—LP) (10.13 a.m.): I raise a matter of great importance to the residents of Bridgeman Downs. The Brisbane City Council has proposed a sporting complex for Darien Street. The playing fields are for cricket and football, and there will be a clubhouse. None of the residents object to the playing fields being located in their area, because many of them are great supporters of team sport.

We have to wonder why these fields are going into the area, where there are few young families who would use them. There are more families with mature age children. We also wonder why the Brisbane City Council would establish facilities that can be found only a few kilometres away in the Pine Rivers Shire. But what is concerning to the residents of Bridgeman Downs is the category A classification which has been approved for the clubhouse.

Sports fields generally do not rate much more than a small canteen where the club can sell some soft drinks and pies. However, these fields are classified category A, which means a liquor licence and poker machines. It means extended trading hours into the night and probably entertainment. It does not matter that there are already 17 clubs, two hotels and a new tavern in the area. It does not matter to the council that it is close to the crematorium chapel and it does not matter to the council that there are already about 30,000 poker machines in this State.

Local residents have overwhelmingly rejected this council proposal. They do not want it in their neighbourhood. At a meeting last Saturday morning called by the local councillor, Carol Cashman, Councillor Hinchliffe showed up and took over and politicised the public meeting. As he said, the local residents will get a category A clubhouse, they will get poker machines and they will get a licence. I just wonder how a BCC councillor can promise—

Time expired.

Commonwealth Government Funding

Ms NELSON-CARR (Mundingburra—ALP) (10.15 a.m.): Prime Minister John Howard's boast that today's economy is the strongest it has been since the Menzies era has not only drawn mixed responses but it begs the question: why is it that areas of social and economic need are still neglected? Commonwealth dollars for disability, education, health, justice and the environment are even harder to access, and the lives of many Australians remain incomprehensible when compared with the ever increasing wealth of a few.

The abrogation of Commonwealth responsibility is a growing trend. The States are left to juggle their social costs with economic development. The Federal Government must be made more accountable in terms of State assistance in areas of need and not be let off the hook so easily. Fights over where responsibility lies should be a thing of the past with the bipartisan approach adopted to achieve the best outcomes for Australians. But it does not end there. In proving need, the regions face further hardships over the inevitable lack of commitment from the Commonwealth.

Social costs are enormous. I will give a regional example. A Townsville project requiring funding from the Federal Government is the Ross River Douglas Arterial project, a project that has never been a State Government election promise but which the State has had listed as a priority on the roads program for the past two years. Who would ever have dreamed that the projected population figures could have blown out the way they have? Townsville is on the threshold of industrial boom, and with this realisation comes the necessity for the Douglas Arterial project to go ahead.

The Commonwealth talks about State's core responsibilities, but this project requires Federal funding of $41m. Why? It is part of the National Highway. Our Government is committed to this project, but the respective responsibilities of the State and Federal Governments need to be open and transparent. The State Government has allocated funding for the planning and design work. No project can begin without this. $4m has been allocated over the next two years for this planning and design on what is a Federal Government responsibility. Core responsibility and a strong economy depend on honesty and accountability. I support the need for a bridge over the upper Ross River and I call on the Federal Government to commit to this project sooner rather than later.

Time expired.

Mining

Mr ROWELL (Hinchinbrook—NPA) (10.17 a.m.): Small miners in north Queensland, and in fact throughout the State, are struggling for survival and were not impressed by the refusal of the Premier for low interest finance. They await the tortuous process of his native title legislation. They have met with a flat refusal from the Premier to support them during this period of being denied the right to carry out their businesses. They have received a just-around-the-corner solution to their difficulties. Parallels are drawn with low interest funds that are provided due to the impact of natural disasters which Government recognises.

Their machinery is rusting as the period of uncertainty continues and debts continue to grow. People are being made redundant as the existing leases of the ore bodies expire. The suppliers of goods and services to the mining industry are not receiving orders for equipment, fuel, spare parts and general services. Unlike the big mining companies, a significant part of the income of the bodies and those who work for them is spent in local communities. Those communities have been in a state of limbo for three years as their future is yet to be decided, yet small miners made a meaningful contribution to the economy when they had access to the previous mining tenures.

These people are not looking for hand-outs. They are desperately in need of help, which is being refused by the Premier. They are being forced to sell off pieces of equipment, often at fire sale prices, to sustain their families. In the future they will have to deal with not only the rigours of native title but also the double whammy of the environmental issues under the Department of Mines and Energy as the responsibility is transferred to the Environmental Protection Agency, with its stable of radical green activists.

Bruce Highway Upgrade

Mr NUTTALL (Sandgate—ALP) (10.20 a.m.): At the end of this financial year, the Gold Coast Highway expansion works will be due for completion. I am sure that a number of commuters and honourable members will be pleased about that. However, whilst that work has been in progress, the

Federal Government has continued to neglect funding for the Bruce Highway and the Gateway arterial road. People who live in the vicinity are represented by four Government members in the Federal Parliament, namely in the Federal electorates of Petrie, Fairfax, Fisher and Longman. For too long, residents who live along this corridor have been starved of funds which are needed to upgrade the road.

People who travel northbound along the Bruce Highway in the afternoon, or southbound in the morning, would be well aware of the gridlock that occurs on that highway. I am advised by the Department of Transport that if sufficient funding is not made available by the Federal Government to upgrade the Gateway arterial road and the Bruce Highway—which should be extended to Bribie Island—there will be total gridlock on both roads.

This is a totally unsatisfactory situation for residents of the area. The four Federal Liberal members, together with State Liberal members who represent electorates on the Sunshine Coast, need to get off their backsides and do some hard lobbying in order to acquire the necessary funds for upgrading the road. Anyone who travels along those roads—either in the morning or in the afternoon—would be aware of this disgrace. Cars are gridlocked—

Time expired.

World Trade Organisation

Mr KNUTH (Burdekin—IND) (10.22 a.m.): Colleagues, I am compelled to rise to comment on Australia's utterly comical stance at the meeting of the World Trade Organisation and the blind adherence of successive State and Federal Governments to the National Competition Policy. I will try to slightly pry open the eyes of those bureaucrats and those politicians who cannot see that we are the laughing stock of our fellow trading countries—standing all alone on the level playing field with nobody to kick the ball to us.

Sugar farmers in my electorate know all too well how the Federal Labor, Liberal and National Parties have enforced National Competition Policy which has robbed them of their tariff on imported sugar and forced export parity pricing on the domestic market. When the import tariff was removed from the sugar industry, and not the textile and car manufacturing industries, the politicians of the day kept telling us to be patient and wait for the WTO talks to square-up the global situation.

As we witnessed at the weekend, those talks have failed dismally. It is up to this State Government and the Federal Government to stop making a mockery of our farmers on the international stage. The WTO fiasco has highlighted the arrogance of our major political parties who believe that America, Europe and Asia will join Australia on the stage of free trade.

This year, when Queensland cane farmers watched the sugar price plummet to a 13-year low, Canegrowers general manager, Ian Ballantyne, said that our best hopes were through the WTO talks. In February, Mr Ballantyne said—

> "A freeing-up of world trade in sugar will benefit us by bringing the world market price up by 25 per cent closer to the cost of production of efficient producers."

It has not happened, and the fiasco which unfolded in Seattle casts a dark cloud over the Queensland sugar industry—helped in no way by the flawed Sugar Industry Bill which passed through this House not so long ago. I am wondering if this Government has any more nails left to drive into the coffins of those farmers who are turning their backs on the land thanks to the National Competition Policy.

Time expired.

Bruce Highway Upgrade

Hon. K. W. HAYWARD (Kallangur—ALP) (10.24 a.m.): I have previously spoken in this House about the horrendous traffic problems which are experienced on the Bruce Highway between Caboolture and Brisbane. Those problems were highlighted earlier this morning by my colleague the member for Sandgate.

In the last month, I have met representatives of the design and planning consultants who are working on the Bruce Highway project. The proposal is that the designs will be completed by February 2000 to upgrade the Bruce Highway to the exits and the entrances at Dohle's Rocks Road. Copies of the proposed design are available at my electorate office. A hard copy of the design is on permanent display at my office.

I was told that the tender for the construction of this stage of the highway will be let by April 2000, and the project will be completed by mid-2001. The cost of this stage is estimated to be $35m. This stage will be difficult. It will mean that the Pine Rivers bridge will have to be upgraded to handle six lanes of

traffic. Engineering options for widening the bridge will need to be carefully considered.

Traffic snarls and inconvenience will occur during construction, but the residents of Caboolture and Pine Rivers have waited a long time for this development and the project will be universally welcomed in the area. It cannot happen soon enough. On behalf of the residents in my electorate, I welcome this next stage.

However, more work needs to be done. The upgrade must proceed to the Bribie turn-off to relieve the choking traffic on the Bruce Highway. I welcome the progress of the highway to Dohle's Rocks Road. I look forward to a visit by the Federal Transport Minister, Mr Anderson. He will be most welcome, particularly when, after gaining a better understanding of the urgency of the problem, he organises more funding to hasten the completion of the task.

Industrial Relations Act; Union Encouragement Provisions

Mr SANTORO (Clayfield—LP) (10.26 a.m.): Today, I would like to talk about the union encouragement provisions within the Beattie Labor Government's Industrial Relations Act. The Minister's second-reading speech on the Bill was noticeably silent on this issue. But Queenslanders—and in particular small business—are finding out the hard way what union encouragement clauses actually mean.

Currently, there are applications by the Australia Workers Union and the Queensland Council of Unions for across-the-board award variations for union encouragement. What the applications are seeking is not just the warm inner glow of encouragement; the applications are seeking the following: that all existing and potential employees be encouraged to join the union; that the employer provides application forms; that the employer will encourage the employees to partake in union meetings and to vote at union meetings; that the employer will arrange for introductions to the union representative; that the employer shall provide time and facilities for the union delegate to conduct union business; and that the employer shall provide payroll deductions for union dues.

These provisions are being sought by either a general ruling, in that they will apply to every employer under the State system, or a statement of policy, which provides that awards include such provisions. The end result is that it is clearly the intention of the unions that every employer in Queensland will be required to undertake these exercises in order to encourage and maintain union membership. This means that even the corner store will be required to do it. Even the pie van, with a casual in the summer holiday season, will be required to do it.

This union action represents a massive jobs disincentive for Queensland. The matter is before the Queensland Industrial Relations Commission, and I understand that it has been adjourned. I believe it is appropriate that the Minister and his Government declare where they stand in relation to these applications. Did the Minister and the Government intend that union encouragement would mean that all the activities I have noted will form part of union encouragement? Did the Government intend that this would be arbitrated on unconsenting employers, or was it something that was to be only an agreement between employers and employees?

If the Minister is fair dinkum in terms of accountability, he should declare himself. If he is fair dinkum in terms of his philosophy, let him say yes, and let employers, and particularly small business, hear that message loud and clear.

Crime Stoppers

Mr ROBERTS (Nudgee—ALP) (10.28 a.m.): Since my election to this Parliament in 1995, I have taken a keen interest in crime prevention activities within my electorate. One of the main obstacles I have encountered in the fight against crime is the reluctance of some sections of the community to report criminal activity—a reluctance based either on a fear of getting involved or a fear of retribution should their identity be revealed. This has a significant impact on the effectiveness of police activities and, as a result, crimes go unsolved and criminals keep getting away scot-free with committing crimes.

One organisation which is making a significant contribution to the solving of crimes and to crime prevention is Crime Stoppers. Crime Stoppers provides members of the public with a safe and confidential means of providing details to police on crimes which they have witnessed or on which they have acquired some information. Callers remain totally anonymous, phone calls are not recorded or traced and rewards can be paid without the name or identity of a caller ever being revealed or known to the police. The results of Crime Stoppers' activities in Queensland since its establishment in 1989 have been spectacular.

As at 30 June this year, Crime Stoppers had received over 147,000 calls. This has resulted in almost $3.5m worth of property being recovered, $190,000 worth of proceeds from crime confiscated, over $438m in drugs seized and 3,685 people arrested on a total of 10,425 charges.

I have recently been accepted as a member of the metropolitan north area committee of Crime Stoppers and I look forward to an active involvement in that committee. I encourage members of the community to use this worthwhile service if they have information on crimes by calling 1800 333 000.

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

QUESTIONS WITHOUT NOTICE

Tree-Clearing Restrictions

Mr SPRINGBORG (10.30 a.m.): I refer the Minister for Environment and Heritage and Minister for Natural Resources to his Government's practice of receiving a rural impact statement from the Office of Rural Communities for Cabinet submissions and other decisions which may have an adverse impact on rural communities, and I ask: in light of the comments of the Queensland Conservation Council's Imogen Zethoven on ABC Radio this morning that some farms will become not viable as a consequence of the new mandatory tree-clearing restrictions, did the Minister receive a rural impact statement warning of severe economic impacts for many farm families and rural communities as a consequence of these new laws?

Mr WELFORD: I thank the honourable member for his question. As he well knows, a rural impact statement is something that our Government regards as an important and routine process in any assessment that Cabinet makes of matters that are brought before it. We are well aware that the principles that we are bringing into place will have some impacts on some properties.

I do not accept, as the member suggests, that many families will be affected. There will be some, and that is why the Premier and I have been calling on the Commonwealth to provide the $100m incentive. If members of the Opposition, rather than playing cheap political games, are genuinely concerned about rural families who want to implement sustainable land management practices, they will join with us in calling upon the Commonwealth to deliver that money. If the Opposition members are at all genuine in their concerns, that is what they will do. If their concerns are not just feigned concerns but are genuine concerns, they will join with us in our approach to Canberra to ensure that these principles of sustainable land management are consistently and fairly implemented in a way that acknowledges the needs of all rural land-holders and the long-term economic security of rural industry.

This week, our Government is doing what the Opposition always knew needed to be done. We are putting in place a fair and responsible approach that provides the principles for those land-holders who want to do the right thing so that they get the practical guidance that they need. It also puts in place a safety net of sound guidelines that reflect what many—indeed most—farmers practising sound land management are applying already. For the vast majority of rural land-holders, these principles will not affect the way in which they are already managing our land. However, they and many other responsible Queenslanders—

Opposition members interjected.

Mr WELFORD: Their land. They and many other responsible Queenslanders also expect their neighbours and other land-holders to apply the same sound management principles that those land-holders apply already.

The approach that our Government has taken has been not only highly consultative and responsive to the genuine and legitimate submissions from rural industry representatives but also it is based on an approach that our Government wants to position industry on a long-term, sustainable and secure economic footing.

Public Sector Awards

Mr SULLIVAN: I refer to the Premier's commitment to ensure the highest standard of service delivered to the people of Queensland by the public sector, and I ask: what initiatives has the Premier put in place to encourage and reward public servants?

Mr BEATTIE: I thank the honourable member for his question. Last night, the Deputy Premier, Anna Bligh and Tony McGrady joined me for the inaugural Premiers Awards for Excellence in Public Sector Management and to pay tribute to the high standards of management in our Public Service. It was a great night, and I was very pleased to be part of a ceremony that recognised the achievements of the Queensland Public Service.

As we know, my Government will always be a can-do Government, and a can-do Government needs a can-do Public Service to put its agenda into action. There is no doubt that today's Public Service has become much more flexible and innovative in the way in which it operates. As a result, a growing number of Queensland public sector organisations are now recognised as among the best in their field—indeed, the best in Australia.

These awards are important because they are the first time that any Queensland Government has recognised teams and work units that have shown the highest standards in client satisfaction, leadership and management. The judges for the awards worked very hard, even to the point of making on-site inspections as far afield as Bamaga and Charleville, to ensure that they had a proper appreciation of the projects.

More than 90 nominations were received. Agencies taking part extended right across the public sector, from small, specialist agencies such as the Tertiary Entrance Procedures Authority to large Government owned businesses such as Queensland Rail. The winners were: for services to rural and regional Queensland, Plague Pest Management, Department of Natural Resources and Women's Justice Network, Legal Aid Queensland. Highly commended were the Queensland Government Agent Program, Office of Rural Communities, Department of Communication and Information, Local Government and Planning. The winner of the award for innovation and productivity was Transforming our Business Through an Innovative Approach to Service Delivery, Department of Emergency Services, and highly commended was the Legal Aid Call Centre, Legal Aid Queensland. The winner of the award for the economic development of Queensland was the Mount Isa rail line upgrade, Queensland Rail. Highly commended was the Transport Industry Development Unit's International Activities, Department of Main Roads. The winner of the award for community contribution was the North Keppel Island Environmental Education Centre, Department of Education. Highly commended were the Campaign 300, Department of Transport and Multicultural Partnership, Queensland Police Service. The winner of the award for red tape reduction was Local Law Review, Department of Communication and Information, Local Government and Planning. Highly commended was Red Tape Unravelled—the Insurance Industry and Stamp Duty, Office of State Revenue, Queensland Treasury. The winner of the award for management and leadership excellence—the most significant award that I presented on the night—was the Queensland Government Agent Program, Office of Rural Communities, the Department of Communication and Information, Local Government and Planning.

I know that these awards will motivate more and more teams across the public sector to look at ways of improving service to the people of Queensland. My congratulations go to all the finalists in the inaugural Premier's Awards for Excellence in Public Sector Management. I table a copy of Sectorwide setting out the details.

Tree-Clearing Restrictions

Mr COOPER: I refer the Minister for Primary Industries to his Government's decision to impose on primary producers draconian new tree-clearing restrictions for freehold land. I also refer to reports from the Queensland Rural Adjustment Authority that more than 800 Queensland families are expected to walk off their farms in the next 12 months. I ask the Minister: what discussions has he had with the banking sector regarding the impact of these restrictions on the value of freehold properties and the viability of primary producers? How many more farm families has the Queensland Rural Adjustment Authority projected will be forced off the land as a result of his Government's draconian restrictions?

Mr Seeney: Just for a change answer the question.

Mr PALASZCZUK: The honourable member has raised some very important issues in his question. Unfortunately, by his interjection, the honourable member for Callide shows that he does not believe that the honourable member for Crows Nest has asked a very important question.

The honourable member for Crows Nest asked a question in three parts. I will deal with the issue of a report that came out just recently that stated that about 800 families in Queensland are set to leave the land. Of course, that is a very serious matter. All I can say to the honourable member is that, as a Government, we are looking very closely at that issue. Although it falls within the portfolio of the Minister for Families, I am taking a very, very keen interest in it.

The honourable member raised the issue of the proposed Vegetation Management Bill. I inform the House that the vast majority of primary producers practice proper management plans. Unfortunately, as always

occurs, a small percentage do not. This sort of legislation has to be introduced to ensure that those people follow the rules.

Once our legislation is introduced, I will work very, very closely with my parliamentary colleague the Minister for Environment and Natural Resources on behalf of our primary producers to ensure that the information that comes out as a result of this new legislation is disseminated for the benefits of all our primary producers. I believe that what the Government has done will produce the best result for the interests of all our primary producers in Queensland.

Advancement of Women

Mr PURCELL: I refer the Premier to the Government's commitment to advancing the cause of women. I ask: can he inform the House of any measures that he is involved in to further that aim?

Mr BEATTIE: All honourable members would be aware of my Government's commitment to ensuring that women take their rightful place in society. Last week, with the relevant Minister, I launched the Women and Work web site, which is a product of the Premier's Council for Women in Judy Spence's department. That site is designed to deliver more options to Queensland women who want to get a job or improve their position in the work force. Later today I will announce the winner of the Westpac Women and Information Technology Accelerator Award Program. That award program is a Queensland initiative designed to assist businesses with at least one female director, owner or partner in the information technology industry. Over six months, Westpac and its partners—Gadens and Deloitte Touche Tohmatsu—will work with the three winners of that new award program in a mentoring capacity to assist in the growth and success of their businesses. It is great to see that more and more women are setting up their own businesses. Women are starting their own businesses at three times the rate of men, with about 38% of Queensland business owners being women, compared with 35% in other States. As usual, we lead Australia. One of the best ways to increase that figure is to foster an environment for modern, forward-thinking industries that will create new jobs.

Information technology and telecommunications industries fit the bill perfectly. The IT & T and sector is Queensland's second-fastest growing sector. Before too long, it will be the States's biggest job-creating industry. Of all the sciences, IT & T offers some of the best opportunities for women to advance. Women are heading on line; embracing computers and the Internet as work and social tools. However, the number of women in management positions in the IT industry still needs to be improved. The same applies to the number of women studying IT at Australian universities. My Government is determined to change that. We support the Queensland industry-based network, Women in Information Technology. Sponsorship of $10,000 has helped WIT to provide two scholarships to support a female full-time student studying an undergraduate degree majoring in IT & T at a Brisbane university. That network has a representative on a board that advises Communication and Information Minister, Terry Mackenroth.

We have been working with WIT to ensure that the Westpac Women in Information Technology Business Accelerator Award Program is promoted throughout the communication and information sector in Queensland. That is important, because we must make sure that women have equal standing in the sector so that they can benefit. There is no doubt that retaining and building on that pool of expertise is essential to Queensland's continued economic growth. I congratulate Westpac, Gadens and Deloitte Touche Tohmatsu for their initiative in creating the Westpac Women in Information Technology Business Accelerator Award Program and thank them for sharing this Government's commitment to women. I also add that this is part of our broad strategy of not only advancing women but IT & T and biotechnology—the jobs of the future.

Special Education

Dr WATSON: I refer the Minister for Education to his allegation in this House yesterday that the parents of students with autistic spectrum disorder and intellectual impairment have been manipulated by the coalition and have no genuine concerns of their own about his reduction in staffing support for their children.

Mr WELLS: I rise to a point of order. What the honourable member is saying is untrue and offensive. It was never said. I ask him to withdraw it.

Dr WATSON: I will withdraw whatever he finds offensive.

I refer the Minister to the fact that his claims have been totally repudiated by the Queensland Council of Parents and Citizens Association, which acted at the request of its

member P & Cs. I ask: in his meeting before question time this morning, did he apologise to those parent representatives who have come here today to get some straight answers to their questions? If not, will he do so now?

Mr WELLS: The honourable member is well known for being a scholar and a gentleman. He is letting himself down badly today. That is most inappropriate and most unparliamentary behaviour. I acknowledge the presence in the gallery of representatives of the Darling Point Special School, the Xavier Special School, the Mount Gravatt Special School, the Inala Special School, the Ipswich Special School, the Redland District Special School, the Cavendish Road State High School Special Education Unit, the Mount Gravatt West Special School and others who perhaps are not on my list. They came to Parliament House today to exercise their democratic rights. I went out, met them and invited them to come.

Dr Watson interjected.

Mr SPEAKER: Order! The member for Moggill will allow the question to be answered.

Mr WELLS: I arranged for departmental officers to deal with their particular concerns and their personal and family concerns. That process is going on. A number of them have come into the gallery in order to observe question time today. After that I hope that they will return, because I have asked my departmental officers to stay and wait until matters have reached that extent of resolution that can be achieved.

I will state where we are as far as this situation is concerned. There can be no retreat from a fundamental position that like cases must be treated alike. A child with a particular ascertained level of special needs in a special education unit in Cairns should be entitled to and should receive the same level of resources as a child with the same level of special needs in a special school in Brisbane. Having said that, I stress that it is important that we address the particular concerns of particular schools. Where there are particular cases of hardship caused by the allocation of a just formula, those cases will be addressed. They will be addressed painstakingly. I will ensure that my officers—who are very willing to do this—do so in detail and with great care. This is about people's lives. We have to address the matter extremely seriously.

The process of mainstreaming that has been going on for some time now has always been said by everybody to have been flawed in that the resources did not follow the children where they went. We now have the computer information that tells us that that which everybody believes is true. What we have to do is ensure that everybody gets their fair slice of the cake according to their own particular level of needs and their own particular level of special disability. That is what we will work on. But we are going to work on it with due regard to the particular concerns of particular schools and particular children.

Australia TradeCoast

Mr LUCAS: I ask Minister for State Development and Minister for Trade: can he outline any recent Government action to develop the industrial area around the mouth of the Brisbane River.

Mr ELDER: I thank the member for the question, because that area is in his electorate. He has a very keen interest in that development and the wellbeing of his electorate. Members would be aware that the area on both sides of the Brisbane River around the mouth of the river is ripe for industrial development. It is about the only piece of industrial land that has an airport and a seaport side by side with good transport links.

The Opposition was always big on the big picture, but they were small on the detail of getting to the big picture. That has changed. Since we came to office, we have worked hard at putting in place practical measures so that the big picture could be achieved. Firstly, we drew all of those who had a role to play into a partnership called Australia TradeCoast—the airport corporation, the port corporation, the Brisbane City Council and the State Government. The Australia TradeCoast initiative has been very forceful in marketing that area internationally and being successful. Next, the infrastructure is needed to develop the opportunities. In conjunction with our Transport Minister and the Premier, we pressured and pursued the Federal Government for an upgrade of the Port Road. That was forthcoming.

Mr Slack: We did that.

Mr ELDER: It did not happen in the time of the member who interjects.

We are delivering. It is an $111m project, with 30% directly from the State, 30% from the port of Brisbane and 40% from the Federal Government. The upgrade was long overdue.

We are also coordinating cross-river services links between Fisherman Islands and Luggage Point. That is basically a large pipeline under the river containing sewerage pipes, water pipes and other essential

services. That project is jointly funded by the Brisbane City Council and the State Government through the port of Brisbane. It will upgrade sewerage and water infrastructure on the southern side of the river. That is an initiative of this Government. Those contracts will be awarded early next year.

Then on the southern side we are setting up a network of infrastructure corridors: gas, electricity, sewerage and water. That will link with the cross-river link and provide that infrastructure network that is necessary to drive industrial development on the southern side of the river. That is being delivered by this Government. To prove the point, I can inform honourable members that the private sector has responded very positively to these initiatives. Let me just go through some of the upgrades being undertaken by the private sector, because they are impressive.

Inghams Enterprises will spend $36m upgrading its operations in the TradeCoast area; Visy Paper has now committed $77m to upgrade its operation; TNT has extended its operation at the port of Brisbane; Fleet Fit has announced a $4m operation at the Brisbane Airport to centralise its importing of cars from Japan; and, of course, the latest was DHL, which announced yesterday that it will be upgrading its facilities at the airport.

That is just another example of this Government getting on and providing the infrastructure that is necessary to provide the job opportunities and growth in business in this State. This sat on the former coalition Minister's desk for two and a half years. He did nothing in relation to it except report—report after report after report. It is this Government that has got on with it; it is this Government that has put the marketing provision in place; and it is this Government that is delivering the infrastructure.

Sewage in Landfill

Mr PAFF: I refer the Minister for Local Government, Planning, Regional and Rural Communities to the Swanbank landfill where raw sewage has been dumped into unused open-cut mines adjacent to the suburbs of Redbank Plains, Ripley and Blackstone and adjacent to the Swanbank Power Station, and I ask: has the Minister signed off on a deal between the Ipswich City Council and the Brisbane City Council, and did these councils agree to transfer the Pacific Waste Management contract to operate at Swanbank?

Mr MACKENROTH: I am unaware of any deals that have been done or any proposal that my department may have dealt with or, indeed, that I have agreed to anything in relation to that. I will have that matter investigated and advise the member. In relation to the allegation that the member makes about sewage being dumped there and it being of concern, I think those matters need to be looked at by the EPA and I will make the Minister for Environment aware—in fact, he can probably hear me saying this now—of what has been said. I am sure that he has heard that, anyway. If, in fact, sewage is exposed there, action could be taken to remedy that. I will have the situation looked at to see whether any deal has been approved, but I am unaware of one.

GST

Mr HAYWARD: I refer the Treasurer to the crippling costs faced by small business and charitable and welfare organisations in complying with the coalition's GST, and I ask: what compliance cost does the Queensland Government face with the introduction of this iniquitous tax?

Mr HAMILL: The honourable member is quite correct when he highlights the very grave concerns of small business, particularly the charitable and welfare sectors, in relation to the cost of the GST. In fact, the deal that the Federal Government did with the Democrats alone increased the cost of managing the GST from a collection point of view by some 20%. Of course, all of that is at the expense of the States and Territories that are being required to pay for the collection costs of this new tax.

In relation to compliance costs themselves, we already see the concerns that have been expressed by various charitable and welfare organisations. We have already heard from the small business sector. Whether it be the corner store or perhaps the more bucolic enterprises that are well known to honourable members opposite, there are substantial costs involved in meeting compliance with the GST. In fact, in the United Kingdom, the estimate was that, for a firm which in Australian dollar terms had a turnover of around $100,000 a year—we are not talking about profit here; we are talking about turnover—which is quite a small firm, almost $1,000 comes off the bottom line of the person running the enterprise and goes into compliance costs. That is $1,000 out of the return to the operator of that small business. That is a very substantial cost, indeed, being borne for the purpose of compliance.

In the case of the Queensland Government, we recognise the enormous costs to which we are being exposed. For all of our departments and agencies, if we are going to manage that risk, we need to ensure that any input credits that we could obtain must be obtained by our departments. That means that we have to have our agencies registered and we need to ensure that the proper accounting procedures and compliance are put in place. The exposures are enormous. We estimate that there is somewhere between $600m and $700m worth of exposure on the part of the Queensland Government if we do not get compliance right, if we do not secure those input credits.

For that reason, in this year's Budget we allocated $5m to establish a special unit in Treasury to work with all Government departments and agencies to get the issue right for the Queensland Government and for the Queensland taxpayers. I would much prefer that $5m went to enhancing services in education, police, transport or whatever than simply trying to work out compliance with the iniquitous GST. We are determined to get it right for the Queensland Government. That unit will be working closely with all departments to ensure that we secure all the input credits which we need to minimise our exposure to this tax.

Special Education

Mr QUINN: I refer the Minister for Education to his ministerial statement yesterday in which he finally admitted that, under his new staffing formula for special needs students, some schools will experience a decrease in resourcing, and I ask: given the significant adverse consequences for special needs students with multiple disabilities of intellectual impairment and autistic spectrum disorder, will he undertake to advise this House today of all such schools identified by his department and the likely extent of their individual staffing cuts and, if not, why not?

Mr WELLS: It was, in fact, the honourable member for Merrimac who agreed to the proposition of including those additional special needs for the purpose of the special school registers, but he did not proceed to the attainment of a special resource agreement with Treasury in order to cover those levels of ascertainment. The honourable member could very well have been bipartisan about this. I am trying to complete work that he began. However, he has chosen not to be bipartisan. So if he is not going to be bipartisan, then the House will excuse me if I do not, either.

The honourable member is the former Minister for Education who closed three special schools. Yet, having closed those schools, he now comes in here and parades himself as a special advocate for special education.

Mr Quinn interjected.

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

Mr WELLS: Do honourable members know what he said on ABC Radio yesterday? He said, "When I was Minister I had a no disadvantage test. I made sure that people did not suffer any disadvantage when I closed special schools." We are not going to need that particular disadvantage test because this Government has not closed any special schools and we will not close any special schools.

The honourable member has referred to the fact that there is a formula. There is a formula which is designed to deliver a just and equal share of the resources that are available to each student, treating like cases alike. I do not think that any member in the Chamber could have a problem with that principle. It would be nice if we could put even more money into special education than we have, but we have put 125 additional teachers into special education. No Government has endowed special education to a greater extent than this department. No Government in history has increased the resources available to special education than this Government.

I wish that it was an infinite cake; the Treasurer wishes that it was an infinite cake; everyone on this side wishes that the size of the cake was infinite. But given that the size of the cake is finite, then comes the problem of determining who is going to get a fair slice, and the problem of determining the size of a fair slice. I cannot make decisions with respect to particular schools. That would be inappropriate. That has to be done by professionals on the basis of ascertainment levels and ascertainment data. I can say: let us subscribe to the fundamental principle of equity.

Schoolies Week

Mr ROBERTS: I ask the Minister for Tourism, Sport and Racing: can he provide the House with an update of Liquor Licensing Division operations throughout Queensland during the schoolies celebrations?

Mr GIBBS: Since schoolies commenced on 19 November, inspectors have conducted 975 visits to licensed premises and made 4,794 identification checks throughout

Queensland. To date 114 underage persons have been detected either on licensed premises or attempting to gain entry to pubs and clubs. There were 62 males and 52 females involved in these offences. Some 126 on-the-spot fines of $225 each have been issued. Fifteen adults have been detected supplying liquor to minors. One has been issued with a warning and 14 were issued with on-the-spot fines. One employee of a bottle shop has been issued with an on-the-spot fine for selling liquor to a minor, while one licensee has also been fined for a breach of a licence condition. A further two adults will be prosecuted for supplying an ID to a minor.

This year the major problem we are facing is the use of fraudulently obtained interstate drivers' licences. I alluded to this problem last week. I am holding a sample of the sorts of IDs that have been confiscated over the past couple of weeks of schoolies. They are very professionally done. I am pleased to advise the House that, as has been the case in past years—unfortunately—the majority of them come from New South Wales and Victoria. There are only two examples from Queensland. The problem arises because young people are able to go to a licence issuing section with false identification, claim that they have lost an open licence or a provisional licence, reapply for it and have it reissued. No identification records are kept of them. In other words, no photographic records are kept and they are able to have ID cards produced fairly quickly.

So far investigators have detected a total of 30 fraudulently obtained interstate drivers' licences on the Gold Coast, the majority being, as I said, from New South Wales and Victoria. The apparent ease with which minors are obtaining these licences from interstate issuing authorities is of particular concern. Following concerns raised last year, Liquor Licensing recommended to all licensees that a secondary form of ID be demanded where there is any doubt over the legitimacy of a person's identification. However, investigations have shown that minors are aware of this requirement and are also carrying bank key cards, birth certificates, Medicare cards and student cards belonging to other people as a secondary ID to avoid detection. I have ordered Liquor Licensing inspectors to step up their blitz on the use of fraudulent drivers' licences and to throw the book at offenders. Fraudulent interstate drivers' licences detected during the schoolies period will also be provided to relevant interstate authorities for further action, particularly against persons supplying the documentation to minors.

Disability Services Queensland

Mr BEANLAND: I refer the Minister for Families, Youth and Community Care to last week's announcement of the new department Disability Services Queensland and to the Minister's public commitment that DSQ would provide leadership across Government. Her joint media release with the Premier issued on Thursday stated—

> "DSQ will drive the commitment and responsibility of all areas of Government that deliver disability services."

I ask the Minister: can she inform the House what her department and she intend to do about the Education Minister's plan to slash staffing for special needs students with multiple disabilities of autistic spectrum disorder and intellectual impairment so as to justify her new department's existence and her own big talk last week?

Ms BLIGH: Firstly, this gives me the opportunity to inform the House that the launch of the new disability services agency last Thursday was a great success. Many people in the disability sector in Queensland have struggled for a long time to make sure that people on all sides of politics understand the difficulties that they face in their daily lives. Most members would agree that the Unmet Needs Campaign has done an outstanding job of making sure that no honourable member would be unaware of the needs of Queenslanders with a disability. I take my hat off to them for the work they have done in that regard.

They often tell me that it is with a great deal of regret that they note that Queensland stands out for its lack of bipartisanship in the delivery of disability reforms; that, unfortunately, reforms in the disability sector have been political footballs, with one step forward and two steps back every time there is a change of Government. They have sought bipartisan support from the shadow Minister for a number of the reforms that we have been putting in place. I was initially regretful that not only the shadow Minister but very few other members of the coalition saw fit to attend the launch of that very important initiative last week. However, the shadow Minister did attend a rally and a picnic in the park the next day to celebrate the international day. I sought from him a commitment that he and the coalition would support Disability Services Queensland. He gave that commitment in that public forum in a very wholehearted way and one which I am sure everybody there believed to be genuine. In my view, it is unfortunate that he has come in here this morning and

taken the first opportunity he could to use the implementation of Disability Services Queensland as an opportunity to score some very cheap political points.

The Minister for Education has answered very fully the concerns being raised by the coalition. He has made it absolutely clear that this is not about staffing cuts or school closures and that he is dedicated to working through the issues with parents in a systematic and caring way. I am very confident in the ability of his department and his officers to do so.

Nursing Home Funding

Mr MULHERIN: I refer the Minister for Public Works and Minister for Housing to the recent interest shown by Federal coalition members from Queensland in housing for the aged, in particular Federal funding for nursing homes, and I ask: can the Minister outline other types of housing which deserve the attention of coalition members at the State and Federal levels?

Mr SCHWARTEN: I am aware of revelations by Bob Katter, or Bob "Chatter" as they know him out in that part of the world, given his big-noting of himself in regard to how he was able to get Bronwyn Bishop to the table over nursing homes.

Mrs Edmond: Ha, ha!

Mr SCHWARTEN: I notice the humour that statement was greeted with by the Health Minister. No-one has tried harder than this Health Minister—

Mrs Edmond: Even Vaughan Johnson's lobbied harder.

Mr SCHWARTEN: Exactly; Vaughan Johnson also deserves more credit than Katter does, in my view, for standing up for Queensland.

What we are seeing is hypocrisy in the extreme on the part of Katter in particular. Wherever I go throughout the bush—and this happened at our Community Cabinet the other day at Charters Towers—I am approached by councils. For example, the other day I met with delegates from the Hughenden Shire Council. When I was in Richmond earlier this year, I was also approached, and the same thing happened in Babinda, which is in the electorate of the honourable member for Mulgrave. All of them want an option to keep older people in their communities. Earlier this year, delegates from Springsure came out to Longreach.

How are we supposed to do this, given the amount that the Federal Government has dealt out to our State Housing Department? For example, $60m has gone from the Commonwealth-State Housing Agreement. We now also have a $30m shortfall in the GST compensation that we will receive. Everywhere I go throughout bucolic Queensland we find people who are wanting to keep their communities together. Why should they not want that? Where is the dignity in forcing older people in those smaller communities to go to the coast to go into a nursing home? I note the broad agreement from National Party members. It is about time they stood up for their local communities. We would like to build Abbeyfield style complexes right throughout Queensland, just as we are doing in Babinda. They are an excellent example of keeping communities together and providing supported accommodation for people as they get old and require that level of support. However, the money does not come out of thin air. I notice the smirk on the face of the former Liberal Treasurer, who gave the Tories in Canberra $130m out of the housing trust funds. The honourable member can well smirk about that. We could have built a lot of units at a million dollars a pop right throughout rural Queensland and kept those communities together.

The fact is that it will be increasingly difficult to meet those sorts of demands while we have a background of continuing lack of funding from Federal sources. That funding is continuing to dry up and we are being expected to do more and more with less. Opposition members should not come crying to me. They should get on Katter's back, get Costello and others around the table and send us back a bit of that $130m that was robbed from this department while members opposite were in Government. In that way, we would be able to deliver a lot more options to keep communities together.

Aboriginal Domestic Violence Task Force

Mrs SHELDON: My question is to the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading. In the Minister's task force report on Aboriginal communities, there was a story of a 40-year-old woman who suffered five years of repeated rapes and whipping and being chained like an animal by her employer. I ask: if these facts are true, what has the Minister done about initiating prosecution against the perpetrator of

these crimes? What compensation is the Minister organising for this woman?

Ms SPENCE: I think that that particular story related in the task force report was one that occurred when Aboriginal and Torres Strait Islander people were forced to work as employees in Queensland under the old Act. I suspect it was a story from our past, not one from our present.

Mrs SHELDON: The women is only 40 years old now.

Ms SPENCE: What members opposite fail to understand is that the women who contributed their stories to the task force did so, in the most part, anonymously. They do not want to be singled out for personal attention. It was very painful for them to recount their stories. Many of them said to the task force members, "This is the first time I've ever talked about this." Indeed, that is true. They are not necessarily looking for vengeance or compensation, or even justice. They have gone past that. What they want to do, though, is change things for the future, for themselves and for their families. I do not believe that using a story from the task force report in this cheap political way advances any of the objectives of those women.

Mrs SHELDON: I rise to a point of order. I find that statement offensive and untrue, and it should be withdrawn. I believe that the perpetrator of such a crime should be prosecuted. I genuinely asked the Minister whether she has done anything about it, because I believe that something should be done about it.

Ms SPENCE: I guess one of the best things that came out of the task force report—

Mrs SHELDON: I did ask for a withdrawal, Mr Speaker.

Mr SPEAKER: The honourable member carried on with quite a story after that.

Mrs SHELDON: I found her remarks offensive and untrue. I ask for them to be withdrawn.

Ms SPENCE: I guess one of the best things that came out of the task force report last week was the support I received—

Mrs SHELDON: Mr Speaker, I rise to a point of order.

Ms SPENCE: I withdraw. Ministers have only three minutes in which to answer a question, and yet again we see this member interrupting the answer.

Mrs SHELDON: I ask for an unqualified withdrawal.

Mr SPEAKER: Order! The member seeks a withdrawal.

Ms SPENCE: I withdraw. I guess one of the best things that came out of the task force report last week was the encouragement I received from many members of the Opposition—obviously not the member for Caloundra, who fails to understand what it was all about—and particularly members of the National Party, who phoned me and offered their support by asking for more task force reports saying that they wanted to approach this issue in a bipartisan manner. I thank those members for that support. Some of them are nodding, but I am not going to name them. Obviously, I hope that those members speak to the member for Caloundra, who this morning has displayed very little understanding of what the women and the task force was really all about.

Ergon and Energex, Storm Season Preparation

Mr PEARCE: I refer the Minister for Mines and Energy to the fact that the Bureau of Meteorology is warning that the State could be in for a summer of unusually violent thunderstorms, and I ask: can the Minister tell the House what Energex and Ergon Energy are doing in preparation for the forthcoming storm season?

Mr McGRADY: I thank the honourable member for the question. As he and everybody else in this House knows, storms are a part of nature and one of the greatest causes of power interruptions, as we found out recently. High winds bring down trees and branches over powerlines, causing power cuts. There are also dangers of lightening strikes on the networks. As the member said, the bureau has warned us that this coming summer they expect some rogue storms, particularly in the south-east corner of the State.

I am pleased to inform the House that Energex has already commenced a storm safety awareness campaign and Ergon Energy is moving into its cyclone action preparations. These proactive measures are aimed at improving the safety and the reliability of electricity supplies over the coming summer season. The bottom line is that customers are being urged to take action to help reduce the instances of power interruptions caused by storm damage. While some damage is inevitable, the best approach residents can take is to keep trees tidy and free of dead and overgrown branches and also secure loose items which could be blown around in the storm.

Also, if residents fear there are trees in the local area that may be too close to powerlines, they should call in the experts at both Energex and Ergon. During bad weather, both Energex and Ergon provide regular updates to communicate information about where electricity supply has been cut. Another must-have is a torch. Further safety advice from electricity suppliers during a storm is to turn off and unplug appliances such as televisions, computers and indeed other electoral equipment.

Both corporations are certainly well advanced in their plans. The important appeal I make today is to urge all residents of Queensland to assist the corporations so that when the storm season comes we are not losing power left, right and centre. As far as the electricity industry is concerned, we have the preparations there. We are calling upon residents and consumers to assist in this teamwork. If they do, I believe we will achieve a win-win situation.

South Burnett Meatworks

Mrs PRATT: My question is to the Minister for State Development and Minister for Trade. This Government has stated that it supports rural communities and Queensland owned industries. Mounting evidence shows assistance given to AMH and Country Choice, both multinationals. I ask: with the creditors meeting next Wednesday, what meaningful assistance will this Government provide for the South Burnett Meatworks, which has led the industry in quality assurance and now leads in the role of value added customer prescribed products?

Mr ELDER: I thank the member for the question, because it highlights the way in which this Government has actually dealt with this issue, in particular with the South Burnett Meatworks. We are already providing assistance in terms of making sure that a care and maintenance program is continuing at that plant. We are funding the care and maintenance program to make sure that, as we work through that creditors meeting—

Mr Seeney: You haven't done that at all.

Mr ELDER: I should not take an interjection from the member. He should not have been interjecting on this issue, because he has a conflict of interest. It is a conflict of interest that the member has never declared to this House, but he has a conflict of interest in that he is a creditor and he wants the Government to bail out the meatworks. The member has a serious conflict of interest. So, if I was the member, I would just sit there and be quiet. It is a breach of the Standing Orders so this issue is one on which the member should sit silent. We have put a care and maintenance program in place.

An honourable member interjected.

Mr ELDER: I make it clear that I am talking about the member for Callide. The care and maintenance program we have put in place will make sure that the facility is operational. We said that if and when the voluntary administrator comes forward with a viable project for us, we would support it. The difference in the way we have handled this issue and the way the previous Government handled it is simply that we have stepped in and made sure that that community and that work force has had support by keeping it in an operational state until we get a viable project from the voluntary administrator on which to move forward. I look forward to that creditors meeting and a positive outcome from it.

The difference between the way we have handled it and the way in which previous Government handled it was that essentially they had an opportunity to do something back when South Burnett was in trouble. There was a call by the then Opposition for assistance of $6m—and they have misrepresented this in the media continually in the member's electorate—and the coalition Government knocked back that call for assistance. Their Cabinet took a commercial decision at the time not the provide $6m to bail out the meatworks. So they have been hypocritical.

We have endeavoured to make sure that that community gets support by putting money into the care and maintenance program and looking forward to a workable solution that we will support. Those opposite cannot expect us to bail out an operation that has $17m of debt accumulated by management. That is not Government's role. Our role is to make sure that if there is a viable project there we should support it and work with them. We will do just that. We have demonstrated that since we have been in Government.

There is a significant difference in the way we have handled this issue and the way the previous Government handled it in that we are making sure that the community interest is our interest, making sure that the workers and their interests are our interests, endeavouring to work with them to make sure that if there is a viable project we can make it work. We have put money into that plant to ensure that they do not lose that opportunity by making sure that the facilities are not degraded while this particular process has been in place. The way

those opposite spoke to their constituents about this issue has been dishonest, as has the member for Callide in terms of his conflict of interest.

City/Valley Bypass

Mr JOHNSON: My question is directed to the Minister for Transport and Minister for Main Roads. I refer to previous answers to questions regarding the funding of the City/Valley Bypass, and I ask: can the Minister confirm that the Government has transferred or will transfer title to five properties in Evans Street, three properties in Campbell Street and one property in Earle Street from the Crown to the Brisbane City Council specifically to permit construction of the bypass? As the transfer of these properties clearly indicates the Beattie Labor Government's approval of this project and its implications, will the Government now advise the constituents of Brisbane Central of its endorsement of the project?

Mr BREDHAUER: I appreciate the question from the member for Gregory. I note with some amusement the reference in the press this morning to my description yesterday of the member as bucolic. Clearly, when I used the word he did not know whether to be flattered or offended.

Mr Hamill: He thought it was a pulmonary condition.

Mr BREDHAUER: I think he might have thought "bucolic" was a medical term. Clearly, he has gone off to the Parliamentary Library and asked it to research the matter. He has come up with an 1822 Wordsworth quote about the word. I am really pleased that he has done it. I noticed that the member for Kurwongbah came down and got the dictionary—

Mr JOHNSON: Mr Speaker, I rise to a point of order. I draw the Minister's attention to the question and I seek an answer to that question.

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

Mr BREDHAUER: I will warrant the member for Kurwongbah was looking up the meaning of "bucolic" in the dictionary.

Mr Hamill interjected.

Mr BREDHAUER: There is that. I assure the member that he should take my description of him as bucolic in the spirit in which it was intended. We have had Community Cabinet meetings around the State and they are attended by lots of affable people. In fact, I remember an old cartoon series called Tumbleweeds. There was a character in that called Bucolic Buffalo. The member for Gregory reminds me somewhat of him.

Agreement was given by the State Government to fund the Brisbane City Council transport plan. It was part of a package of in excess of $400m for public transport which was committed by this Government to south-east Queensland. I note the motion given notice of by the member for Gregory. No doubt we will have the opportunity to debate that. The important thing is that as part of that package we are transferring $40m worth of land to the Brisbane City Council. Most of that land is being used for urban redevelopment, for housing development. Some of it has been negotiated with the Department of Housing in relation to some housing development that it wants to undertake.

I do not know the details of the specific properties that the member mentions, but I do know that within the $40m package—in fact, the value of the land we have transferred to the Brisbane City Council as part of our contribution to its transport plan has come out at almost $43m—there are a number of properties which are in what one would describe as the intended corridor for the City/Valley Bypass. However, it is clear, and it should be clear to the honourable member, that we have made our contribution to the Brisbane transport plan. Part of that was negotiations over dozens and dozens of parcels of land. We have had consultation with the tenants of all of that land.

Effect of Goods and Services Tax on Fundraising

Mr MICKEL: I refer the Minister for Families, Youth and Community Care to the impact of the GST on the Queensland community sector, and I ask: can the Minister inform the House of how the new tax will affect the ability of charities to fundraise?

Ms BLIGH: I thank the honourable member for his question. The effect of the GST on charities has been much in the news in the last couple of days. I think people are only now beginning to realise what the effect will be.

A couple of days ago the Adelaide Central Mission put out a press release in which it gave some examples which I think really start to give members of the public a taste of what they are in for when the GST hits in their communities. I would like to share it with honourable members. It relates to what

the GST will mean for the running of a normal community fete for a charity. I think this is a good example, because there would be few of us who have not been to fetes in our time and there would be very few members who have not helped out as volunteers at fetes in their schools and for organisations. Even the most bucolic of members in the most bucolic of electorates would have had their own experiences with fetes.

Let us talk about a fete in a small country town. It has a number of stalls. The first stall is a stall selling hot dogs. The GST will be charged on all of the hot dog sales, even though the local butcher donated the meat and the supermarket gave the buns for free. The next stall is a skittles game stall, where children will be charged the GST. Even though the stall is run by parents and everything has been donated, kids will be paying the GST and it will have to be collated and accounted for separately at the end of the day. But it gets worse. The next stall is a fete trading table, which is selling jams, cakes and second-hand children's clothes.

Mr Purcell: My relish.

Ms BLIGH: The Purcell relish is on sale. The GST will be paid on all of those food items, even though the parents who made them paid GST on the ingredients, but the donated children's clothes are GST free. So the poor parents who volunteered for this stall will at the end of the day have to separately account for the food and the second-hand clothes. So parents should not volunteer for that stall.

Then of course there is the charity auction, where the GST will be paid and all successful bids will be subject to it. So at the fall of the hammer the person goes up to get the item he has bid for and finds that it is actually 10% more than what he bid.

Mr McGrady: Who does the paperwork?

Ms BLIGH: Who does the paperwork indeed? Finally, if a very effective organisation has got a sponsor for its fete, the GST will be charged on the sponsorship. It is little wonder that the Adelaide City Mission, like many others, is saying, "Given that it is not possible for volunteers to handle all of this paperwork, we will either have to run the fetes illegally and ignore the GST or not run them at all."

What does the Federal Treasurer have to say? He defends the GST on fundraising by saying that it will not apply where the supply of goods and services is at less than 50% of the market value. What does he know about fundraising? Often these things specifically exaggerate the market value. Attendees pay $100 for a dinner when they know that they are actually going to get a $20 meal, with the rest of the money going to the organisation they are seeking to support. When was the last time Peter Costello went to a fundraiser?

Queensland Ambulance Service

Mr MALONE: I refer the Minister for Emergency Services to claims that an investigation was commissioned into industrial unrest and staff dissatisfaction at the Toowoomba Ambulance Station and was carried out between 16 and 19 November 1999, and I ask: did the report highlight endemic bad management and doubtful staff appointments, and will the Minister confirm that she or her senior staff endeavoured to suppress that report?

Mrs ROSE: I wish I could thank the honourable member for that question, but it was really outrageous. There has been no attempt to suppress any report. I am aware of some concerns about some appointments of staff within the south-west region. Certain allegations have been made. A number of members in this Parliament have made those letters available to me. They have also asked a number of questions on notice about the very same matter. Those opposite will get their response in the proper time. An investigation is being carried out by the Queensland Ambulance Service. The preliminary results have revealed that there has not been any wrongdoing. However, if there has been any inappropriate behaviour or inappropriate appointments, I assure all members that disciplinary action will be taken.

Office of Women's Policy

Mrs LAVARCH: Can the Minister for Women's Policy inform the House how the Office of Women's Policy is reaching out to women in regional areas to ensure it hears the views and serves the needs of the full spectrum of Queensland women?

Ms SPENCE: I thank the honourable member for the question. I am pleased to say that, just as the Beattie Government is reaching out to listen to all Queenslanders through its Community Cabinet process and regional forums, so too is the Office of Women's Policy concerned about listening to the views of all Queensland women.

Not only have we changed the name in the last 18 months; we have changed the focus of the Women's Policy Unit. It is now a policy unit for all Queensland women. Part of

the process is the establishment of women's forums throughout the State. We recently had one in Logan City that was attended by over 120 women and schoolgirls. We recently had one in the bucolic area of Roma and Mitchell which was well attended. Next Tuesday we are having one in Deception Bay, from 9.30 a.m. to 12.30 p.m.. All women of the Deception Bay region are invited to attend. Not only are these forums important for the Government to truly learn and listen to the views of Queensland women; they also are an important opportunity to exchange ideas.

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

GUARDIANSHIP AND ADMINISTRATION BILL

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (11.30 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to consolidate, amend and reform the law relating to the appointment of guardians and administrators to manage the personal and financial affairs of adults with impaired capacity, to establish a Guardianship and Administration Tribunal, to continue the office of Adult Guardian, to create an office of Public Advocate, and for other purposes."

Motion agreed to.

First Reading

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

Second Reading

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (11.31 a.m.): I move—

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

People with disabilities share the same basic human rights common to us all. For too long, the legal system has failed to give effective recognition to those rights. This Bill establishes a tribunal and a Public Advocate to affirm the human rights of people with a decision-making disability and to empower such persons in the exercise of their rights. In doing so, the Beattie Labor Government is honouring its election promise.

I seek leave to incorporate the balance of my speech in Hansard.

Leave granted.

For the first time in this State, Queensland will have a legislative system by which the most vulnerable members of our society will be able to be supported in achieving autonomy in their decision making and in their lives in general.

In September 1990, the then Attorney-General, the Honourable Dean Wells, requested that the Queensland Law Reform Commission review existing laws concerning people with disabilities.

The commission focused its attention on the laws relating to decision-making by and for persons with impaired capacity.

In light of this reference, the Commission undertook an extensive process of consultation and deliberation with people with a range of decision-making disabilities, their families and carers, those concerned with providing advocacy for them and with relevant service providers.

The result was QLRC report number 49 of June 1996, entitled "assisted and substituted decisions: decision-making by and for people with a decision-making disability".

This Bill completes the process of implementation of the groundbreaking recommendations of that report.

For example, the report recommended the inclusion of principles which those who are empowered to make decisions for or in relation to persons with impaired capacity are required to apply.

These principles are reflected in Schedule 1 of the Bill and include :

- a presumption of capacity;
- a recognition that persons with impaired capacity have a right to the same basic human rights and the importance of empowering such persons to exercise those rights;
- a recognition of the need to encourage and support them in achieving their potential and in becoming self-reliant;
- a recognition of their right to participate in decisions that affect them and the need to include their views and wishes in any decision affecting them;
- a recognition of the need to maintain existing supportive relationships and their cultural and linguistic environment and values; and
- a recognition of the need to act in a way that is appropriate to their characteristics and needs.

This Bill introduces those elements of this regime recommended by the Queensland Law Reform Commission in its 1996 report that the previous Government failed to implement.

The previous Government failed to create a Guardianship and Administration Tribunal.

This tribunal will have the power to appoint guardians and administrators and review such appointments regularly.

Guardians will be given power by the tribunal for personal, including health matters while administrators will have power for financial matters.

This will mean, for example, that the family of a person with impaired capacity can look after the personal and financial affairs of that person without always having to depend on statutory bodies such as the public trustee.

Guardians and administrators will be bound by the principles underpinning the Bill in exercising powers for persons with impaired capacity and by specific responsibilities under the Bill to ensure that their powers are not abused.

Importantly, the Bill provides for the giving of health care to persons with impaired capacity.

It is of course essential in providing such health care that there is a balance between the need to ensure that an adult is not deprived of health care because of their impaired capacity while ensuring that, except in limited circumstances, such health care is not provided without appropriate substituted consent being given.

Under this Bill, only urgent or minor and uncontroversial health care will be able to be given without consent.

Other health care will have to be consented to by the substitute decision-maker, be it a guardian appointed by the tribunal, an attorney for personal matters appointed under an enduring power of attorney or a statutory health attorney.

The Bill also provides that the tribunal can consent to what is termed "special health care" for adults with impaired capacity.

The tribunal will offer an independent and user-friendly avenue for dealing with these issues which are of particular concern to adults with impaired capacity, their families and carers.

The Bill ensures that the tribunal will provide efficient and accessible processes for the appointment of guardians and administrators for adults with impaired capacity. The Bill requires that tribunal proceedings be informal, open, fair and expeditious.

The Bill requires that no filing fee be charged for applications to the tribunal.

The Bill ensures that all persons who may have some information or opinion to provide to the tribunal in relation to the adult with impaired capacity are given notice of the hearing and an opportunity to participate.

The Bill provides for the making of interim orders in emergency situations.

The tribunal will have the power to make declarations of capacity and ratify exercise of power by informal decision-makers.

The tribunal will have the power to issue entry and removal warrants on the application of the adult guardian where the tribunal is satisfied there are reasonable grounds for suspecting there is an immediate risk of harm, because of neglect (including self-neglect), exploitation or abuse to an adult with impaired capacity.

While non-contentious matters may be prescribed by regulation to be dealt with by the Registrar of the Tribunal, there is power for the tribunal to review such decisions.

Appeals from tribunal decisions are to the Supreme Court.

The Supreme Court will retain its parens patriæ jurisdiction.

The provisions which established the adult guardian under the Powers of Attorney Act 1998 have been transferred to this Bill.

The Bill also creates the Office of the Public Advocate, a key recommendation in the Queensland Law Reform Commission report.

The Public Advocate has the functions of promoting and protecting the rights of adults with impaired capacity and monitoring and reviewing the delivery of services and facilities to those adults.

The Public Advocate will also have the important role of intervening before a court, tribunal or official inquiry in order to represent the rights and interests of persons with impaired capacity.

The Bill creates a legislative scheme for the appointment of community visitors who will be tasked with safeguarding the interests of consumers at places where persons with mental and intellectual impairments live or receive services.

Upon commencement of this legislation, the Intellectually Disabled Citizens Act 1985 will be repealed and all appointments of the Public Trustee as the manager of the estate of a person will be converted to administration orders with the Public Trustee as administrator. These appointments will then have to be reviewed over the next 5 years.

Protection orders and involuntary certificates of disability under the Public Trustee Act 1978 will be converted into administration orders.

Voluntary certificates of disability will convert into enduring powers of attorney, with the Public Trustee appointed as attorney for all financial matters.

Appointments under the Mental Health Act 1974 of the Public Trustee as committee will convert to administration orders.

Where persons other than the Public Trustee have been appointed committee, such orders will remain in force for twelve months allowing those persons to apply to the tribunal to obtain an administration order, if required.

Committees of the person or estate appointed by the Supreme Court under section 201 of the Supreme Court Act 1995 will continue for twelve months allowing the appointed committee to apply to the tribunal for a guardianship or administration order.

No longer will persons with impaired capacity have their affairs managed under a variety of complex and convoluted legislation.

This Bill ensures that the scheme for the appointment of guardians and administrators is simple and accessible.

This legislative scheme is the culmination of many years' development and its introduction today is the result of much hard work, commitment and lobbying by the families and carers of persons with impaired capacity in Queensland.

In this regard I commend the role of the Intellectually Disabled Citizens Council of Queensland, not only for their exemplary efforts in supporting and assisting adults with an intellectual disability, but also for the strength of their consultation and forward planning in preparing for transition to the Guardianship and Administration Tribunal.

This scheme brings Queensland into line with the other States and Territories of Australia and introduces a more modern and comprehensive scheme of substituted decision-making.

This Bill is part of the Beattie Labor Government's commitment to uphold the rights and dignity of Queenslanders with a disability.

I commend the Bill to the House.

Debate, on motion of Mr Springborg, adjourned.

VEGETATION MANAGEMENT BILL

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (11.33 a.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill for an Act about the management of vegetation on freehold land."

Motion agreed to.

First Reading

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

Second Reading

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (11.34 a.m.): I move—

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

This is an historic day for Queensland. The introduction of this legislation will provide a flexible and balanced framework for sustainable land management well into the future. This Bill has been developed following extensive consultation amongst all stakeholders, including our rural industries, conservation groups, urban development industry, local government and Government agencies.

I would like to express the Government's appreciation for the goodwill and genuine efforts of all parties during these consultations, which began with the Vegetation Management Advisory Committee in March this year. With the introduction of this legislation, the Beattie Government is resolving a critical issue for Queensland—an issue which the previous coalition failed to resolve.

Land clearing has long been recognised by the scientific community as a significant factor in land degradation, the loss of biodiversity and accelerated greenhouse gas emissions. It should also be recognised that it has been Labor Governments which have acted on this issue on behalf of all Queenslanders.

In 1994 the Goss Government amended the Land Act to provide for the effective management of trees on leasehold and other State lands. Subsequently, a draft broadscale tree clearing policy for leasehold and other State lands was adopted by the previous coalition Government in 1997.

The Borbidge Government did recognise clearing on freehold land as a significant issue, but there was never any real action. It is important to note, however, that in November 1997 the Borbidge Government signed a partnership agreement with the Commonwealth to allow for the release of funds to Queensland from the Natural Heritage Trust. That agreement, in part, committed the Queensland Government to assist to—

"Reverse the long term decline in the quality and extent of Australia's native vegetation cover."

And to have—

"Effective measures in place to retain and manage vegetation, including controls on clearing."

After signing that agreement, the previous coalition Government established a "Regulatory framework task force for vegetation management". This task force recognised the need for regulatory arrangements and proposed the Integrated Planning Act as the vehicle for this. But the coalition failed to act. As with all the hard issues, and as with the RFA, it has been left to the Beattie Government to develop appropriate solutions.

In March this year, I established the Vegetation Management Advisory Committee, independently chaired by Professor John Holmes, to look at native vegetation management across all land tenures in Queensland. I take this opportunity to publicly thank Professor Holmes for his committed and dedicated efforts in overseeing the very important work of that committee. At the same time, a Leasehold Policy Review Committee, representing all stakeholders, was reactivated. This committee recommended that there be no further clearing of "endangered" and "of concern" ecosystems on leasehold land, subject to further scientific validation and financial assistance.

Subsequently, VMAC endorsed this recommendation and provided a comprehensive report on freehold and leasehold land to the Government for consideration. As members would be aware, more intense and detailed discussions with all stakeholders have taken place in the past month to try to reach agreement on clearing controls.

This is a difficult issue but the Beattie Government is a Government for all Queenslanders. We will not back away from our responsibility to make decisions, no matter how difficult, for the benefit of the whole community. There has been a national spotlight on Queensland recently over the tree clearing issue, with national assessments showing Queensland accounts for over 80% of all land clearing in Australia. At the same time, Queensland is the only State that does not regulate land clearing across all tenures. It is also well documented that the Commonwealth has been urging Queensland to act on this issue.

The Commonwealth Minister for the Environment, Senator Robert Hill, has indicated that he would make the continuing provision of Natural Heritage Trust funds conditional on moves by Queensland to address land clearing. This is not just a few dollars: a total of $35.3 million in NHT funds was provided to Queensland during 1998-99.

In a letter to the Queensland Government on 9 August this year, Senator Hill wrote—

> "I believe that if we are to achieve our agreed national goal, and given the potential land degradation and loss of biodiversity in your State, we need to substantially reduce the net loss of native vegetation in Queensland."

Prior to coming to office in June 1998, Labor made it clear that management of native vegetation would be a priority. If we are to sustain our land for future generations, there must be a consistent and systematic approach to the management of native vegetation across all land tenures.

At risk is Queensland's unique biodiversity and the long-term productivity and profitability of our agricultural and pastoral lands.

We know high rates of land clearing are occurring in regional ecosystems considered in the categories of "endangered" and "of concern". This includes vegetation in the Brigalow Belt, the desert uplands and the mulga lands of south-west Queensland. Such clearing is unsustainable and, in many cases, is causing irreversible damage to land on which our rural industries depend.

There are a range of benefits in managing our land sustainably. Scientific evidence shows that retaining native vegetation maintains biodiversity, not just protecting many species but thereby retaining the resilience of the landscape to climate stress and other impacts. It reduces salinity problems, limits soil erosion, helps retain water quality in our catchments, provides windbreaks and shade for stock, improves the condition of the soil, helps maintain the hydrological cycle, and reduces greenhouse emissions.

In introducing this legislation, it is important to point out that all stakeholders are unanimous on two key issues: first, the need for consistent rules across all tenures; and second, the need for incentives and adjustment funding. What this legislation will achieve is a continual improvement in the management of Queensland's native vegetation. It reconciles environmental objectives in vegetation management, including the maintenance of regional biodiversity, with the sustainable economic development of our State's lands. It allows sufficient flexibility to take into account local and regional circumstances within a consistent Statewide framework. It provides planning certainty for land-holders and the community. It recognises business innovation, best practice in property management and planning, and long-term farm profitability. It has as its base an integrated approach to planning.

This Government has a commitment to help meet Australia's international obligations for controlling greenhouse gas emissions. This legislation will assist in meeting those obligations. The legislation establishes processes for the development of comprehensive regional vegetation management plans that will complement and promote revegetation strategies already being

undertaken by Landcare and catchment management groups. It envisages individual property vegetation management plans to enable primary producers to proceed with certainty.

The Beattie Government is calling on the Commonwealth to support these new guidelines with a financial package for land-holders. The availability of such a package will win and maintain the confidence of land-holders as they develop and implement property vegetation management plans. I urge the Commonwealth to respond positively to this Government's initiative in doing the hard yards and developing this legislation.

This Bill establishes an implementation framework developed around consequential amendments to the Integrated Planning Act 1997. The features of the Bill include the following: first, the Bill proposes the vegetation management legislation will bind all persons and the State, as well as the Commonwealth and other States, as far as the legislative power of the Parliament permits. The core purpose of the legislation will be to protect remnant vegetation in either "endangered" or "of concern" regional ecosystems. It will also protect vegetation in areas of high nature conservation value and areas vulnerable to land degradation. Vegetation clearing on freehold land will be regulated through the development approval provisions of the Integrated Planning Act 1997.

Second, the provisions will allow the Governor in Council to make a State policy for vegetation management on freehold land. The development of a State policy for vegetation management will be used as a code for assessing vegetation clearing applications under the Integrated Planning Act. The Bill requires the Minister to prepare regional vegetation management plans. Input to the development of these plans will come from a Statewide advisory committee, regional vegetation management committees and relevant local governments. This Bill ensures the public availability of these regional plans once they are made.

These regional vegetation management plans will become the assessment codes under the Integrated Planning Act for the approval process. Areas of high nature conservation value, or areas vulnerable to land degradation, can be declared following consultation, so any obligations of land-holders to protect vegetation in these areas are clear. Where a development application is made and the chief executive officer administering the legislation is either the assessment manager or has a concurrence agency role, the applicant will be required to develop a property management plan. This is similar to the requirements on leaseholders to develop tree management plans for applications to clear vegetation on leasehold land. To ensure the administration of these new regulations can be introduced sensibly, the time limits established under the Integrated Planning Act for dealing with vegetation clearing applications will be temporarily suspended until the end of next year.

Third, the Bill establishes a regime for enforcement and investigations. It proposes maximum penalties of 1,665 penalty units—currently $125,000—in accordance with the existing provisions of the Integrated Planning Act for clearing in contravention of the Act, in other words, clearing in breach of an approval or without an approval. It also refers to the Environmental Protection Act 1994 for penalties in cases of wilful environmental harm.

Entry by an authorised officer to investigate potential breaches will be permitted only with the consent of the land-holder or under a warrant issued by a magistrate. Compliance notices may be issued and, as with other legislation such as the Environmental Protection Act, these compliance notices may be given without first giving a show cause notice. Appeals against an enforcement notice will not stay the operation of the notice. These provisions will ensure that prompt action can be taken where required to prevent irreparable harm.

Fourth, the Bill contains miscellaneous provisions allowing the Minister to establish advisory committees and regional vegetation management committees to advise the Minister about vegetation management. It also allows the Minister to make regulations under the Act.

Fifth, the Bill sets out transitional arrangements, which provide for existing development approvals to remain in force after the commencement of the Act.

Sixth, the Bill proposes amendments to the Integrated Planning Act 1997 to extend its scope to include vegetation clearance on freehold land. The Bill also amends the Land Act to ensure consistency of the new principles, definitions, penalties and fees on both freehold and leasehold land.

After months of consultation, this legislation will address an issue of concern to all Queenslanders. This legislation is forward thinking: it will help sustain our land for generations to come, yet it retains the flexibility

necessary to recognise the differences across Queensland's regional landscapes. It will provide the basis for a balance between the protection of our environment and the sustainable development of our State for years to come. I commend the Bill to the House.

Debate, on motion of Mr Lester, adjourned.

BILLS: REMAINING STAGES

Allocation of Time Limit Order

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (11.46 a.m.), by leave, without notice: I move—

"(1) That so much of the Standing and Sessional Orders be suspended to enable Government business to take precedence over all other business after Question Time for the remainder of this week's sitting; and

(2) That the following time limits apply for the passage of the Bills named in this resolution for Wednesday, Thursday and Friday respectively—

WEDNESDAY, 8 DECEMBER 1999—

Forestry Amendment Bill—Third Reading by 12.30 p.m.

State Counter-Disaster Organisation Amendment Bill—Resumption of Second Reading 12.30 p.m., Third Reading by 3.30 p.m.

Education and Other Legislation Amendment Bill—Resumption of Second Reading 3.30 p.m., Third Reading by 5.30 p.m.

Electricity and Gas Legislation Amendment Bill—Resumption of Second Reading 5.30 p.m., Third Reading by 9 p.m.

Trading (Allowable Hours) Amendment Bill—Resumption of Second Reading 9 p.m., Third Reading by 11 p.m.

Queensland Law Society Amendment Bill—Resumption of Second Reading 11 p.m., Third Reading by 1 a.m.

THURSDAY, 9 DECEMBER 1999—

Parliamentary Commissioner and Another Act Amendment Bill—Resumption of Second Reading 11.30 a.m., Third Reading by 3 p.m.

Water Resources Amendment Bill—Resumption of Second Reading 3 p.m., Third Reading by 5.30 p.m.

Criminal Law Amendment Bill—Resumption of Second Reading 5.30 p.m., Third Reading by 9.30 p.m.

Property Law Amendment Bill—Resumption of Second Reading 9.30 p.m., Third Reading by 12 midnight

FRIDAY, 10 DECEMBER 1999—

Vegetation Management Bill—Resumption of Second Reading 10.30 a.m., Third Reading by 4.30 p.m.

At the times so specified, Mr Speaker or the Chairman, as the case may be, shall put all remaining questions necessary to pass the Bills, including clauses and Schedules en bloc and any amendments to be moved by the Ministers in charge of the Bills, without further amendment or debate."

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (11.50 a.m.): I formally second the motion moved by the member for Chatsworth.

Mr BEANLAND (Indooroopilly—LP) (11.49 a.m.): It would have been obvious that I would want to rise and speak to the motion moved by the Leader of the House. I have a number of reasons for that. Firstly, this motion exposes the Government's panic in relation to the mess that the Notice Paper is in. Government members have brought that mess on themselves. The Leader of the House is moving the gag. He is moving to rush through quite a large number of pieces of legislation— so many of them that I lost track of the number. As a result, by Friday afternoon at 4.30 p.m., a range of legislation will have progressed through this Parliament, including that of the Vegetation Management Bill, which was introduced a few moments ago. That Bill is to be proceeded with on Friday of this week and be passed by the House by 4.30 p.m.

I well remember years ago when Ministers who now sit on the other side of the Chamber used to complain about this sort of activity that went on then. We are seeing it again under the Beattie Labor Government. That is something we did not see under the Goss Labor Government. We have not seen it for many years. It is not one Bill; it is a host of Bills; in fact, it is exactly half the list of Bills on the Notice Paper. I do not think it can be

denied that this Government wants to rush through exactly half the Bills listed on the Notice Paper. The Government has allowed the Notice Paper to get into its current mess. The Government has had ample time to plan the business on the Notice Paper and to work to ensure it gets its legislation through.

Time and time again I have sat here and listened to prepared ministerial briefs being read by Government members on various pieces of legislation. There can be no disputing that. It has gone on day in and day out. On some legislation, the Government had more speakers speaking than the Opposition. That also cannot be denied. In view of the rush to get the Vegetation Management Bill through, one could have expected that some movement may have been made on that today or tomorrow. The fact that that motion deals with half the Bills listed on the Notice Paper shows that this Government is certainly in a panic and has certainly allowed the Notice Paper to get into a state of disarray. That speaks volumes for the fact that the Premier and the Leader of the House have not been able to ensure the orderly process of business.

There is no point in members rising and trying to blame the Opposition for filibustering or something else. That has not occurred. There have been some Bills in which a lot of interest has been shown. The forestry Bill and the primary industries Bill are two of those. Yesterday six Bills went through in matter of a few hours. It was shortly after the dinner break that the final stage of the sixth Bill proceeded through the Parliament. Six Bills went through yesterday in a fairly brisk fashion. Of course, we have seen that procedure occur on other occasions. That is just this week.

Although the Leader of the House has moved this motion, some of the Bills listed may not require a great deal of debate. I am not saying for a moment that they do. If that is the case, they should be allowed to go through in the normal manner. The guillotine should not be applied. This motion ensures that if the Bills do not go through speedily, the guillotine will be applied and they will be forced through. One of those Bills is the Vegetation Management Bill. Another is the Queensland Law Society Amendment Bill, through which this Government is trying to deny members of the public access to their funds through the Legal Practitioners Fidelity Guarantee Fund. Other legislation will be of interest to a large number of members, who will want to speak. I understand the Education and Other Legislation Amendment Bill is one that will probably not generate a great deal of concern or interest. However, there are certainly others that do. The Water Resources Amendment Bill could quite easily fall into that category.

The Government has lost control. We know that this Government has not been very well focused on legislation for some time. This motion proves it. The Premier and the Cabinet—including the Leader of the House—have simply lost control of the Notice Paper. They do not have a clue about where they are going. It is a decade since I saw something like this occur, when there was a rush to get legislation through in this format. All to often we hear from the Premier about commitments to open and accountable Government. Of course, we all know that the Premier likes to talk about his letter to the member for Nicklin. At the change of Government, the Premier indicated quite clearly that there would be new accountability and new standards. That was part of the Premier's letter to the member for Nicklin in order to attain Government. I am sure that the member for Nicklin is listening to this debate. I point out to him how worthless that piece of paper is and how worthless the Premier's signature is on that piece of paper. That cannot be denied by anybody in this Chamber, including the member for Nicklin and the Premier. Without that letter, the member for Brisbane Central would not have been sitting on that side of the Chamber. What a hollow commitment it is! It is not worth a pinch.

Mr Hamill: A pinch of what?

Mr BEANLAND: It is not worth a pinch of salt.

It shows how easily the Premier makes commitments and then casts them aside. To the Premier it is all just a big stage—a little play acting here, a little play acting there, from the actor. He has no substance at all in relation to these issues. Nothing better describes how he has thrown the baby out with the bathwater in relation to parliamentary standards and the requirement in the letter to the member for Nicklin than this motion. He gave his solemn commitment about parliamentary performances and the ability for members to have ample time for debate on legislation: there would be no guillotine and no action of the type that has been taken today. So much for that!

Instead, we see a Government in panic and the Premier nowhere to be found. He is skulking out the back somewhere. Mr Speaker, I bet you will not see him. He does not have the courage to be here. The great democrats down the back—the whole batch of the Labor Party in this place—are all skulking. They have gone away with their tails between their legs. This motion is nothing more than what we

have come to expect from this Government. The Leader of the House likes to come into this place and hold his head up and talk about his proud achievements. This motion will go down in the annals of history as one of the most disgraceful acts ever seen in this Parliament. The Government has lost control of its business and is using the sausage machine to get these Bills, about half of those listed on the Notice Paper, through this place by 4.30 p.m. on Friday afternoon. I am sure all democrats in this Chamber will be totally opposed to this motion. I invite members of the Labor Party to join with the Opposition in voting down the motion moved by the Leader of the House.

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (11.59 a.m.): I rise to support the Leader of Opposition Business in this place decrying this outrageous attempt to stop members on this side of the House representing the legitimate concerns of their constituents and of people who want to support the coalition in Government. I can remember that 10 years ago—and there was a 10-year anniversary just last week—when I came into this place, the member for Chatsworth had a reputation as somebody who was extremely well organised, somebody who controlled this place and controlled his members to the utmost degree. When I came into this place no-one on that side of the House or anyone else had the temerity to question the member for Chatsworth, the Leader of the House, and he ruled with an iron fist.

The member for Indooroopilly was right; this year we have seen that, even though the Government has had the numbers since December of last year, the Leader of the House has been unable to control the business of this place. Time and time again we have seen, for example, that he has not been able to control his own members in terms of speaking and that Bills which should have been passed in this place in an efficient process have simply failed to go through, usually because of the incompetence of Ministers. We have seen the Leader of the House lose control of the agenda in this place. We have seen the Government not being able to control the agenda in terms of inappropriate behaviour on the part of Ministers. One of the problems that we have had in this House was caused by the inability of the member for Ipswich, who is sitting right next to the Leader of the House, to control the licensing of Internet betting.

Mr HAMILL: I rise to a point of order. The claim made by the Leader of the Liberal Party is not only untrue, it is personally offensive, and I ask for him to withdraw it.

Dr WATSON: I withdraw it. He was able to control the process of Internet betting and he made sure that he gave it to members of the Labor Party. That is what he did, and that was the problem. The time of this place has been spent fixing up the mess caused by Ministers of this Government. The people who stand condemned in this place are the Ministers in the Government. They cannot control the agenda. They cannot make appropriate decisions. This Parliament has to fix up the mess that they create.

That reflects upon the member for Chatsworth, the Leader of the House. He has not been able to control this place for the past year. I can understand him having difficulties controlling the House when it was a tied vote and he depended upon one of the Independents. If we still had a tied vote and he depended upon the member for Nicklin, I would have hoped that, given the deal he signed with the Premier, the member for Nicklin would not have allowed this kind of nonsense to occur. I presume that the member for Nicklin would not have supported the actions taking place today—actions that have come about not because of the Opposition, but because of the continuous failure of this Government.

Today we woke up to headlines in the Courier-Mail about the Government's response to panic tree clearing. What we have today is the Government's response to panic Bill clearing. That is what this is. This is occurring because the Government does not know how to run its own agenda. Not only can it not get it right out in the electorate—and we can understand the difficulties that it has in terms of trying to get things right for the rural areas of a decentralised Queensland, but it cannot even get it right in this place when it has the numbers.

This is a five minutes to midnight action, except there is not just one; there is a whole series.

Mr Hamill: It's five past midday now.

Dr WATSON: It is five minutes past midday. Not only that, it is a whole series of five minutes to midday actions. I do not believe in this place we have ever seen the number of Bills—

Mr Beanland: Amendment Bills.

Dr WATSON: I was not actually going to say that; I was going to say "passed by use of the guillotine". The member for Indooroopilly reminds me; it is true. I have never seen so

many Bills having to be amended by Ministers. They bring a Bill into this place; they do not do it properly; and then they get up time and time again amending their own legislation.

I notice the Minister for Primary Industries disappearing. The other day in relation to one of his Bills, the Minister moved more amendments than the whole of this side of the House. That is the reason that that Bill took five days to be passed. It took five days because the Minister was so incompetent in bringing the Bill to the House that we had to spend the time of this House and the Committee debating issues that should have been cleared up before we on this side of the House had even seen the Bill. That is the problem.

Now that the Government has created those problems itself, the Parliament and the Opposition are the ones who are going to be denied a fair go in terms of addressing the issues. It is Opposition members who are going to be denied having a reasonable say in these debates on behalf of their constituents. I refer in particular to the Vegetation Management Bill, which was introduced today and which is to be passed on Friday through the use of the guillotine. It is the Opposition that is going to be denied any opportunity—

Dr PRENZLER: I rise to a point of order. I would like to remind the member that One Nation and the Independents want to have a bit of a go as well.

Dr WATSON: I take the member's point. Not only is the Opposition, but all members on this side of the House—

An honourable member: All non-Government members.

Dr WATSON: All non-Government members are going to be denied the opportunity to consult their constituents about a Bill which has significant ramifications on their livelihood and the way that they should be going about their business. Members on this side of the House are not going to be able to go back to their constituents and then represent their views. The Bill is going to be guillotined and we have not yet seen the guidelines. We find out that the Bill is going to be passed by 4.30 on Friday and we do not know even what we are going to be discussing yet.

Mr Littleproud: No guarantee of money to back it up.

Dr WATSON: There is no guarantee of money. The opportunity was there today for the Premier in his ministerial statement to table the guidelines. He talked about them. I interjected and asked, "When are you going to table the guidelines? Where are they?"

Mr Springborg: What does the member for Nicklin think, because this is a disgraceful attack?

Dr WATSON: I presume that the member for Nicklin will get up and assert his concerns about what the Leader of the House is doing. The Opposition opposes what the Government is doing. We oppose it vigorously. We will oppose it all the way until the Government finally uses its numbers to kill debate on this.

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (12.09 p.m.): I move—

"That the question be now put."

Question put; and the House divided—

AYES, 40—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 40—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Grice, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Watson, Wellington. Tellers: Baumann, Hegarty

The numbers being equal, Mr Speaker cast his vote with the Ayes.

Resolved in the **affirmative**.

Question—That Mr Mackenroth's motion be agreed to—put; and the House divided—

AYES, 40—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 40—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Grice, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Watson, Wellington. Tellers: Baumann, Hegarty

The numbers being equal, Mr Speaker cast his vote with the Ayes.

Resolved in the **affirmative**.

FORESTRY AMENDMENT BILL

Resumption of Committee

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

Resumed from 7 December on clause 4, to which Mr Cooper had moved an amendment.

Mr COOPER: (12.17 p.m.): I have circulated amendments. I was speaking to clause 4 and the 35-year time frame.

The CHAIRMAN: That is correct; as I have already indicated, amendment 1, clause 4.

Mr COOPER: I am just seeking clarification, because I want to raise a couple of queries.

Honourable members interjected.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber.

Mr COOPER: I just want to raise a couple of queries. Then I will move my second amendment, which also deals with clause 4. That is my point.

The CHAIRMAN: I am well aware of that. Both amendments are to clause 4. Does the honourable member want to deal with them both together now?

Mr COOPER: I am happy to raise a query with the Minister, if he is listening. I wish to express my, and I believe every other Opposition member's, shock and disgust at having the guillotine applied.

The CHAIRMAN: Order! That is not relevant to this clause.

Mr COOPER: I wish to raise certain matters with the Minister. Clause 4(3)(b)—

Honourable members interjected.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber. Those honourable members having private conversations will leave the Chamber.

Mr COOPER: These are serious matters affecting the timber industry. The Minister will understand that clause 4(3)(b) states—

> "... provide for compensation payable to the permittee in stated circumstances ..."

I have asked previously what these stated circumstances are. I would like the Minister to give us a clear—

The CHAIRMAN: Order! Can I interrupt for one moment? Just so that the honourable member knows the state of play, I point out that he is now speaking to this clause for the third time.

Mr COOPER: Yes, I realise that. As I mentioned, I still wish to move—

The CHAIRMAN: Order! I am just suggesting that, this being the member's third contribution to this clause, he should raise any further points now while he is on his feet.

Mr COOPER: I will. Thank you, Mr Chairman. We would like a clear indication of what those stated circumstances are. Again, these are queries from the timber industry. Both it and we do not know about this. We want them spelled out. Mr Chairman, I will be able to move my next amendment to clause 4 later, will I not?

The CHAIRMAN: Yes, that is correct.

Mr COOPER: Thank you. That being so, I will rest my case, provided we get an answer in relation to the stated circumstances.

Mr PALASZCZUK: The 25-year sales permits are currently being discussed with individual sawmillers and negotiated with the Queensland Timber Board. Under these sales permits, there is provision for compensation payable by the State to the permittee in the stated circumstances. The failure to supply the agreed quantity of hardwood sawlogs as a result of non-force majeure events is the stated circumstance. This provision for compensation will be spelled out in detail in each sales permit. This provides a greater level of comfort to individual sawmillers than the current agreements, which have no specified compensation provisions. And it is not appropriate for the State to pay compensation for circumstances beyond its control, such as acts of God, war, fire and the like.

The purpose of this part of the amendment is to give a statutory base for the inclusion of compensation provisions in the 25-year sales permits. The appropriate instrument for particularising the stated circumstances of compensation is the sales permits, as each sales permit is subject to separate negotiation and they bind the State to the payment of compensation to the individual sawmiller. The amendment grants the statutory power to include such a compensation clause in the sales permits.

Mr SEENEY: I appreciate that this debate was adjourned last night simply because the Minister responsible for this legislation was in a lot of trouble because he did not understand the details of the legislation. Of course, because the debate has been guillotined today, I will not get a chance to raise many of the issues that I intended to raise. However, let the record show that the Minister has once again failed to address what I believe is the

core issue in this legislation. He has failed to do that despite being given a number of opportunities to do so. I believe he has also failed to allay adequately the fears raised by many members on this side of the Chamber in their speeches to the second-reading debate with respect to the availability of plantation timber in 25 years, which is what this particular clause deals with.

I suggest that if the Minister is serious and fair dinkum about what he is saying he will table the scientifically based resource assessments that he referred to in his obviously prepared answer. Obviously that was an answer prepared by the department. Let us see the detail. Let us see the scientifically based assessments. Let us see the figures. Let us see, for example, where the mills in Monto and Eidsvold are going to access that timber from for the next 25 years, given that areas like Kroombit Tops and Bania have been closed. Those two areas are major timber production areas. They are now part of the 430,000 hectares that are going to be excluded from timber production. To ensure the 25-year supply permits that the Minister has made so much of in this House, where is the timber going to be supplied from for the next 25 years? If those resource assessments have been done and if the scientific analyses have been done, there is absolutely no reason why the Minister cannot put an end to this argument by tabling those figures in the House.

The other issue I want to deal with very briefly, because I probably will not get another chance, is the option written into this legislation for the Government to purchase the timber mills and the supply permits if and when the particular operators want to sell them. That is causing a great deal of concern to me, to many members on this side of the Chamber and to many people in the timber communities. It is seen as a method of lessening the number of participants in the market and lessening the demand for the available timber from the State forests that will be available to loggers. I once again give the Minister another opportunity to respond. He had many opportunities to respond to that, because it was raised many times in the second-reading debate. I would like him to respond to that before this debate is closed when the guillotine is applied.

Dr KINGSTON: I follow on from where the member for Callide left off. The Minister explained that the need to give the State the first right of refusal of an assignment was a strategy necessary to ensure security of timber supply, but he did not say how purchase by the Government would maintain security. Surely there are other strategies which would be much more effective in guaranteeing security of supply. The member for Barambah has already identified that senior QDPI(F) personnel are concerned that they cannot fulfil that guarantee and are currently recommending that poles be cut as sawlogs. I have said that silviculturalists are sustainably cutting four times more sawlogs than is available on forestry land just over the fence. Surely the QDPI can improve their resource management and production per hectare.

QTB members support enhanced silviculture and asked Chris Braggs to discuss that with them. I seek leave to table the minutes from the QTB meeting in which they requested consultation regarding silviculture and resolved that all available hardwood funding be channelled into silvicultural research projects. Why did the Government ignore the industry body? I ask the Minister to explain to the Committee why his Government opposes silviculture as a methodology and a method of guaranteeing supply.

The CHAIRMAN: Is the member for Maryborough seeking leave to table documents?

Dr KINGSTON: Yes.

Leave granted.

The CHAIRMAN: Order! In accordance with the resolution passed by the House earlier today, I will put all remaining questions to allow this Bill to pass.

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

AYES, 40—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Grice, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Watson, Wellington. Tellers: Baumann, Hegarty

NOES, 40—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Purcell, Sullivan

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

Resolved in the **negative**.

Clause 4, as read, agreed to.

Clauses 5 to 7, as read, agreed to.

Bill reported, without amendment.

Question—That the Bill be read a third time—put; and the House divided—

AYES, 41—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wellington, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 39—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Grice, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Stephan, Turner, Watson. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

STATE COUNTER-DISASTER ORGANISATION AMENDMENT BILL

Second Reading

Resumed from 25 August (see p. 3483).

Mr MALONE (Mirani—NPA) (12.38 p.m.): From the outset I wish to assure the House that the Opposition is supporting this Bill. There is no doubt that this Bill will address an urgent need, one which has been highlighted by rather ominous threats of problems arising at midnight on 31 December this year. However, the need for amendments to the Act was already there because the definition of "disaster" is prescriptive and imposes limitations. While this was seen as adequate when drafted in 1975, rapid changes over the intervening years have created the need for a broader approach to disaster management. I was a little intrigued and concerned by a statement the Minister made in her second-reading speech when she said—

> "We are drawing up a plan we believe will never be necessary."

The Minister is probably being a little naive if she honestly believes it will never be necessary to implement this plan. I certainly hope that sort of thinking does not pervade the organisations and individuals charged with the responsibility of developing our disaster management systems and implementing counter-disaster measures.

I can assure the Minister that I am not trying to invoke Murphy's law, but I would urge her and all those responsible for counter-disaster measures not to regard Queensland's State disaster plan as one that will never be necessary. Indeed, I am not a pessimist, but I believe firmly that the plan will be necessary. It will be constantly referred to and will need to be implemented in the foreseeable future. Any ministerial complacency should be ignored and discounted.

In 1975, less than 25 years ago, one could not see the need for a broadening of the definition of "disaster" within the Act. Anyone who talked about the millennium bug at that time would probably have been carted away by men in white coats. It was probably only about three years ago that people started to get excited about the potential problems of the so-called Y2K bug. Suddenly there was a realisation that our dependence on computers and computerised equipment had placed us in a very difficult and probably dangerous situation. We can all remember the emergence of publicity which highlighted the potential problems, and even then most comments were centred around topics such as flying and concerns about planes falling out of the sky. People started to realise that their personal computers might throw panic attacks, but the seriousness of the situation slowly grew to immense proportions when the provision of essential services was brought into the equation.

I do not intend to go into detail about the Y2K problems or potential problems, because they are just one element of the amendments to this Act, which have been the subject of extensive coverage. These amendments will extend to the legal basis for the operation of the State's emergency services. As the Minister has already pointed out, they ensure that the definition of "disaster" in the Act is broadened to allow the appropriate disaster response to be undertaken at any time in the future should an essential service or infrastructure system fail or be disrupted.

In recent months, there has been a lot of talk about Governments, Government agencies, Government owned enterprises and especially local authorities being underprepared for the year 2000. In fact, the Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities has been very vocal on several occasions, trying to jolt some of these organisations into faster and more positive action. I have no doubt that the Minister saw the need for that type of prodding and public criticism and, if the need was there, I certainly hope that the Minister achieved his aims.

But this type of public stoning should also be accompanied by the supply of resources—something that has not been

forthcoming from the Department of Emergency Services. The Minister will remember the question I asked her during Estimates, and she will also remember her very definite answer. This passage has been quoted a number of times. I asked the Minister—

> "Can you actually specify any additional funding that will go to local governments to overcome the problem they have in terms of actual funding, in some instances, on almost a 50/50 basis with the SES? In my own region it is having a fair impact on local government."

The Minister responded—

> "There is no additional funding in the budget."

The Minister then went on to talk about consultation with the Local Government Association of Queensland concerning looking at alternative ways in which the Government might be able to assist local government, and about looking at funding as a whole through a funding review. It was hardly a convincing response. It was certainly not an encouraging response for local government.

This amendment Bill is being pushed through the Parliament because of the urgency of the situation. The Opposition acknowledges that Y2K problems could cause a disaster. In her second-reading speech the Minister said—

> "In today's complex world new challenges would be presented if any of our essential services suffered a major disruption or malfunction. A failure in an essential service could have serious ripple effects on other essential services and infrastructure systems. A failure in an essential service such as water or sewerage or power could have a significant adverse impact on the operations of Government and the private sector."

The urgency of this amendment Bill is therefore emphasised and acknowledged, but the same urgency to assist local government to help cope with potential emergencies is ignored. That type of assistance can wait for consultations and reviews, all of which will occur after 31 December 1999.

I should point out that, more than 12 months ago, this Government announced that it would be paying consultants to develop year 2000 contingency plans for the State's electricity, water and sewerage facilities. Quite rightly, the Government saw the need to work quickly to deal with potential problems and spared no expense when it brought in consultants to help with the work. I commend the Government for that initiative. However, the loosening of the money belt did not extend to local government as far as SES resources were concerned. The Department of Emergency Services left local authorities to face these potential problems on their own. Many local authorities throughout the State would not have spare money to throw at consultants to help prepare for failures in essential services. There are not too many local authorities that are flush with funds, yet this Government is insisting on them shouldering an unfair burden when it comes to the provision of emergency services.

Undoubtedly, if an emergency was declared, State funds would be made available. But what about the planning and preparation that is involved in drawing up disaster plans? Enormous amounts of time and resources are required and have been expended by local authorities throughout the State to get them as far as they are now. There are many instances of some local authorities dragging the chain in their efforts to achieve compliance, but many of them are working on their own without the luxury of a bank of consultants and an apparently unlimited bank account to help them.

The Minister has been a very vocal supporter of volunteers during her reign as Minister for Emergency Services. I wholeheartedly support her approach. She has spent an exorbitant amount of time travelling the State, handing out certificates of appreciation, all of which are undoubtedly well deserved. However, mouthing platitudes and expressing undying devotion to volunteers is one thing; backing up those flowery sentiments is another.

This Government has a poor track record when it comes to supporting volunteers, other than saying the right things at the right politically advantageous moment. One has simply to look at the utter disdain shown to rural fire volunteers in the Hinchinbrook Shire to see who is important and who is not important in the eyes of this Government. In that instance, the volunteers were completely ignored. Not only were they ignored, but the were treated as complaining idiots when they raised objections to the way in which they were treated. It concerns me that this State will be left without proper protection if this Government continues to get our volunteers offside.

When it comes to disaster management, I am sure we have the plans in place to cope

with most situations. What worries me is that our network of volunteers—the people who work their guts out to provide as much protection to our communities as possible—are becoming so disillusioned that they might walk away in disgust. This amendment Bill offers our volunteers and paid staff the protection they need to step in when the occasion arises. It allows them to get the job done without fear of unreasonable reprisals or vindictive actions and attitudes. That is why the Opposition is supporting the Bill. These people need protection, and it is being provided.

But legal protection is one thing; meaningful, on-the-ground support from Government is another matter altogether and this Government is failing hopelessly on that count. Instead of giving resources, this Government is giving words. Unfortunately, volunteers and emergency services in all their forms cannot survive on words.

I am not an advocate of Governments throwing money into services simply for the sake of looking good. I would not advocate pouring limitless amounts of money into emergency services unless the people of Queensland receive good value for that money. I do believe, however, that if this Government is going to ask more and more of its volunteers, and put more and more responsibility on local authorities, it has to be prepared to give more support and provide more resources.

This Bill has the support of the Opposition because it provides protection to the thousands of volunteers who are spread throughout the State. It backs up the work being done by emergency service workers and supports their efforts in times of disaster. I only hope that, when these volunteers and paid staff are faced with the next disaster and have to go into the field to protect the lives and property of Queenslanders, they have not only the goodwill of the Minister but also the resources to do the job properly.

Mr DALGLEISH (Hervey Bay—ONP) (12.50 p.m.): The members of One Nation also support this Bill. The current focus of the State's counter-disaster legislation is more on natural disasters. This Bill broadens the definition of "disaster" so that other events fall within that definition, and hence allow the implementation of disaster relief measures that are contained within the Act. The Minister gives examples of dam failures, terrorist acts and the Y2K problems that could occur at the turn of the century.

I agree that it is good to be prepared for these events. The broadened definition contained in this legislation is better than what is contained in the Act, even if the Y2K threat does not exist. I agree also with planning for possible Y2K effects on essential services and infrastructure. It is better to be safe than sorry.

I appreciate the difficult work that is done by everybody who is involved in the provision of emergency services and I congratulate them on their tireless efforts. They do an excellent job. I appreciate the Hervey Bay crews who serve my community so well on the limited funding with which they operate.

Hon. M. ROSE (Currumbin—ALP) (Minister for Emergency Services) (12.51 p.m.), in reply: I thank the Opposition for supporting the Bill. I also thank the member for Hervey Bay for his comments. I recognise his support for volunteer emergency service workers.

The shadow Minister referred to Y2K planning for local governments. The department has been assisting local governments with reviews of plans. In addition, it has been conducting workshops across the State. Existing plans cover the situation well, but some need updating and expansion. No specific requests for funding have actually been received from local governments. I take note of the member's other comments on matters relating to volunteers and rural fires. However, I will confine my comments to the contents of this Bill. I am sure that we will have a debate on some of those other issues.

I again thank honourable members for their support. This Bill is a vital step in ensuring that the safety and protection afforded to Queensland communities continues into the new millennium. Our disaster management system is very sound. In the past it has enabled us to successfully manage many natural disasters and it will continue to do so in the future. However, as I have said, if any of our essential services suffered a major disruption or malfunction, new challenges would be presented. Failures in an essential service could have serious ripple effects on other essential services and infrastructure systems.

The State Counter-Disaster Organisation Act focused on natural disasters, such as cyclones, floods, earthquakes, an epidemic or plague, a fire or an oil spill. The new definition would cover other possibilities, such as dam failures, the collapse of a freeway system, terrorists acts against an electricity distribution system or possible failure in an essential service caused by Y2K problems at the turn of the century. The Bill will gave a clearer legal basis to disaster contingency planning undertaken by local governments in disaster-

stricken districts. The amendments will extend the current indemnity provisions to apply to response and recovery activities that might be necessary if severe or widespread disruptions to essential services and infrastructure occurs. Further, it will appropriately extend the authority to declare a state of disaster in accordance with the broader amended definition of the term "disaster" in the Act.

We are leaving nothing to chance. When I introduced this Bill, I said that if something goes wrong as the clock ticks over to 2000, the Government will be ready for action. I said then and I say again that we are being extremely cautious and taking out insurance. We have drawn up a contingency plan that we believe will never be necessary. However, we must be prepared. This amendment reinforces the Government's commitment to ensuring the safety of Queenslanders and provides additional support to the communities and the volunteers who protect them. I commend the Bill to the House.

Committee

Clauses 1 to 5, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mrs Rose, read a third time.

EDUCATION AND OTHER LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 23 November (see p. 5155).

Mr QUINN (Merrimac—LP) (Deputy Leader of the Liberal Party) (12.57 p.m.): The Opposition will be supporting this legislation. It is mainly technical in nature, as it applies to a number of Acts clarifying certain particulars where the previous Acts, which were amended when I was the Minister, may not in fact have been precise. Some measures in the legislation also reduce the bureaucratic processes within schools and other measures are aimed at making some of the decision-making processes of the director-general more independent than what they would be if the legislation were not passed.

In terms of the amendments to the Education (General Provisions) Act, I think that the amendments relating to the memberships of school councils are just plain commonsense. We now have in our schools a range of professionals and paraprofessionals such as nurses, chaplains and police officers who I think ought to be considered for membership of school councils. Many of these people are integral parts of schools and have a vital role to play in terms of putting forward their views in forums such as school councils. So I think that is an updating of the previous legislation.

In terms of exclusions, the amendments also make the process fairer. They may have been oversights when, as Minister, I introduced the principal legislation a couple of years ago. The amendments in this legislation to the remaining allocation of semesters of education are also streamlining mechanisms, and I think they are commonsense. When the former coalition Government introduced that piece of legislation, it was groundbreaking legislation in Australia and has been widely acclaimed for its fairness. Members will recall that at that time the department was embroiled in some legal actions by parents of students who wanted to keep their children in special education past the age of 18. Although we recognised the valid concerns of those parents, legal issues had to be sorted out. The legislation that the former coalition Government introduced received wide acclaim from other parts of Australia in that it treated all students fairly. I think that was a great step forward for students with disabilities in that it recognised their needs and it gave some discretion to principals to extend the number of semesters of schooling that those students could undertake and, under special circumstances, to allow them to do the semesters again. As I said, that was groundbreaking legislation. The amendments contained in this Bill streamline that legislation.

This Bill also amends the Education (Overseas Students) Act. The director-general has sought some powers to create committees to provide advice to him and, in effect, remove him as part of the decision-making process. I think that is fair and reasonable. In relation to the amendments pertaining to the school curriculum P-10 legislation, the director-general has sought—

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

Mr QUINN: As I said before the luncheon recess, the Opposition will not be opposing the Bill. Most of the amendments are commonsense and technical in nature and provide for some streamlining in the processes. I mentioned the amendments to the Education (General Provisions) Act, the Education (Overseas Students) Act and the

Education (School Curriculum P-10) Act. The amendments to the Education (Tertiary Entrance Procedures Authority) Act, the James Cook University Act and the Public Sector Ethics Act are pretty straightforward. We will be supporting those as well.

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) (2.31 p.m.), in reply: The member for Merrimac is extremely kind and courteous. I will reciprocate at the appropriate moment.

Motion agreed to.

Committee

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) in charge of the Bill.

Clauses 1 to 4, as read, agreed to.

Clause 5—

Mr MICKEL (2.32 p.m.): I raise with the Minister an incident that occurred at one of the high schools in my electorate. I will not mention the school or the name of the student. The student was suspended in accordance with the Act as laid out by either this Government or the previous Government. There were no problems there. While on suspension, the student came back to the school and started to make a nuisance of himself at the school in a way that the teachers deemed to be threatening and certainly in a way that his fellow students regarded as threatening.

What the staff have raised with me is that they believe that the Education Act as it stands currently is silent on that issue and that some clarification is needed for the protection of fellow students and teachers in view of the fact that high schools—like so many other Government instrumentalities—have to have an open campus environment. I am not looking for an answer today, but I ask the Minister to ensure that his officers consider that situation and determine whether we can get an answer for that high school in my electorate.

Mr WELLS: I take on board the honourable member's concerns. However, I take the opportunity to put them into context. In Education Queensland, behaviour management problems are not anything like as great as is indicated by some people. It is undesirable to talk up the very occasional behavioural disturbance that does occur, because that tends to downplay confidence that people would otherwise have in the State school system. Nevertheless, incidents of the kind that the honourable member is referring to do occasionally occur. If his concern is that the Act is silent on that particular matter, I am very happy to take that on board and consider it.

Clause 5, as read, agreed to.

Clauses 6 to 15, as read, agreed to.

Clause 16—

Mr WELLS (2.35 p.m.): I move the following amendment—

"(1) At page 9, after line 20—

insert—

'(1A) Section 2(1)—

insert—

' "planning approval" see section 134B(1).

"planning guidelines" see section 134A(1).

"proponent" see section 134A(1).

"significantly modifying", a non-State school, means the following—

(a) if it is a non-State school only for primary education—changing from providing facilities for, and instruction in, primary education to providing facilities for, and instruction in, primary and secondary education;

(b) if it is a non-State school only for secondary education—changing from providing facilities for, and instruction in, secondary education to providing facilities for, and instruction in, primary and secondary education;

(c) changing the school's location;

(d) adding a school campus more than 5 km from the existing school campus;

(e) changing from providing facilities and instruction at the school for students of 1 sex to providing facilities and instruction at the school for students of both sexes, other than by amalgamating with another school;

(f) changing from providing facilities and instruction at the school for students of both sexes to providing facilities and instruction at the school for students of 1 sex;

(g) changing the school's facilities to provide facilities for boarding students.'.'.

(2) At page 9, after line 25—

insert—

'(3) Section 2(2), after 'non-State school'—

insert—

', for that type of education,'.'."

In 1997 when the Federal Government withdrew from the establishment of planning guidelines for non-State schools, it was necessary for that void to be filled by the State Government. That was done by the then Minister. The procedure put in place was an administrative procedure. Unfortunately, the legal environment required that it should be a statutory procedure. That statutory procedure retrospectively validates acts taken under the procedures set up by the previous Minister and keeps in place those same procedures but in a statutory environment rather than a regulatory environment. The effect will be retrospective. It will validate those acts that were done by two Governments. It will keep in place the same guidelines as those that have previously existed and under which schools have been approved previously.

Mr QUINN: The Opposition understands that there is a legal problem in this particular matter. It is happy to support the Government's amendment in order to resolve that issue for everyone concerned.

Amendment agreed to.

Clause 16, as amended, agreed to.

Insertion of new clause—

Mr WELLS (2.36 p.m.): I move the following amendment—

"At page 9, after line 25—

insert—

' 'Insertion of new s 2A

'16A. After section 2—

insert—

'Decision about non-State school

'2A.(1) This section applies if the Minister is to make a decision under section 2(2) for a school.

'(2) Before the Minister may make the decision, the Minister must be satisfied the school has been granted, and complied with, a planning approval under the planning guidelines for the type of education to be provided by the school.

'(3) However, subsection (2) does not apply if—

(a) the school is a non-State school for primary education and the Minister is to make a decision about whether the school provides facilities for, and instruction in, preschool education; or

(b) the Minister is to make a decision about whether the school provides facilities for, and instruction in, special education.

'(4) A decision by the Minister under section 2(2) that results in a school being a non-State school for a type of education is subject to any continuing conditions about facilities or instruction imposed, under the planning guidelines, on the planning approval granted in relation to the school for the type of education.'."

Amendment agreed to.

Clauses 17 to 28, as read, agreed to.

Insertion of new clause—

Mr WELLS: (2.37 p.m.): I move the following amendment—

"At page 15, after line 8—

insert—

'Insertion of new pt 8A

28A. After section 134—

insert—

'PART 8A—PLANNING GUIDELINES FOR NON-STATE SCHOOLS

'Minister may issue planning guidelines

'134A.(1) The Minister may issue guidelines (the "planning guidelines") about the following—

(a) the process to be followed by a person (the "proponent") proposing to establish a non-State school to obtain a planning approval from the Minister for the school;

(b) the process to be followed by a person (also the "proponent") proposing to significantly modify a non-State school to obtain a planning approval from the Minister for the modification;

(c) the facilities for and instruction in preschool, primary, secondary or special education to be provided by a proposed, or significantly modified, non-State school.

'(2) The planning guidelines may provide for the Minister to impose on a planning approval for a proposed non-State school, or to significantly modify a non-State school, conditions about the facilities for, or instruction in, preschool, primary, secondary or special education to be provided at the school.

'(3) The planning guidelines must provide for a right of review for a proponent in the following circumstances—

(a) if the Minister refuses an application for a planning approval;

(b) if the Minister imposes conditions on a planning approval.

'Planning approval for proposed school

'134B.(1) A proponent may apply to the Minister for approval (a "planning approval")—

(a) for a non-State school the proponent proposes to establish; or

(b) to significantly modify a non-State school.

'(2) The application, and the Minister's decision about the application, must be made under the planning guidelines.'.'."

Amendment agreed to.

Clause 29, as read, agreed to.

Clause 30—

Mr WELLS (2.38 p.m.): I move the following amendment—

(1) At page 15, line 17, 'provision'—

omit, insert—

'and validation provisions'.

(2) At page 16, after line 3—

insert—

' 'Transitional provision about guidelines

'159.(1) The 1997 guidelines are taken to be guidelines issued by the Minister under section 134A(1).

'(2) To remove any doubt, it is declared that nothing in this section limits the power of the Minister to issue guidelines under section 134A(1).

'(3) In this section—

"1997 guidelines" means the document called 'Queensland Non–State Schools Planning Assessment of Individuals Applications' approved by the Minister on 26 September 1997 and amendments to the document approved by the Minister before the commencement of this section.

'Validation of certain decisions made by Minister

'160.(1) This section applies if, before the commencement of this section—

(a) a person proposing to establish, or significantly modify, a non-State school applied to the Minister for an approval to establish, or significantly modify, the school; and

(b) the application would have been an application for a planning approval for the school if the application had been made after the commencement; and

(c) the Minister decided to—

(i) refuse the application; or

(ii) grant the application, with or without conditions relating to the facilities for, or instruction in, preschool, primary, secondary or special education at the school.

'(2) The Minister's decision is taken to be, and always to have been, validly made to the extent it would be validly made under section 134B after the commencement of this section.

'Validation of conditions imposed on non-State school

'161.(1) This section applies if, before the commencement of this section, the Minister—

(a) made a decision (a "section 160 decision") mentioned in section 160(1)(c)(ii) for a school, subject to conditions relating to the facilities for, or instruction in, preschool, primary, secondary or special education at the school; and

(b) subsequently made a decision (a "section 2(2) decision") for section 2(2) that results in the school being a non-State school for a type of education.

'(2) The section 2(2) decision is subject to any continuing conditions about facilities or instruction imposed on the section 160 decision as if the decision had been made after the commencement of section 2A(4).'.'.

1 A copy of the document is available from the department's central office at 30 Mary Street, Brisbane and its district offices."

Amendment agreed to.

Clause 30, as amended, agreed to.

Clauses 31 to 46, as read, agreed to.

Bill reported, with amendments.

Third Reading

Bill, on motion of Mr Wells, read a third time.

Title

Hon. D. M. WELLS (Murrumba—ALP) (Minister for Education) (2.39 p.m.): I move—

"That the title of the Bill be agreed to."

I thank honourable members, particularly the honourable member for Merrimac, for their

assistance with the improvement to the Education (General Provisions) Act and other pieces of legislation.

Motion agreed to.

ELECTRICITY AND GAS LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 23 November (see p. 5157).

Mr ROWELL (Hinchinbrook—NPA) (2.39 p.m.): This Bill has two broad objectives. The first is to prevent the appointment of an Electricity Industry Ombudsman, which is required under the Electricity Act, until at least 5 December 2000. The second is to extend the date within which the Minister may approve tariff arrangements for existing major gas transmission pipelines in Queensland together with consequential amendments. A number of very serious questions arise in relation to both of these amendments. In relation to the delay in the appointment of the Electricity Industry Ombudsman, the coalition will not be supporting any further delays in implementing this essential consumer protection mechanism.

I will first deal with the Electricity Industry Ombudsman. The Office of the Electricity Industry Ombudsman was created in the Electricity Amendment Bill (No. 3) 1997. When introducing the Bill into this House on 30 October 1997, the then Minister said—

> "... the Bill establishes an electricity industry ombudsman to investigate customer complaints and resolve disputes in respect of customer connection or customer sale contracts in an expeditious and cost-effective manner for customers. The ombudsman's independence from the Government is explicitly provided for in the Bill. The ombudsman will have discretion to choose the location of his office, which will be important for the public perception of this independence. The Bill provides the ombudsman with the appropriate powers to effectively conduct these functions and to compensate customers for losses of up to $10,000 in the event of a breach of either of the standard customer contracts. For contestable customers, negotiated customer contracts may also refer disputes to the ombudsman for resolution. In addition, the Bill provides that the power to deal with other types of disputes may be given to the ombudsman by a regulation."

The Bill dealt with a range of other important matters, including setting basic service standards across the industry, conduct rules for the various sectors of the electricity industry, consumer protection mechanisms in the event of a retailer not being able to provide agreed services, recognition of interstate retail authorities to promote competition, and the ability of the Minister to establish prices and service quality standards for non-contestable customers. This was a comprehensive piece of legislation designed with reforms to the Australian electricity industry firmly in mind. It was a piece of legislation aimed at facilitating Queensland's part in the development of a competitive and effective national electricity market but with clear and effective consumer protection mechanisms at the very heart of the equation.

When I look at the 1997 Parliamentary Debates, I notice that the current Minister, while in Opposition and as shadow Minister, did not speak or vote against the provisions establishing the Electricity Industry Ombudsman. This is not surprising. There was no opposition to this initiative from any credible person or organisation. Interestingly, an article appeared in the Australian on 19 March 1998 which discussed at length the electricity industry reforms in Queensland. Before I quote from that article, I point out that the Professor Anderson mentioned is Professor Don Anderson, the Chairman of the Queensland Electricity Reform Unit. The article, in part, says—

> "A wholesale electricity market was established in Queensland from January 18 this year based largely on the National Electricity Market rules.
>
> The State is working closely with the National Electricity Market Management Company (NEMMCO) to test the systems to be used in the NEM"—

the national electricity market—

> " 'Greater accountability arrangements were introduced for the industry aimed at improving service levels to customers,' Professor Anderson said.
>
> 'This includes provisions for standard customer contracts between retailers and distributors on the one hand, and electricity users on the other, an industry ombudsman to rule on disputes with customers and codes of practice to promote competition in the industry.' "

The point about this quote is that the establishment of the Electricity Industry Ombudsman was seen as an essential

prerequisite to ensure that there would be consumer redress in the context of fundamental electricity market reforms.

Electricity plays a fundamental role in every aspect of Australian life. It is a major source of energy for households, essential services and industry. For most industries, it constitutes 5% to 9% of the operating costs, but in the aluminium industry it is around 60%. It is an important component of most consumer expenditure and is particularly significant this year for people in regional Queensland. In the context of a national market with increasing competition and more and more market entrants, it is absolutely critical that there be in place an office with the requisite degree of competence, independence and funding that can act as an effective customer watchdog. It is important to realise that Queensland is not alone in providing an Electricity Industry Ombudsman. This model is in place in New South Wales, Victoria, Tasmania and South Australia. It is a model that has been successfully adopted in the telecommunications industry with the Telecommunications Industry Ombudsman and the banking industry with the Banking Industry Ombudsman.

Many of the consumer groups and individuals who have written to me and other parliamentarians have referred to the Benchmarks for Industry-Based Customer Dispute Resolution Schemes, which were released in August 1997 by Senator Chris Ellison, the Federal Minister responsible for consumer affairs. These are the benchmarks which are used to judge the appropriateness and effectiveness of an alternative dispute resolution system for various industries, such as the electricity industry. There are six benchmarks, namely, accessibility, independence, fairness, accountability, efficiency and effectiveness. I will deal with these in a moment.

Before doing so, I will turn to what the Government has proposed as an alternative to the Electricity Industry Ombudsman. This is Labor's proposal for the Consumer Protection Office. On 19 November the Minister issued a press release announcing the establishment of a Consumer Protection Office to investigate and resolve electricity complaints. The Minister said that the office would cover all functions of the ombudsman, including an arbitration process which would be totally independent of the Government. The Minister said in his release—

> "Although it was given thorough consideration, the creation of yet another self-serving, costly and bureaucratic entity such as an Electricity Ombudsman was not seen as the most appropriate means to achieve the levels of protection which are necessary for electricity consumers.
>
> Instead the Government has decided to establish a Consumer Protection Office within the Department of Mines and Energy and is finalising arrangements to start operation in the near future.
>
> I consider that a Consumer Protection Office will clearly provide a superior, more timely and cost-effective service, when compared with an electricity ombudsman. The proposal satisfies all the commonwealth standards and benchmarks relating to consumer protection."

I turn to consumer feedback on the consultation. Clearly, the Minister's suggestion that his model meets best practice standards is not echoed by the views of various consumer groups. The first issue they have raised is the totally inadequate period they were given to comment on the Government's proposal and the sparse and selective range of consumer groups contacted. In its letter to me of 3 November, QCOSS made these points, which are a damning indictment of the Minister and his department—

> "On November 1 1999, we received notice from the Department of Mines and Energy that they were proposing amendments to the Act to remove the provisions for an Electricity Industry Ombudsman and replace them with provisions for a Consumer Protection Office. We were invited to comment on the proposals by 3 November 1999 ...
>
> We believe the proposed amendments should be subject to broader community consultation and debate.
>
> Consultation on the proposed changes is not only restricted to a completely inappropriate time frame of just three days, but is limited in scope. The only parties invited to consult on the issue outside of government and the electricity industry are ourselves and Brisbane Consumers Association. For an issue that is of direct concern to consumers across Queensland, this process is patently inadequate."

Those are not my words, they are those of QCOSS.

What we now have is a different proposal again. Under the Bill now before the House, a

suspended death sentence is hanging over the Queensland Electricity Industry Ombudsman. There will be a further deferral for 12 months so that the Minister's Consumer Protection Office can be established and then reviewed against the Electricity Industry Ombudsman. The reality is that the Minister could not get his initial proposal through. His colleagues in the parliamentary Labor Party were inundated with complaints. And this is just the first step in a two-step repeal proposal. It is a proposal to buy some time—nothing more and nothing less.

We have only to look at the Explanatory Notes to see what a rushed job this proposal is. Under the heading "Consultation" on page 3, the following comment appears—

> "As this amendment merely seeks to postpone the uncommenced provisions of the Act which relate to the Electricity Industry Ombudsman, no consultation has been conducted."

Let me repeat for the information of the House that no consultation has been conducted. We are debating a proposal which has been cobbled together at the last moment and which has not even been discussed with either industry or consumer groups. Similar to a lot of the record of this Government, it is making policy on the run and on the back foot.

I turn to the Consumer Protection Office. The other issue is the view of consumer groups about this office. Again, we are considerably alarmed about this model and the level of real protection it will offer to Queenslanders. First, let me quote again from QCOSS correspondence, which states—

> "To summarise, our concerns about the proposed model are as follows:
>
> The Consumer Protection Office proposed by the amendment falls short of best practice benchmarks for dispute resolution schemes.
>
> Under the proposed model mediation and industry regulation functions would be carried out by the same organisation, an inappropriate and conflicting combination of roles.
>
> There is also a conflict in the Minister's role as the protector of consumers and the shareholding Minister in the electricity companies.
>
> There is no independent board to monitor the performance of the Consumer Protection Office.
>
> The model is out of step with developments in other States.
>
> The lack of independence of the office would, according to a study by Commonwealth Treasury, undermine consumer confidence in the scheme.
>
> The proposed cost-effectiveness of the scheme is questionable."

Similar comments were made by the Queensland Consumers Association in its letter, which was circulated to various MLAs. The criticisms that have been made are significant and deserve to be taken very seriously by this House. They are comments from organisations that are very experienced in dealing with the electricity industry and in evaluating alternative dispute resolution models. The fact that the model the Minister has been pushing has been so comprehensively rejected should be a matter of grave concern to this Government, because it is a matter that is certainly of concern to the coalition.

It is appropriate that we look at the Minister's model—or at least at as much of it as he has explained publicly—and see how it stacks up. In doing so, it is a shame that so much of this debate has been by smoke and mirrors, with the Minister criticising a scheme entrenched in legislation and with a longstanding interstate and Federal track record, and proposing instead a scheme which is changed by press release and which has no such track record.

I turn to the evaluation of the consumer protection model. In his press release on 19 November, the Minister claimed that the resolution of the consumer complaints under his model will be in three stages. Initial consumer complaints will be referred by the department to the electricity entity for action under the internal dispute resolution procedures. If that is not successful, the office will provide a mediation role between the consumer and the entity and attempt to resolve the dispute. Finally, if the dispute remains unresolved, the matter will be heard by an independent qualified arbitrator who will be able to make the relevant orders. The Minister claims that this scheme will offer a faster and more responsive system that will ensure that there is an independent impartial mechanism to resolve disputes. I am not about to criticise the final stages in the process. I believe that having independent arbitrators on hand has some advantages but also a number of drawbacks. However, my main concern is the lack of real independence of this proposal, and this concern is greatest where the scheme is most critical for consumers, and that is at the outset. What we

have is a scheme run by the department and one where disputes will be mediated by the department. There is no independence. There is no independent oversight.

The following comments were made by the Queensland Consumers Association in a letter to parliamentarians. I think they sum up the fatal flaws with this proposal—

> "The model which the Department of Mines and Energy proposes replaces the Ombudsman's Office is that of a two tier system where at the first stage the Department seeks to mediate the dispute, and if it cannot, to pass the dispute to arbitrators, does not meet the benchmarks. It fails most significantly to be sufficiently independent, and will not provide the degree of accountability required of it.
>
> In essence it proposes that a government department (which regulates the industry) mediates disputes between a government owned corporation (such as Energex and Ergon) and consumers. Mediation is an important step. In any dispute resolution process the role of the mediator is ensuring a fair outcome for both parties. It is fundamental to any fair mediation process that the mediator must be independent. The dispute resolution process proposed by the Department bears hallmarks of a lack of independence. It proposes that the Minister's department mediates disputes between consumers and electricity companies of which he is shareholding Minister. This will be the perception which the Queensland public has of this scheme.
>
> At a time when the Queensland public demands transparent decision-making processes from government, we are concerned that the Department of Mines and Energy is about to adopt an ADR model which is fatally flawed."

We could not get a much more dismissive analysis than that. It is a model which the Queensland Consumers Association says is fatally flawed, a model which does not have the requisite degree of independence, a model which the public will not have confidence in and a model which is not transparent. Those comments supplement those of QCOSS that I mentioned earlier. It amazes me that the Minister can come into this House and claim that this fatally flawed model, which has zero community support, is superior to the ombudsman model, which is based on best practice standards accepted by Governments of all political persuasions at all levels.

Both QCOSS and the Queensland Consumers Association made reference to a Commonwealth Treasury analysis. It is in fact the consumer redress study released in June this year. The study contained critical information about the surveys taken of consumers on the importance of independence and perceived independence of dispute resolution bodies. Before continuing, I should say that it is central to this debate to realise that perceptions are everything. Credibility is the key to success. There is no use for either the Minister or anybody else saying that, under this model, there will be independence, for that does not address the problem. The problem is the perception that this process may not be independent enough and may not offer sufficient protection to electricity consumers. That is a problem that the Minister and the Government seem to be blind to. The Treasury study highlighted what many have realised for some time—that is, independence is critical to consumer confidence in ADRs and that there is acute consumer sensitivity to perceived independence.

While I do not wish to be overly critical of an office that is yet to be established, and I certainly am not critical of the public servants who will work in that office, the bottom line is that many consumers will view with suspicion mediators who work in the same Government department that regulates and promotes the electricity industry. Likewise, we have not been given any real information about the arbitrators. Who will be appointing these arbitrators? What experience will the arbitrators have? Will they be appointed for a term or on a case by case basis? Who will oversee their work? What level of medium term independence will they have? Will there be a separate annual report outlining their activities, costs and performance? Really, there are a lot of very important issues that have been left unanswered which go to the core of the effectiveness of the arbitrators.

Once again, the Minister has gone public and attacked the ombudsman scheme, but in comparison his proposal is vague and open ended. The risk of industry capture of this scheme is ever present. The risk that this scheme will not be independent enough and powerful enough to effectively offer sustained consumer redress is obvious. The fact of the matter is that the Minister is proposing a scheme which, despite the very best endeavours of anyone associated with it, does not have the institutional, legislative or political

power base to contend with a range of powerful forces that it may be up against.

It is a half-baked scheme being put forward by the same Minister who, in the recent mining safety legislation, likewise vested absolute powers in his office and resisted any attempts to ensure that there was a legislative independence for people entrusted with overseeing and investigating mine safety. Again, we see a retreat from accountability and an aversion to independence and to objective decision making. It is a very disappointing performance which will have potential grave ramifications for the electricity industry and, no doubt, for this Government.

Finally on this point, I will deal with the issue of costs. The Minister has claimed that this model will be cheaper. I find that difficult to believe. As I understand it, under the Minister's model the CPO will have a staff of six. Yet, as the Minister would know only too well, the New South Wales Energy Ombudsman's Office only has a staff of five, including three investigators, a business manager and the ombudsman. I am informed that that office has operated so successfully that both Sydney Water and AGL are voluntarily moving to use the office for dispute resolution. If New South Wales can successfully operate with about five staff, and under the CPO model we will have six staff, I fail to see how it would be cheaper. Presumably the costs of the independent arbitrators would be on top of the cost of the six staff as well.

It really is a silly exercise to justify the CPO model on the basis of cost because, looking at the Minister's proposal, it is not obvious to anyone that it would be a cent cheaper. In fact, it could be argued that the CPO model will be more expensive. I do not intend to engage in such an obviously useless debate because we are debating in a vacuum. We are not debating two existing and working models but rather two hypothetical models. In both cases, proper costings have not been done. The only sensible way to deal with this matter is to look at the proposed structures and whether those structures meet best practice standards. In relation to best practice standard benchmarks, as I mentioned earlier, the key to determining whether the Electricity Industry Ombudsman scheme should be relegated to nowhere land for at least a further 12-month period is whether the alternative being put forward by the Minister meets the national approval best practices benchmarks for industry based alternative dispute resolution schemes.

I will deal only with the issue of independence, but I do point out that the key indicators of fairness and accountability are also of concern. The purpose of the following benchmark is to ensure the process and the decisions are objective and unbiased and are seen to be objective and unbiased. So far as the decision maker is concerned, the following are the key practices that are recommended: the scheme has a decision maker who is responsible for the determination of complaints; the decision maker is appointed to the scheme for a fixed term; the decision maker is not selected directly by scheme members and is not answerable to scheme members for determination; and, the decision maker has no relation with the scheme members who fund or administer the scheme which would give rise to a perceived or actual conflict of interest. It is clear that the Minister's scheme fails these tests. There is no one decision maker appointed for a fixed term who is not answerable to the shareholding Minister through the Department of Mines and Energy. Instead, we have a group of officers carrying out mediation work and various arbitrators doing the arbitration work, the job security of whom is highly problematic.

Then there is the requirement for an overseeing entity. There should be a separate entity set up formally to oversee the independence of the scheme's operation. The entity should have a balance of consumer, industry and, where relevant, other stakeholder interests. As a minimum, the functions of the overseeing entity comprise appointing or dismissing the decision maker, recommending or approving the scheme's budget, receiving complaints about the operation of the scheme, recommending and being consulted about any changes to the scheme's terms of reference, receiving regular reports about the operation of the scheme, and receiving information about and taking appropriate action in relation to systemic industry problems referred to it by the scheme.

Again, there is nothing like this even envisaged with the Minister's model. This goes back to the complaint by QCOSS that there is no independent board to monitor the performance of the Consumer Protection Office. It is patently clear that not only is the Minister's model not the best practice; it is also a model on how not to go about industry based alternative dispute resolution.

The coalition can see no benefits at all in delaying the commencement of the electricity ombudsman scheme for another 12 months. It is clear from what little we know of the Minister's departmental model that it fails to

meet nationally recognised standards for alternative dispute resolution. We know that the alternative model has been received without enthusiasm by consumer groups and that there is a real risk that it will be viewed with suspicion by the electricity consumers.

A further matter is that the ombudsman model set out in Part 8A of the Electricity Act 1994 is based on tried and tested models which have worked successfully in the banking and telecommunications industries and which have been adopted by electricity industries in New South Wales, Victoria, Tasmania and South Australia. It is clear that this model conforms with the best practice standards for accountability and independence and would have the support of key consumer groups. That in itself has to be a major plus and goes a long way towards ensuring that there would be widespread community acceptance of and support for the model. In addition, if New South Wales is any indication, it will create a platform for resolving disputes in other utilities.

As I have also pointed out, it is certainly not clear whether the ombudsman's model would or should be more expensive than any other model. Even if it were, that should not be the only criterion. The Minister knows that there will be substantial industry funding, and with ongoing rationalisation of the electricity industry the question of whether one scheme or the other may employ two extra staff is quite silly. The reality is that once the Minister sets up his departmental model it will be very difficult, both administratively and politically, for him and the Government to do a U-turn in 12 months' time. I think that is a very important issue. Extending the proclamation date of the electricity ombudsman by 12 months is just a mechanism to give the Government a bit of breathing space and defuse a very difficult political situation which has arisen.

There is no doubt that this Government does not want an electricity ombudsman. There is no doubt that this Minister is strongly opposed to having an independent officer, which he does not control, having a major oversight role in the industry. The Minister does not want an independent officer looking over his shoulder and being able to make independent decisions about the way this industry is treating its customers. That is a political risk this Government does not want to take. I will listen carefully to what the Minister says in his response because to this stage the coalition can see no consumer or industry benefit in delaying the commencement of Part 8A.

It is in the interests of not just consumers but also the electricity industry and the Government that a proper electricity ombudsman scheme be put in place. There can be nothing more damaging to a business than bad customer relations. Having an electricity ombudsman in place is a sound insurance policy for the electricity industry. Sorting out consumer problems quickly and effectively is good for business and good for the proper development of the industry. On the other hand, if a dispute resolution scheme is in place which does not have consumer support and which is not as effective as the electricity ombudsman, there is a possibility of problems arising, with all the consequent bad press and bad consumer relations. I look at the electricity ombudsman model as essential for both customers and the industry, especially at a time of rapid change and a national market being developed.

The fact that the Minister, for motives best known to himself, is opposed to a proper, independent and properly-funded scheme is regressive, and it will have to be rectified in due course. I place on the public record for the information of the customer movement and those interested in an accountable electricity industry that the coalition strongly supports the establishment of an electricity ombudsman and is committed to ensuring that such a scheme is put in place at the first opportunity.

I now move to the issue of gas pipeline access. The second series of amendments are to the Gas Pipelines Access (Queensland) Act 1998. Currently the Act requires the Minister to approve by 1 July 1998 tariff arrangements for each of the five major transmission pipelines in Queensland in order to protect existing tariff arrangements. As this date was not met by this Government, the Bill provides a new date, which will be 30 days following the commencement of the Act.

A second aspect of the Bill is the winding back of the date for commencement of contestability in the retail gas market to 1 December 2000. There is no doubt that the impact of NCP on the natural gas industry is potentially immense. There are over 4,000 kilometres of gas pipelines in this State, with 90% of the State's natural gas demands being delivered to approximately 4,000 industrial and commercial customers. The remaining 10% of demand is delivered to 120,000 residential customers.

There are presently three main owners and operators in Queensland of gas transmission infrastructure—Epic Energy, AGL and Duke Energy. The transmission pipeline

from the Ballera gas processing plant at Wallumbilla is owned and operated by Epic Energy. The Roma to Gladstone and Rockhampton pipeline is owned and operated by Duke. The Roma to Brisbane pipeline is owned and operated by AGL, which has negotiated to expand the capacity of the pipeline from 79 to 110 TJ per day. The pipeline from Ballera to Mount Isa is owned and operated by AGL.

In addition to these existing pipelines is the proposed Chevron pipeline from Kutubu in Papua New Guinea. The actual length of the transmission pipelines is around 2,700 kilometres. When introducing the Bill the Minister said—

> "Proclamation of the Act was deferred until such time as the National Competition Council had completed a process of certifying Queensland gas access regime, embodied in the Act, as effective. It was considered, at the time, that this strategy might strengthen Queensland's negotiating position on its derogated tariffs, particularly as it was felt that the NCC may seek some changes to the pipeline tariff arrangements.
>
> Although the NCC certification process is not yet completed, the desirability of introducing contestability into the gas retail market and the need for access arrangements to be dealt with under the National Access Code have led to a review of Queensland's position."

I have read the Queensland Government submission of August 1998 to the NCC for a recommendation on the effectiveness of the Queensland third-party access regime for natural gas pipelines. I might add that the NCC did not receive the submission until 25 September 1998. Moreover, in the foreword to the April 1999 discussion paper on the matter, the NCC says—

> "The process under which it will be considered has only just been concluded in consultation with Queensland officials. In addition, the Council has been awaiting certain information from Queensland necessary to launch a public consultation process."

While I am no fan of either the NCC or National Competition Policy, it looks very much like the Department of Mines and Energy and this Minister have been dragging their feet. The fact that a submission was not sent to the NCC until late September, and that by April of this year further key information had not been transmitted, seems to indicate either obstruction or sloth on the part of the Government. It would appear that the reason that it took the National Competition Council until April this year to release a discussion paper was the fact that, under this Government, communication of the relevant information to the NCC was not forthcoming or, at best, slow.

At pages 13 and 14 of the Queensland Government submission it was pointed out that gas prices are currently not fully cost reflective due to lack of differentiation according to customer location and that there were a number of cross-subsidies which need to be removed in an orderly manner to mitigate sudden changes in the so-called bundled price. Of particular interest is the fact that the Minister proposed, in August 1998, a timetable which phased in the timing when particular customers could choose their retailer and be simultaneously removed from the scope of the bundled price setting by the Minister in the following sequence—

> all large customers, that is, those whose annual site volumes are greater than or equal to 100 terajoules, would become contestable on 1 January 2000 in respect to a particular site;
>
> all other customers would be contestable from 1 September; and
>
> a new non-contestable customer could be made contestable earlier than indicated if the Minister, acting under the Gas Act, decided it was consistent with the orderly introduction of a fully competitive gas market.

One of the interesting things is that when one peruses the NCC web site, the various submissions made by the various players in the gas industry on the Queensland Government submission are set out. I read with interest the submission of Chevron dated 21 May which, while supporting its exemption from the requirement of the National Third Party Access Code for Natural Gas Pipelines Systems and the Gas Pipelines Access Law, nevertheless opposed the Queensland submission for the remaining five pipelines and proposed pipelines. At pages 6 and 7 of the Chevron submission, the following comments are made—

> "Each of the five pipelines and proposed pipelines considered above could prove important to the Project Sponsor's plans to sell PNG gas widely throughout eastern Australia. Effective third party access to these facilities on competitive terms will be critical to these plans. If as a result of the proposed derogations uncompetitive tariffs and

> inappropriate access principles are locked in for long periods, we believe that our own interests and those of gas pipeline users generally would be poorly served.
>
> The Project Sponsors therefore oppose the proposed derogations in relation to these pipelines. We believe that they could result in anti-competitive and inefficient arrangements being locked in to the Queensland gas transmission system. If this were to happen, it would have flow-on effects throughout the Eastern Australian gas market."

I might also add that I have read the other submissions, and I have a great deal of sympathy with the following comments contained in the AGL submission of 28 May, namely—

> "... it is gravely concerning to AGL, and we believe others who invested in Queensland in good faith on the basis of existing regulatory arrangements, that we face the prospect of having the basis of our investment decisions to provide gas pipeline infrastructure in Queensland being analysed retrospectively, according to a different test, and possibly undone."

These conflicting submissions from people in the same industry as the NCC highlight the need for the State Government to be taking an active and constructive role. Unfortunately, what we see is a Government that is moving at a snail's pace, that is too smart by half and, in the process, is presiding over an industry fighting amongst itself and which is providing absolutely no leadership or direction.

I think that, having regard to the critical juncture that this industry is now in, it is appropriate that I quote from a speech given by Allan Asher on 28 September in Darwin on the status of national gas reform. It is a very interesting paper and points out just how slow gas reform is proceeding. However, what is especially interesting is his comment on the progress of reform in this State. His comments are lengthy but, in the context of this Bill, extremely relevant. He said—

> "In Queensland, the opposite situation is occurring, with a Government owned electricity corporation purchasing a private gas distributor/retailer. What's more, the two previous government owned electricity retailers are reported to be proposing to aggregate all potential future gas demand in the State and commit to 20 year purchase contracts with PNG producers for annual volumes close to four times the current Queensland gas demand. One of these retailers, Energex (which purchased Allgas) has applied for authorisation for exclusive dealing in the resale of PNG gas to Queensland gas users. In considering Energex's application for interim authorisation, the Commission received a significant number of submissions expressing concern at the potential for the Queensland government's involvement to create distortions in both electricity and gas markets. Indeed Entergy's"—

and that is a very relevant name—

> "... Managing Director was recently reported to state that the most significant reason Entergy is withdrawing from its position as 50 percent partner in the proposed 900 A4V expansion of the Tarong power station is:
>
> > the market uncertainty created by the (Queensland) Government's proposed support of the PNG pipeline project and the associated generation projects that will come along with that have created a large amount of uncertainty regarding the market outlook for power in Queensland.
>
> Given reports that the vast majority of the PNG gas is proposed to be used in electricity generation, it is difficult to imagine exactly who is going to buy all the additional electricity. One conservative estimate translates the reported volumes of PNG gas into around 2700 MW of electricity. This would supposedly come on stream around 2003, when the total installed generating capacity will be around 9000 MW (excluding Millmerran and Kogan Creek—which together would add an additional 1600 MW). NEMMCO expect peak demand for electricity in Queensland to around 7800 MW in 2003. With electricity demand in Queensland increasing at around 300 MW per year, it will be some time before the excess capacity can be absorbed.
>
> One concerned industry participant recently used the experience of the initial arrangements that led to development of the North West Shelf as a warning of what can result from excessive Government intervention in a major resource development. To facilitate the North West Shelf development, the WA Government entered into long term take or pay contracts with producers for volumes significantly in excess of the existing WA market requirements. The market did not expand rapidly in the way required to

> utilise all the gas contracted for and the Commonwealth Government had to come to WA's assistance by passing legislation with the effect that it would forgo significant royalty revenues on domestic gas sales for the North West Self until 2005.
>
> Queensland passed the Gas Pipelines Access Law around 12 months ago, but is yet to proclaim it. In signing the intergovernmental agreement to implement the national gas code, Queensland agreed on the basis of significant derogations. These derogations principally relate to preventing any review by the regulator of the tariff and tariff related matters for the four main existing Queensland pipelines as part of their access arrangement approval process under the Code. The owners of those four pipelines would still be obliged to bring in an access arrangement to the Commission for approval, but the reference tariffs will be those taken from the existing access principles. These will not be subject to public or ACCC scrutiny until after the nominated review date expressed in the individual access arrangements. The review dates vary from around 10 years through to over 20 years.
>
> Given the significance of these derogations, in March this year the NCC asked the ACCC to provide advice as to whether the Queensland Gas Pipeline Access Regime is broadly consistent with the National Access Code. The NCC is considering an application by the Queensland Government for certification of the
>
> 'effectiveness' of the Queensland regime under Part IIIA of the Trade Practices Act. The Commission has only just received information from the Queensland Government to allow it to commence this review."

I hope the Minister heard the last sentence. Here is Alan Asher claiming that the ACCC had only just received relevant information.

I have read that lengthy quote into Hansard because it gives a very good summation of the current state of play from the ACCC point of view. It would not be appropriate for me to comment at length in this Bill on much of the subject matter to which I have referred. However, what I do say to the Minister is that it is becoming quite clear that the NCC and the ACCC appear to be of the view that this Government is dragging its heels on gas reform. It appears that the ACCC, at least, is of the view that there is no coordinated energy policy in this State and this Government is going merrily along attempting to pick winners and placate this or that interest group without any overall view of where it is leading. We hear much from this Minister about this Government's energy vision, but this Bill highlights that there is no vision—just catch up and patch up politics.

So, while the coalition does not oppose this aspect of the Bill, I must say that I am less than impressed by the way that national gas reform issues are being handled by the Department of Mines and Energy and by this Government. I would appreciate some explanations from the Minister about how developments are proceeding. I ask the Minister to deal specifically with the criticisms of the way in which the Government is handling the matter from the viewpoint of the NCC and the ACCC.

I will make further comments during the Committee stage, but I am concerned that again we have legislation being introduced at five minutes to midnight. The electricity ombudsman legislation should have commenced last December. It was delayed for 12 months, until December this year, and we are now debating legislation to retrospectively deal with the situation after the 4 December deadline.

The same type of principles apply to the gas pipeline amendments, with the need to delete commencement provisions that have not been met. I suggest that the Minister and his department have not approached their duties in a timely fashion. The fact that we now have to deal with retrospective legislation has been caused by the inability of the Minister to handle his legislative responsibilities in a proactive manner. Instead, we are again patching up a leaking and listless ship of state.

I would like the Minister to explain why it has taken him 18 months to deal with the issue of the electricity ombudsman, and why we now have to deal with retrospective legislation, when he could have introduced his alternative strategy months ago. Plainly, retrospective legislation should be avoided, but there are times when it is necessary. However, this is one instance when it was plainly avoidable. The Minister owes this House a proper explanation as to why this state of affairs has been allowed to develop.

Mr Reeves: If this is your valedictory, make it a good one.

Mr ROWELL: I take the comment of the honourable member up the back—

Mr DEPUTY SPEAKER (Mr D'Arcy): Order! It is not necessary.

Mr ROWELL: No, I will accede to your wishes, Mr Deputy Speaker. It is important that we address this situation. The issue of the ombudsman is quite important. It was inserted by the former coalition Minister for Mines and Energy. I believe it is absolutely essential that we go down this track because it gives total independence to the office.

Mr ROBERTS (Nudgee—ALP) (3.37 p.m.): As a former electrician and official of the Electrical Trades Union, I always take an active interest in developments within the electricity industry.

Mr Schwarten: It's been a while since you were on the pliers.

Mr ROBERTS: It has been a little while since I have been on the pliers. I actually have to renew my licence this year, as I understand it.

Mr DEPUTY SPEAKER (Mr D'Arcy): Order! It would help if the member for Nudgee spoke to the Bill.

Mr ROBERTS: Immediately upon coming to Government in mid 1998, the Beattie Government commenced a review of the electricity industry to ensure that it would provide better service in line with community expectations and greater reliability of the State's electricity system. One of the major components of the electricity industry restructure that was announced in early 1999 was to simplify and reduce the number of separate electricity corporations and bodies which had been created by the former coalition Government.

The Government also wanted to ensure that within the emerging competitive electricity market customers' rights were protected. This intention in the electricity sector reflects the Government's commitment in a range of areas to protecting consumers' rights. The restructure included the creation of a discrete consumer protection role within the Department of Mines and Energy. This role will be performed by the newly-formed Consumer Protection Office. It will provide an effective and accessible process to assist consumers who have a dispute or a complaint with an electricity entity, but with a minimum of bureaucracy and far less expense. It will also provide an independent dispute resolution process. All the functions of the Consumer Protection Office and independent arbitrators will mirror those of the formerly proposed ombudsman scheme in Queensland, and ombudsman authorities in other States.

In order to deliver a high-quality service to the people of Queensland, the Consumer Protection Office will be based on the following broad principles: accessibility to the consumer, accountability to the Queensland public through the Minister for Mines and Energy, a responsibility to analyse and report on systemic faults and issues impacting on consumers, and a focus on rapid response and decision making in terms of complaints that are made. There will be totally independent energy arbitrators located throughout Queensland, minimal legal processes, no cost to the consumer to access the system, and relatively inexpensive operating costs compared to those of a separate statutory authority.

In dealing with electricity customers' complaints, the Consumer Protection Office will adopt a three-stage process. Firstly, it will conduct an investigation. It will then endeavour to mediate the dispute between the parties and, if a resolution is not possible, it will then move to the next stage, which will be arbitration. Although the investigation and mediation of complaints will be undertaken by the staff of the Consumer Protection Office, appropriately qualified, independent arbitrators will be appointed with powers to decide any dispute that cannot be resolved through mediation. The new arrangements will make an important contribution to greater accountability of electricity suppliers to their customers.

One of the important features of the new Consumer Protection Office function will be the decentralised nature of the arbitration process with independent arbitrators located in regional areas throughout the State. This will result in decisions being made more quickly, a regional perspective given to the issues that arise, and the decision making will be made by professional arbitrators who are trained and know what they are doing. I commend the Bill to the House.

Mr SANTORO (Clayfield—LP) (3.43 p.m.): I rise to support the comments made by my friend and colleague the honourable member for Hinchinbrook. In particular, I rise to express my grave concern about the delay in the commencement of those parts of the Electricity Amendment Act (No. 3) 1997, which will establish an electricity ombudsman until 5 December 2000. It is surely the mark of an incompetent and arrogant administration that, 18 months after it was sworn in, it has introduced legislation suspending the commencement of these vital provisions at the very last moment.

The creation of an electricity ombudsman should never be a matter of partisan debate. It is a commonsense measure that has been adopted by Governments of all political persuasions in New South Wales, Victoria, Tasmania and South Australia. In the context of the privatisation, corporatisation, restructuring and opening to competition of energy markets throughout Australia, there has been widespread recognition that customer protection requires an independent utility ombudsman designed to oversee the market and provide independent, timely and competent dispute resolution services to consumers.

When the then coalition Minister for Mines and Energy, Tom Gilmore, introduced the concept of an electricity ombudsman into this House in late 1997, there was no debate on the matter. There was next to no press comment. It was just regarded as a commonsense measure in the context of the establishment of a national electricity market. I have looked at some of the debates in this House on the legislation on 25 November 1997. From the Labor side, the current Minister, the current Premier and the member for Nudgee spoke to the legislation. There may have been others who spoke, but I have read the contributions made by those honourable members. In those contributions, there was not one word of criticism about the electricity ombudsman. No division was called on the matter.

Of course, since then the Minister has come out attacking the concept. In his press release of 19 November, he said that it was "yet another self-serving, costly and bureaucratic entity". Just one week later, the same Minister introduced this Bill into the House, delaying the establishment of an electricity ombudsman's office for a year and then claimed that the Consumer Protection Office model, which he had been praising, would be reviewed against it. I cannot think of a greater sham. What is there to compare? Who will do the comparisons? Will they be independent? Who will make the final decision?

The reality is that this Bill is just buying time for the Minister and the Government. There has been an understandable public outcry about the proposed scrapping of the electricity ombudsman's office, and this Bill is an attempt to bury the issue for the time being. I suggest respectfully to the Minister that this strategy will simply not work.

The consumer movement is well aware of the failings of the model that this Government is putting forward. One only has to look at the response that this model received from Justin Malbon of the Queensland Consumers Association, who was quoted in the Courier-Mail of 20 November as saying that the alternative Consumer Protection Office plan was "completely unacceptable to consumers". In common with many other members of Parliament, I received correspondence from Simon Cleary, the Vice-President of the Queensland Consumers Association. The member for Hinchinbrook has quoted from his letter, but I also would like to refer to just one sentence, because it sums up my concerns. In that letter, Mr Cleary stated—

> "At a time when the Queensland public demands transparent decision-making processes from Government, we are concerned that the Department of Mines and Energy is about to adopt an ADR model which is fatally flawed."

I think that it is important to set out in Hansard what Part 8A of the legislation provides, because it helps to explain why the Minister's plans have received such a frosty reception and why there is a pressing need for this part to commence at the first available opportunity. Section 64A of the legislation established both an electricity ombudsman and an office of the electricity ombudsman. Section 65A provided that the ombudsman controls the office, although the section makes it clear that that does not prevent the office being attached to the Department of Mines and Energy for the purposes of being supplied administrative support. Section 64D provides that the Governor in Council is to appoint an ombudsman for a term of up to five years, and later provisions detail the ombudsman's remuneration and allowances. Section 64G limits the ability of the Governor in Council to terminate an appointment to four specified circumstances. Part 8A of the legislation does not give any general power to sack at will, and it is clear that the ombudsman is intended to be given significant security of tenure.

The functions of the ombudsman are set out in section 64I, which include—

> investigate complaints about the performance by electricity distribution and retail entities of their obligations under a customer connection or customer sale contract;
>
> resolve disputes between electricity distribution and retail entities and customers about the performance of obligations under a contract;

approve procedures prepared by distribution and retail entities for complaint handling procedures; and

perform any other function prescribed by regulation.

The ombudsman is given the necessary statutory powers to carry out those duties.

One of the most important provisions in the legislation is section 64K, which makes it absolutely clear that the ombudsman is not subject to direction about investigations. That is a critical provision, and I think that it is important to set it out in Hansard in full. It provides that the Electricity Industry Ombudsman is not subject to direction by anyone about—

(a) the way the ombudsman investigates complaints or resolves disputes; or

(b) orders made concerning a dispute referred to the ombudsman; or

(c) the priority given to investigations or the resolution of disputes.

A number of other important provisions should be mentioned. Section 64O deals with the funding of the office and makes it clear that the funding of the office can be by means of a levy on the distribution and retail entities or other specified means. The cumulative effect of the funding sources makes it clear that the funding of the office is intended to come from the industry and not from consolidated revenue.

Section 64P requires the production of an annual report by the ombudsman, which must contain—

complaints received;

complaints by customers investigated by the ombudsman;

disputes referred to the ombudsman;

orders of the ombudsman; and

matters referred to the ombudsman by the regulator.

This report must be tabled in this House.

Finally, section 64R applies certain pieces of legislation to the ombudsman's office, two key ones being the Criminal Justice Act and the Financial Administration and Audit Act. These are not the only provisions dealing with the ombudsman. In fact, a number of other key sections deal with disputes and how they are to be handled. However, it is clear that this model, which is based on the successful ADR models that have operated for some time in the banking and telecommunications sectors, meet the six key benchmarks for industry-based customer dispute resolution schemes, namely, accessibility, independence, fairness, accountability, efficiency and effectiveness. I might add that utility regulators have also developed some other key indicators including consistency, predictability and transparency. In all of these key areas, the electricity ombudsman model is far superior to the model that the Minister has floated.

Before highlighting the differences, one matter that deserves comment is the erroneous and misleading argument the Minister raised that the Government's preferred model would be less expensive. The fact of the matter is that the Minister's model will most probably cost as much, except that, unless the legislation is amended, the costs will come from consolidated revenue. The costs for the ombudsman scheme will not be coming from the Treasury; they will be paid by the electricity industry. From the viewpoint of people paying taxes, the ombudsman model would have been self-funding, which is not what can be said about the Minister's alternative. On top of that, as the member for Hinchinbrook pointed out, the Minister's model is based on six staff, and I doubt that there would be any more in the ombudsman's office. The Minister's model is based on initially the industry handling complaints, then departmental mediation and then, finally, the appointment of an independent arbitrator.

All consumer commentators have pointed out that the key to the success of any industry-based dispute resolution scheme is consumer confidence that the people carrying out the mediation or arbitration are fair, independent and removed from any pressure to favour one side or the other. Under the model that this Government is determined to foist upon electricity consumers, the mediation of disputes between customers and electricity entities will be performed by officers of the Department of Mines and Energy.

The fact that the same organisation is carrying out mediation and industry regulation is, to quote the QCOSS submission, "an inappropriate and conflicting combination of roles". Unlike the electricity ombudsman, those mediators are public servants who are not independent. They are subject to bureaucratic directions and are part of an organisation that is carrying out a range of duties, some of which do not sit easily will their role. Their activities are not subject to an annual report that focuses on their performance and achievements, and the persons selected for those key and very sensitive duties will be determined by people in the department who may have little appreciation of or sympathy

with the concept of a professional, transparent and independent dispute resolution office.

Under the Minister's model there is no independent oversight of what is going on. There is no accountable officer, other than the director-general, who is responsible for the activities of the mediators, at least so far as this Parliament is concerned. Electricity consumer mediation will be just a very small office in a big department, which will receive the degree of funding and consideration commensurate with most ADR offices that are tucked away in large bureaucracies.

Then there are the independent arbitrators that the Minister made much of. Again, we will have a situation where they will be chosen by the department and no doubt their continued utilisation will be at the sole discretion of the department—I repeat: at the sole discretion of the department. I am not suggesting anything improper from the viewpoint of either the department or the arbitrators. However, from the viewpoint of consumers, this lack of independence and the perception that conflicts of duty could arise may well pose problems for the acceptance of the model.

The honourable member for Hinchinbrook referred to the recent Commonwealth Treasury attitudinal survey that highlighted that there is acute consumer sensitivity in relation to the independence of ADR models and confirmed that independence, or at least perceived independence, was critical to consumer confidence in a dispute resolution scheme. Unfortunately, the fact of the matter is that the Minister's model fails from the viewpoint of both independence and accountability. Neither the mediators nor the arbitrators are independent of the department. In the one case they will be departmental officers and in the other they will be dependent on the grace and favour of the department for their continued employment. In comparison, the ombudsman is appointed for a fixed term and is not subject to any form of direction.

Where is there any statutory prohibition on any of the persons in the Minister's model being subject to directions about investigations? There is none. Where is there any provision giving these people a fixed term? There is none. Where is there any statutory provision enabling this Parliament to receive a specific and detailed report on how they are carrying out their duties, so that there is an appropriate degree of parliamentary oversight? There is none.

It is not as if there are not problems with the electricity industry. Again and again there have been reports of disconnections without warning and without reason. There have been reports of massive fee increases. As the industry continues to experience restructuring and as the full impacts of National Competition Policy bite even more, it is essential that there be put in place an effective, efficient, well accepted and respected consumer complaints body that can carry out investigations and deal with disputes.

The Government's model gives to the public servants and arbitrators who will be carrying out these duties over the next 12 months no extra statutory powers to do this critical job. The Government is not giving them statutory independence, nor does it intend to outlaw interference in investigations, which section 64K would do.

Therefore, all in all what is on offer from the Government is inferior to the ombudsman model. In those circumstances, the question arises as to why the Minister and the Government are so keen to bury the electricity ombudsman concept. Why has there been such an effort to dispense with a model that is based on other offices in other States that have worked very well? Why jettison an office that has the clear support of the consumer movement?

Those are questions that the Minister must answer. For the first time he should put forward some credible reasons why the Electricity Industry Ombudsman is being relegated to a legislative vacuum for a further 12 months. On its face, the only apparent reason is that the Minister does not want an independent office that is answerable to the community and the Parliament. I suggest to the Minister that if this is the case, it is a very short-sighted view that is not in the interests of the industry itself.

Finally, as the honourable member for Hinchinbrook has stated, we see another example of how low on the list of this Government's priorities effective consumer protection is. With respect, I believe that the honourable member for Mount Gravatt, the Minister responsible for advancing the interests of Queensland consumers and who I notice is in the Chamber, has failed dismally to ensure that the Electricity Industry Ombudsman model that is in place in four other States, and which is already on this State's statute books, is brought into effect. I can only assume that she went AWOL at a critical juncture for Queensland consumers, or that she has little clout in a Cabinet that is so ignorant of basic consumer rights that it has ploughed ahead with such a regressive policy.

All in all, this is a very bad piece of legislation. It is yet another regressive initiative from the Minister for Mines and Energy, who seems to have no time for independent officers reviewing his portfolio's performance and who is keen to maximise discretionary power in his own office and that of his department. I totally support the extensive and comprehensive comments of the honourable member for Hinchinbrook. I strongly recommend to the Minister that he listens to the very wise advice that will come from the honourable member for Hinchinbrook during the Committee stage of the debate.

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (3.55 p.m.), in reply: Firstly, I thank all members who have participated in the debate. It is refreshing to hear contributions that are based on the actual issues before the Parliament, rather than personal criticisms. Having listened to the points that have been made, I think that it has been a good debate. I certainly welcome that.

Mr Santoro: Are you going to withdraw the Bill, though?

Mr McGRADY: No, I will not withdraw the Bill. We are entering a new world. I have had discussions with the consumer affairs association and I have made certain commitments to it. In defence of my ministerial colleague, Judy Spence, I would say that we have had numerous discussions about this topic. She has a point of view and for a long time she has been an advocate for the consumers of this State. I understand and appreciate where the Minister comes from.

Members opposite have said that there has been massive public opposition to the legislation, but that is not true. One or two organisations have sent letters. I remind the Opposition that when I restructured the electricity industry earlier this year, this was part and parcel of the restructure. Members will recall that I travelled all around Queensland. I attended meetings at which I addressed literally thousands of people. That received a tremendous amount of coverage. Everywhere I went, I spoke about this proposal. There is no opposition to it.

One thing that worries me with Governments, whether it be Federal or State Governments, is the modern view that we should simply set up more organisations. Those organisations are extremely costly. I will be quite honest: one of the reasons that I have had some concerns about the proposal of setting up an ombudsman as detailed by the Opposition is the cost that is involved. Regardless of what the Opposition says, my proposal will be a lot cheaper.

Mr Santoro: You haven't demonstrated that.

Mr McGRADY: No, but in my opening remarks I said that it is a new world. As I told the consumer association, and I will say it again today, let us go down the path that I am suggesting. I have made a similar offer to the shadow Minister on previous occasions. I am more than happy to sit down with the shadow Minister and the consumer association to discuss just how the proposed package is going. It will not be funded by the taxpayers, as the member for Clayfield said. It will be funded by the electricity industry which, at the end of the day, is the taxpayers of this State. At the end of the day, we are trying to give the electricity consumers of this State somewhere to go if they feel that they have been badly done by.

Mr Santoro: The consumers are not going to go to it. You are likely to have a body that will cost you nothing because consumers will never use it. You can prove your point that it costs nothing.

Mr McGRADY: The older I get, the more tolerant I become.

Mr Santoro: Consumers will not think that.

Mr McGRADY: The honourable member is spoiling his record. I said before that he had been a good boy, but now he is starting to play games.

The independence of the ombudsman was raised. The Government of the day—somebody, somewhere—appoints an ombudsman. One could be accused of picking the person one wants, if that is the theme of the criticism. As we spelt out here before, the Minister of the day has precious little to do with arbitration and with how that office operates.

Mr Santoro interjected.

Mr McGRADY: The perception may be there.

As I said to the consumer association, let us go down this path. Let us see how it works. There are other jurisdictions in other States. Regardless of what the member says, the New South Wales Ombudsman's office employs more people than we are proposing here.

Mr Santoro: It is a big State.

Mr McGRADY: It is a big State. That is fine. However, if one considers the Ombudsman's office in Queensland and how that has grown over the years, one will understand my concern that a new

bureaucracy will be set up that will cost more and more and grow bigger and bigger and bigger. Today I am asking the Parliament to try the proposals that are contained in the amendments here today. At the end of the 12-month period, let us talk about it. There is no gimmick. I am not playing for time. I genuinely believe that this is the way to go. I have not criticised Opposition members. They are entitled to their opinion. On this occasion, we simply do not agree.

Mr Santoro: In Opposition it was your opinion also.

Mr McGRADY: That is fine. It is true that, when the previous Minister brought this in, there was no opposition to it. But when one is faced with a potential bill and the problem of finding the money for it, obviously as a Minister one has a duty to find out where the money is coming from.

Mr Santoro: The electricity industry.

Mr McGRADY: The money is coming from the electricity industry, but the electricity industry is you and I and every other person who consumes electricity. Whether the funds come from the Consolidated Fund or the industry, it is all being paid for by the same people. I am concerned that this could escalate into a major bureaucracy. What I am saying now goes down in Hansard. I am offering the shadow Minister this: after 12 months, come in, talk about it and, if this proposal is not succeeding, we will consider making some changes to it. That is the same offer that I have made to the consumer association. I am almost certain that I have put that in a letter to them. No games are being played. We are talking about considering the circumstances in 12 months' time.

I turn now to the other part of this Bill, that is, the pipeline. I appreciated the contribution made by the shadow Minister. Obviously, he has spent a great deal of time talking about the gas industry. That is fine.

Mr Rowell: A very important industry.

Mr McGRADY: It is a vital industry and an exciting industry, too.

I commend him for his homework. The Bill is not about the gas industry. The Bill is basically about changing dates. I think the shadow Minister understands that. However, the Bill gave the Parliament the opportunity to listen to the Opposition and, in particular, the shadow Minister. Quite honestly, I have nothing to fault him on. He had his facts right. I think it is about time that this Parliament spent some time discussing the energy industry in total. As the shadow Minister said, it is important, but it is also exciting.

Mr Rowell: If we don't get it right, it's going to have major consequences in the long term.

Mr McGRADY: That is right: if we do not get it right there will be major consequences. We know that. That is the reason we have not rushed into things. A debate is taking place around the world—certainly it is taking place in this country and in this State—about what we do about coal-fired power stations, gas-fired power stations, alternative energy, greenhouse emissions, where the Federal Government's responsibility lies and what place the Government has in the marketplace. Those are all issues on which one must make decisions based on the interests of the State and the people one represents and not necessarily along party lines. That is why I enjoyed the contribution of the shadow Minister. Obviously, he and his staff have done a great deal of research. I commend him for that.

As to some of the questions he raised in relation to the length of time the process has taken—I point out that that has occurred for that purpose. It is a moving industry. Things are changing on a daily basis, as the member knows. All I am asking the House to do today is amend the dates on which certain actions have to occur. That is all I am asking the Opposition for. I think that, generally, we are on the same—

Mr Rowell interjected.

Mr McGRADY: That is fine.

I thank the speakers today. I thank the member for Clayfield for the way he has articulated his concerns. Likewise, I ask him to take into account the reasons that I am going down this path. For the third time in this contribution, I give the member my assurance that after 12 months I would be more than happy to meet with him and the consumer association separately to discover how they believe it is going.

As I said, that was part of the restructure program that I announced and have advocated. Today we are bringing that to fruition. There has not been outrage from people in the community, because for the first time ever we will have a Consumer Protection Office, ombudsman, or whatever name one wants to give it. It is true that it will not be out there on its own in a separate building with its own director-general, but it will certainly be doing the same functions. People will come to it, because we will be advertising—

Mr Santoro: You hope.

Mr McGRADY: This debate in this Parliament today will advertise the fact that we will be putting in place an organisation where people who have a genuine concern or inquiry can go. How does it work now? If somebody has a concern about the electricity industry, they may go to their local member, ring up Ergon or Energex or whichever company the complaint is with, go to their local councillor or go to the Minister. Now we are setting up an organisation to which people can take their concerns. Problems will be mediated if possible. If a result cannot be obtained from mediation, it can be taken to arbiters who will be in place around the State. A panel will be provided to us from the association. It is not as though the Minister or the politicians are having a say. The Minister is not involved. I understand where Opposition members are coming from. I appreciate the point of view Opposition members have expressed today. If the Parliament supports what we are proposing, I give the Opposition a firm undertaking that after 12 months the member for Clayfield and I can sit down and consider how the scheme is operating. If it is a gigantic mix up, I will be more than happy to change it. It is not a matter of finance from the Government's coffers. The funding will be coming from the industry. I have nothing at all to hide. All I want is to provide that service to the people of Queensland.

Returning to the electricity industry—as the member said before, massive changes have occurred in recent years. In my first term as the Minister, I used to meet the Electricity Commissioner every Monday afternoon. We would sit there for an hour or two and go over the issues. Today, because there is competition in the marketplace, the circumstances are very different. There are the various Government owned corporations doing their own thing. They are all competing against each other. The Minister receives information from each of the corporations and cannot use it. The Minister has to be very careful about what is said, because one could let the cat out of the bag by saying something to one of the corporations that is competing against another. It is a totally different world.

I recall that, in my early years as the Minister, I appointed Rod Welford to look into alternative energies. At that time it was something new. Now it is an accepted form of energy around the world. We were the ones who pioneered that in those early days. As members opposite say, there have been major changes. I thank them for their support for the gas side of the legislation. I ask them to give this scheme a go. At the end of the day, if it is not working we will sit down and I will be more than happy to take their advice. If I agree, we will make the necessary changes. I thank all members for their contributions.

Motion agreed to.

Committee

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) in charge of the Bill.

Clauses 1 to 3, as read, agreed to.

Clause 4—

Mr ROWELL (4.10 p.m.): We raised this in our contributions during the second-reading debate. It is of some concern. Some consumer protection organisations are very concerned about this clause. Initially, the Minister indicated that he was going to get rid of the office of the ombudsman, but I noted—I was quite amazed, actually—when he delivered the second-reading speech that he said he was going to maintain the position of ombudsman for another 12 months. In essence, I suppose that is okay. The Minister has given a clear indication that if it is not working he will review the situation in 12 months. However, reviewing a situation is one thing; once a department is entrenched a number of good reasons will be put forward as to why that should not change. It will take some very compelling arguments from consumers, the shadow Minister at the time—I may be the shadow Minister—and whomever else for that to change.

To some degree it is a case of Caesar judging Caesar. Departmental staff are appointed and, as the Minister said, somebody has to appoint the ombudsman. But in all fairness to ombudsmen of whatever ilk, wherever they come from and whatever they do, they are generally very supportive of the groups that they represent, that is, the consumers—in this case the electricity consumers and the Electricity Industry Ombudsman. They certainly do represent people impartially.

The biggest problem is that there is a perception out in the community that the impartiality of the ombudsman will be taken away if complaints are to go through a consumer protection office. I suppose that office will be making every endeavour to respond to inquiries and complaints that come to it. However, that office may try to find solutions to serious complaints that may not necessarily be satisfactory to the

complainants. I am concerned that cases will not be investigated to the extent that an impartial investigation by the ombudsman would allow.

We have looked at this very closely. It is important to recognise that when they were in Opposition the members of this Labor Government, including the Minister, did not raise any issue regarding the ombudsman. I am sure that at that time they considered—and I do not think they will disagree with me—that it was an impartial sort of position to be putting forward in regard to a very important industry which, as the Minister has indicated, has seen massive changes occurring on a daily basis. There are Government owned corporations over which, as the Minister says, he does not have a great deal of control. They have their commercial in confidence arrangements to deal with. It is now difficult for the Minister even to get involved to the level that he may have been able to get involved, say, 10 years ago when he first became the responsible Minister in a former Government.

It is important that we do preserve the institution of the Electricity Industry Ombudsman in the existing Act. We do not want to see the establishment of this consumer protection office. Good reasons were put forward and there was agreement on both sides of politics for the position of ombudsman to be put in place. Unfortunately, that has not happened. Other jurisdictions, such as New South Wales, Victoria and South Australia, have a similar facility for people who want to make complaints. Basically, the Opposition would like to see the independence—the impartiality—of that office preserved in legislation in this State. As I said, agreement was reached, but for whatever reason the Minister has decided not to do that.

Cost is one of the reasons that the Minister has mentioned. I have not seen any figures at all produced by him or his department as to the exact differentiation between the cost of the ombudsman's office and the cost of the Consumer Protection Office. When one looks at the numbers of people, they do not seem to vary greatly. There would probably be a higher cost regarding the position of ombudsman. When one considers the importance of the electricity industry to this State, one realises that it is important that there be an impartial advocate for electricity consumers. I do not think that a small cost to each consumer would amount to a great deal of money in total. The staff still have to be housed in a facility, whether it is under the umbrella of the Department of Mines and Energy or in a separate building. That does not change, irrespective of which office we are talking about.

The numbers of staff do not vary greatly. We are talking about perhaps one or two more highly paid positions. We still have to look to the arbitrators in the event that arbitration is necessary. I can see very little difference in actual costs. I just point out again that when we put forward that legislation when we were in Government the Labor Party supported it—nobody from that side spoke against it—and now that the pressure is on for an independent and impartial ombudsman, that support has disappeared. What the Government is offering could be very similar, but unfortunately it does not provide the impartiality that I have been talking about. I am afraid that the Opposition cannot support the amendment that the Government has moved.

Mr SANTORO: I will be brief in my contribution. I want to express appreciation to the Minister for his very fulsome guarantee of a review at the end of 12 months. That is good as far as it goes. I will tell the Minister what I think will happen. I think that people will continue to avail themselves of the mechanism that currently exists in terms of complaints against electricity utilities—and the Minister identified it correctly—that is, in the main they will go to their local member. In making that statement, I do not want to suggest that I or other members in this place are not willing to receive representations from people. I think that we will receive them. In all probability, we will then either go to management or go to the organisation that the Minister is setting up. That is precisely the point that I wish to make: it is not going to be a genuinely independent review mechanism.

Most of our constituents will still keep coming to us rather than going directly to what the Minister believes and what we believe should be the independent arbiter and umpire. I just hope that at the end of the 12 months the Minister does not look at what I suspect to be a fairly poor hands-on experience by his independent umpire and say, "Well, there is no need for an independent umpire; there is no need for my set-up, let alone an independent ombudsman." At that stage I think the Minister would be reading it wrongly. I hope that he will then listen to the representations that will be forthcoming from consumers and also from members in this place.

As an elected representative for almost 11 years, I have dealt with many complaints. I certainly deal with an above average number of complaints in relation to the electricity

industry. As I stated in my contribution to the second-reading debate, people complain about sudden hikes in prices that they are being charged or the total amount of the bill. People complain about unfair disconnections and all sorts of things. That will continue to be the case, and people will still make complaints via local members. That is good. I welcome contact from my constituents about electricity complaints. That gives me the opportunity to interact with them a bit more and to get to understand how the bureaucracy and constituents interact.

I wish to take this opportunity to go on the public record to say that at all times I found the officers—and particularly people as high up as Mr Blinco, who has been heavily criticised of late in this place; this may be a debate for another time—within the electricity utilities to be very responsive, at least to me as a member of Parliament. I have not heard too many other members of Parliament complaining about their professionalism.

Mr Schwarten interjected.

Mr SANTORO: What was that? I did not think the honourable member was going to be terribly sensible or terribly nice to me. It is probably just as well that he did not repeat his interjection.

Mr Schwarten: I did not want to prolong your nonsense, that's all.

Mr SANTORO: It is not nonsense.

Mr Schwarten: You're just wasting time.

Mr SANTORO: We are not wasting time. We have plenty of time to debate this Bill.

I think the honourable member for Hinchinbrook is right; this will not be perceived to be an independent organisation. With respect, I do not think that the Minister has put up a satisfactory argument when it comes to the relative costs of the Electricity Industry Ombudsman versus the mechanism that he is setting up. Although the Minister sounds sincere—and on face value I accept his sincerity—the proof of the pudding will be in the eating, as the honourable member for Hinchinbrook said.

Mr Rowell interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! There is far too much chat across the Chamber. Honourable members will let the member make his own speech.

Mr SANTORO: In his interjection, the honourable member for Hinchinbrook made a good point about the Minister for Consumer Affairs, whom I think is fair dinkum about looking after the interests of consumers. However, the Minister says that there has not been an outcry. This is not something that lends itself to a massive outcry. It is something that is new in Queensland. This area has been well served, as the Minister acknowledged, via local members. Nevertheless, as members of Parliament, we all have a duty to look after the interests of consumers. As members in this place continue to raise the issue, I think the Minister will be revisiting this matter, and that will be to the ultimate benefit of consumers. I totally support the honourable member for Hinchinbrook. If he chooses to divide on this clause, I will be supporting him, because he made good arguments in respect of which the Minister has not adequately replied.

Mr McGRADY: Briefly, the member for Clayfield probably sees people in his office on a daily basis. At the end of the day, if he is unable to get a satisfactory outcome for them, he would refer them to the ombudsman. We still work to try to service our clients' needs. The same will apply here. People will go to the member for Clayfield with a complaint about Energex or some other entity. The member will contact the Minister's office or Energex directly. If he does not get any satisfaction, he will refer his client to the consumer protection office. It is exactly the same thing. We have done some estimates of the budget. Without getting down to the last cent—

Mr Rowell: Are those budgets available to us?

Mr McGRADY: Yes, I will give the member a copy. Basically, we worked out that the consumer protection office will cost about three quarters of a million dollars a year and the ombudsman would cost about $1.2m a year. There is a substantial difference. I will not table this document, but I will certainly give the member a copy of it.

Question—That the clause, as read, stand part of the Bill—put; and the Committee divided—

AYES, 39—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mickel, Mulherin, Musgrove, Nelson-Carr, Palaszczuk, Pearce, Pitt, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 39—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

The numbers being equal, the Temporary Chairman (Mr Reeves) cast his vote with the Ayes.

Resolved in the **affirmative**.

Clauses 5 to 7, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr McGrady, read a third time.

TRADING (ALLOWABLE HOURS) AMENDMENT BILL

Second Reading

Resumed from 23 November (see p. 5152).

Mr SANTORO (Clayfield—LP) (4.31 p.m.): I have indicated to the Minister outside of this place that the Opposition will be very pleased to support the Trading (Allowable Hours) Amendment Bill to the Trading (Allowable Hours) Act 1990. I have assured the Minister that the speaking list will not be too long.

The history that has led to the formulation and introduction of this Bill is very well known. It was obvious after the gazettal of the public holidays for 1999 that the Government would face some fairly difficult circumstances. There were attempts to get together the various interested parties—the consumers, the retailers, and the unions also obviously had an interest—in order to overcome the conflicts that this Bill will resolve. A consultation process took place. In the end, something which is fairly uncommon in politics occurred—that is, most of the interested parties managed to agree. I think that that is a credit to the Minister, the Government and to all the people who displayed goodwill towards an issue that had to be resolved.

As a result of the amending provisions in the Bill, consumers will be able to have reasonable access to food from retail outlets over the Christmas and new year period. It will also make it possible for staffing and rostering problems to be worked out. The many possible and unforeseen Y2K problems will also be minimised as a result of the trading and business arrangements that have been made possible through the provisions of this amending Bill. Overall, it is a good piece of legislation. In a Bill such as this, one could be tempted to allow oneself to talk about the more complex and controversial trading hours issue. That is not meant to be the case today, nor is it my personal desire or that of the Opposition. We are pleased to offer support to the Government. I hope that the provisions work to the benefit of all those who came together with a view to resolving the issues.

Hon. P. J. BRADDY (Kedron—ALP) (Minister for Employment, Training and Industrial Relations) (4.34 p.m.), in reply: I thank the member for Clayfield, the Opposition spokesperson on the Trading (Allowable Hours) Amendment Bill, for his support and words of support on behalf of the Opposition. I think it is important to adopt a bipartisan approach where we can on these issues. I express my appreciation that the member at all times on this issue, both this time and on the previous occasions, has indicated that he would support any sensible solution, and he has been as good as his word. It is important to note that there will be no change to the appointed public holidays over the forthcoming Christmas/new year period. There were some who would have preferred some extra public holidays. The Government made a decision that that should not be done. I think this is a good compromise. The retail traders and the unions have supported it, although there are some supplementary issues outside this legislation which made that easier to do.

I thank the SDA, the union involved in the retail industry, for their support. I also thank the RAQ. There were some matters that arose between us after this decision was made. They showed goodwill in turn by making certain arrangements about the shopping hours to be worked on New Year's Eve by reducing them so that workers would be able to get home a few hours earlier. Trading will virtually finish at 6 o'clock on New Year's Eve. But that is not part of the legislation. Over the last two years we have been able to get agreement between the Government, the Opposition, the RAQ and the unions. I think that that is a very healthy sign of a sensible community operating for the benefit of the workers, for the retailers and for the clients—the customers. The amendments proposed in this Bill address valid concerns raised within the retail industry whilst at the same time ensuring that adequate shopping days will be available to the public over the holiday period. That is very important. The workers have been given a fair go as well.

I say in conclusion that this Government remains committed to strongly supporting the autonomy of the Queensland Industrial Relations Commission. We take the view that the determination of trading hours for retail and non-exempt shops still is and should be a matter for decision by that tribunal based on submissions placed before it. This amendment Bill reinforces this position by ensuring that the

commission will have full jurisdiction to determine all trading hours arrangements in future cases where substituted public holidays are appointed. I thank my colleagues in Government for their support. I thank the member for Clayfield and the Opposition for their support. The arrangements entered into by the trading community can now go ahead for their benefit and for the benefit of the customers.

Motion agreed to.

Committee

Clauses 1 to 4, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Braddy, read a third time.

QUEENSLAND LAW SOCIETY AMENDMENT BILL

Second Reading

Resumed from 27 August (see p. 3696).

Mr SPRINGBORG (Warwick—NPA) (Deputy Leader of the Opposition) (4.39 p.m.): The Queensland Law Society Amendment Bill is another anti-consumer initiative of the Beattie Government. This Bill diminishes the rights of Queensland's consumers. It restricts the entitlements of those persons who suffer pecuniary loss through misappropriation by practising solicitors or their employees of money or property entrusted to a solicitor. It is clear that the current situation of the Legal Practitioners Fidelity Guarantee Fund is parlous. It is equally clear that urgent remedial action is required. Nevertheless, the coalition's position is that such action should not be at the cost of innocent people who have entrusted their faith and perhaps their life savings to a solicitor firm which have then been subjected to a criminal abuse of trust.

We firmly believe that the immediate answer to this problem is clear. The body of the fund is primarily made up of interest generated from money placed in solicitors' trust accounts by their clients. However, only a proportion of the interest moneys are deposited in the fund and the fund has a $5m ceiling. Not only that, but the moneys held in the fund are critical to the performance of the Law Society's regulatory role. Almost all of the society's regulatory functions have historically been paid from moneys deposited in the fund. What this means is that the share of moneys that defrauded clients actually get from interest moneys generated on overall clients' accounts is quite small. There is a need for this situation to be rectified to ensure that Queensland consumers do not become victims of both fraudulent legal practitioners and a Government that has been greedy enough to expropriate interest moneys that could have been used to bail these people out of their problems.

The other clear problem is that the fund is artificially limited to $5m. This is actually silly and has placed an ongoing impediment on the fund being able to expand to a more sustainable level. I will speak at greater length on these two points in a moment. However, at the outset I will address two policy matters. The first is Legal Aid.

At the moment, the bulk of interest moneys from solicitors' accounts is credited to Legal Aid. For example, during the past financial year around $8.6m was received by Legal Aid Queensland from statutory interest sources. It is plainly our view that Legal Aid Queensland should not be deprived of a cent of funding. While I believe that the Queensland Law Society goes too far, I note that in its submission to the Government's green paper on legal professional reform it suggested—

> "No justification exists for the Government continuing to use interest paid on clients' money deposited in solicitors' trust accounts to fund Legal Aid. The only legitimate and appropriate use for such money is for the benefit of solicitors' clients by funding an appropriate regulatory regime. Legal Aid is a Government responsibility."

I think this is one of the great problems, and this Bill perpetuates the problem, that is, up until now we have had a situation where Governments have used clients' moneys to benefit Legal Aid but have not left enough in the fund to benefit the very clients who have been harmed by solicitors. I do not pretend that this is an easy problem to fix. We should never be in the situation where we have a cash-strapped Legal Aid Office and a cash-strapped fidelity guarantee fund fighting over the crumbs.

The policy position set out by the Queensland Law Society has merit. It is the primary responsibility of Governments, both State and Federal, from consolidated revenue to provide sufficient funds for Legal Aid. If there are adequate amounts in reserve from the interest earned on solicitors' trust accounts after meeting the needs of clients, then those

moneys should also be allocated for Legal Aid. To me, there is something fundamentally wrong about a debate which centres on which of two deserving causes should miss out when the clear solution to the problem is for successive Governments to stop ripping off clients' interest moneys and start becoming accountable and responsible by utilising general funds in the consolidated revenue fund. If there is ever a crisis in Legal Aid funding, then the solution is not to create a crisis in the funding of the fidelity fund.

The first key benchmark of best political practice is looking after consumers and the needy by responsible funding and not by pitting one off against the other and trying to conduct a debate at the margin by arguing over who should get the scraps from an ever-diminishing revenue source.

My second point is that the legal profession itself has to play its part. I think all of us are getting sick and tired of legal fidelity funds getting into strife around Australia through a very small proportion of legal practitioners ripping off their clients. If the fund does not have a sufficient body at any particular time, then the legal profession itself will have to pay for any excess through levies. I fully support that part of the Bill which allows for levies to be imposed by regulation.

The Law Society also has to do its part in dealing with so-called entrepreneurial solicitors. I am always very wary of any proposal to exclude people from compensation who have been ripped off by professionals on the basis that the work was itself not part of their traditional work. The reality is that professionals are placed in a position of trust—I know that the Attorney-General appreciates this—in terms of bargaining power and of influence. They are in an unrivalled position to abuse their trust.

Solicitors, because of the very nature of estate, conveyancing and commercial work, are in a position to know their clients' financial affairs. Through the use of their trust accounts and the fact that they hold trust deeds, wills, powers of attorney and certificates of title, they are in a position not only to misappropriate funds but also to suggest certain commercial courses of action. I suggest to the Attorney-General and to the Law Society that many vulnerable persons who rely on their legal practitioners for advice could well be advised to do any number of things, including investments, and yet under this Bill they will be left out to dry.

The point I make is that it is fundamentally unfair to assume that a solicitor who has done the wrong thing by his or her clients will not abuse his or her position of trust in his or her professional capacity. In those circumstances I suggest that restricting compensation in the manner set out in this Bill could operate in a harsh and unconscionable manner.

The coalition approaches this whole matter from the viewpoint of the rights of clients. It approaches it from the viewpoint that there are certain ethical and professional standards that must be upheld. It approaches it from the viewpoint that if a client has been ripped off by a solicitor in his capacity as a solicitor, then the consumer should not be short changed by the State.

We do accept that changes have to be made, and by and large we believe that this Bill goes about things generally in the right manner. In particular, we support empowering the council of the Queensland Law Society to impose reasonable levies to meet any insufficiency of assets in the fidelity guarantee fund. We support empowering the imposition of levies by regulation and we support validating levies previously imposed by the council and providing for levies collected to be part of the fund and not to have been advanced by the society.

We welcome legislation to take away some of the inherently counterproductive restrictions that apply under the Queensland Law Society Act with respect to the fund. In particular, we welcome the move to do away with the restriction on the council not to be able to impose a levy on practitioners for the purpose of the fund of more than $20 a year or $100 during a practitioner's career. Obviously this restriction was unrealistic and has led to the council imposing general levies and providing money out of its general funds. Any move to clear up the legal doubts about these general levies is sensible and is to be welcomed. The then President of the Law Society, Jeff Mann, said in last year's annual report—

> "The pockets of practitioners are not a bottomless pit. Again, obligations imposed on practitioners to contribute to the Fund undermine viability of legal practices."

That is an important point that should not be lost sight of. For some time now the Law Society has gone out of its way to ensure that clients who have been victimised by the activities of certain dishonest solicitors are not financially disadvantaged. The point needs to be put on the public record. However, I do not believe that legal practitioners can walk away

from helping to indemnify the criminal activities of their colleagues. I do not believe that the current situation is fair for either innocent clients or honest solicitors. The situation has to change. There is a place for a proper and sensibly run fidelity fund. However, I believe that there is certainly an opportunity to pursue other ways of being able to indemnify clients in the event of fraud on the part of solicitors.

In the Australian Financial Review of 3 September this year, the Law Society estimated that successive State Governments have, since 1986, scooped more than $115m from interest moneys that would otherwise have been credited to the fund. I would suggest that if only a small proportion of those funds had not been diverted, then the injustices that this Bill will perpetrate would not have come to pass.

I would like now to comment generally on some of my perceptions with regard to the operation of this legislation. I would also like to talk about the perception of the legal profession in general. It is probably very fair to say that the legal profession, as a collective, is very similar to the political profession as a collective, that is, that we are not held in very high esteem in the community. However, it is also fair to say that, generally, legal professionals as individuals or politicians as individuals have a significant degree of support and respect in their own communities, because they are involved in the local church, they are involved in the local P & C or the local P & F, they are involved in the local Brownies, the scouts, or whatever the case may be and are very much community-minded people. Many people have respect for solicitors on an individual basis. However, I believe that the actions of some who engage in unconscionable conduct from time to time—and it is a minority; I do not know what percentage, maybe 2%, 3% or 4%—tarnish the reputation of the profession in general and, unfortunately, I believe, really undermine the good work that is done by very many legal professionals in this State.

However, as I indicated in my speech earlier, I believe that most solicitors realise that they are in a position of great trust for their clients; that in many cases, they are dealing with people who have been friends, and family friends, for a long period—people they come across in their local communities—and they know that they have an obligation to do the right thing by them. So what happens is that, occasionally, one of those solicitors runs off the rails; their inherent dishonesty comes out; they might have got themselves into an unfortunate situation or are unable to resist the amount of money which they might have deposited in their accounts, which is clients' money; and they run away with it or do the wrong thing with it. The same situation applies when dealing with first mortgage investments or loan investments.

I believe that is one of the reasons we have this situation with this piece of legislation before the Parliament which, in general, is reasonable legislation. But specifically, according to certain sections of the legislation, it is absolutely immoral, because it seeks to retrospectively deny a legitimate entitlement that some people who have been the victims of solicitors' fraud would have otherwise expected. I do not believe that we can come into this Parliament and pass those sorts of laws. I am sure that the Attorney-General, as a person who was the previous State President of the Council for Civil Liberties in this State, should have had some sort of moral or conscience problem as he set about doing this. I want to touch on that in a moment.

Certainly, we have one group of people in this State who are out of pocket to the tune of $6.5m collectively, and this legislation seeks to ensure that they may not be able to legitimately or reasonably recover any more than about $2m of that. That is absolutely and completely immoral. I say to the limited number of honourable members opposite that they have to think very carefully about the principle of what they are about to do here by passing this legislation and retrospectively denying those people a right and entitlement that they would have otherwise expected under the Queensland Law Society Act, as it existed before the passage of this piece of legislation—a process that is currently in place which probably would have seen those people legitimately expect to recover the $6.5m that has been defrauded—established, that is—from those people.

I wish to read into Hansard a letter that I received from some people. I will leave out the name of the offending solicitor because there may be some legal action pending. I believe that these are very, very salient points for members to consider. In regard to the Queensland Law Society Amendment Bill 1999, the letter says—

> "The above Bill has now been read a second time. We members of the ... Action Association are highly concerned with some sections of the Bill.
>
> ...
>
> Many elderly, self-supporting people were misappropriated of their life savings at the hands of a former Gold Coast

solicitor. Some of these are now sick and destitute.

PLEASE NOTE:- These funds were not lost through imprudent investment as suggested by some politicians we have met. They were stolen at source."

This comes back to what I was saying before; that these particular people, in common with many other people around Queensland, trusted that person. That person was their family solicitor. They knew that person for a long time. They knew that person socially. They knew that person in the community. They trusted that person absolutely. They entrusted their money with that particular person. They trusted that person to do the right thing by them. But that person defrauded them, let them down, and said at the end of the day, "Look, it is okay, because the Legal Practitioners Fidelity Guarantee Fund is going to look after you." We know now, by the actions of this Government in passing this legislation today—if it so does—that that will not be the case. The letter continues—

"The receiver, Mr. David Lombe, of Deloitte Touche Tohmatsu, allocated victims against the Queensland and New South Wales Law Societies on the basis of where the funds were entrusted."

So we are dealing here with a former solicitor in Queensland who was struck off; and also, I understand, a former solicitor in New South Wales who defrauded people in Queensland and New South Wales.

The important point to remember out of this is the following: New South Wales is going to move to assist those people. The letter continues—

"The New South Wales Law Society has decided to pay out victims in order of hardship, health, etc., 50% first payment, 8% interest and some legal expenses followed by further payment of the remainder as funds become available. The first victims are about to be paid."

They say—

"OUR CONCERN WITH THE QUEENSLAND BILL"—

and this is very, very important—

"Included in the Auditor-General's report to Parliament in 1998/1999 on Audits performed for 1997/1998 ... Section 4.2, is the Legal Practitioners Fidelity Guarantee Fund. 'The Legal Practitioners' Fidelity Guarantee Fund is administered by The Queensland Law Society Incorporated (QLS) in accordance with the Queensland Law Society Act 1952. The fund is used to reimburse members of the public for losses suffered by threat or misappropriation by solicitors and their staff.

...

Part of the Queensland Law Society Amendment Bill, 1999 is an attempt to reduce liability and minimise refunds to victims.

Amendment of s 24 (Application of fund)

Clause 6.(1) Section 24"—

and I intend to have some more to say about that at the Committee stage—

"In working out the amount to be applied for reimbursing the person, the council may—

(a) have regard only to the amount invested, or purported to be invested, as principal for the loan or purported loan; and

(b) deduct any amount, whether of principal, interest or another payment however described, paid in relation to the loan or purported loan, that the person has received."

They say—

"... Insertion of new s 24C

Clause 8. After section 24B—

insert—

'Fund does not protect investments

'24C.(1) This section applies if a practising practitioner receives or holds an amount on trust and is instructed to invest the amount.

(2) A claim may not be made against the fund for reimbursing pecuniary loss suffered because of the practising practitioner's unlawful conduct in relation to the amount.

(3) However, subsection (2) does not apply if the principal purpose for which the practising practitioner holds the amount on trust is a purpose other than investing the amount.

Clause 6 is highly unacceptable because it deducts interest paid by"—

the solicitor—

"... on the purported loans from the principle purported to be invested."

This is a very, very important matter that we are discussing—a departure from the way in which the Legal Practitioners Fidelity

Guarantee Fund has operated over many years. The letter states further that the solicitor—

> "... convinced his clients (with fraudulent documents) that he had made investments on their behalf. He misappropriated the funds but paid monthly interest, covering up the theft. It means that investors who were long time clients would receive no return of principal, eg, 8 years with"—

the solicitor—

> "at 12.5%. Misappropriation goes back to the 1980s. New South Wales is not regarding interest paid as return of principal. Clients allocated against Queensland are being discriminated against. Clients of the same solicitor are being treated differently."

Lorna Bartholomew and Robert Firth state further—

> "On behalf of our Association—

we—

> "met with Independent Mr. Peter Wellington on Thursday 16th September 1999. Mr Wellington asked our representatives which section of the Bill they were dissatisfied with and, after re-reading Amendments s24.Clause 6 and 8, Mr Wellington commented (according to Lorna's memory) 'This is totally unacceptable. This State spends thousands of dollars advertising Queensland as the State in which to invest. No one will want to invest in a state where interest is considered as payment of principal. This Bill could have devastating repercussions for any investment in Queensland. It is totally against all economic law' "—

and at that point I include fairness as well. The letter continues—

> "During the period of misappropriation, solicitors advertised that they have a Fidelity Fund, yet this supposed protection was not viable because the Queensland Government, for many years, has scooped off excess funds to fund Legal Aid, surely a community responsibility."

The letter states further—

> "We ask the question, 'What protection has any Queenslander (or people investing in Queensland) got when funds are misappropriated?' "

I would add "under these circumstances". The letter states further—

> "We are not trying to get anything that is not rightfully ours. We are trying to get our principal back not (principal as payments of interest"—

the solicitor—

> "made to us).
>
> We are quality Australians who have worked hard, fought for Australia, involved ourselves in a range of community services, some decorated for bravery and service and all working towards self-funding retirement so that we are not a burden on this country. None of this has been recognised and we are being treated like greedy failed investors trying recoup losses.
>
> We therefore, request that you look closely at this legislation and we ask for your support by amending it.
>
> Yours faithfully,
>
> Bart Bartholomew."

I think that that association has put the problem very succinctly, because it is a moral and ethical problem. This Parliament has, as its primary responsibility, an obligation not to legislate to snuff out retrospectively people's legitimate entitlements but to legislate to protect the entitlements of people. In those circumstances, any legislation that we pass should be only prospective, not retrospective. None of us would like that to happen to us. We have the situation in which those people have now lost the principal source of their income for the rest of their lives. This Parliament is going to be party to that. This Parliament is going to be responsible for passing legislation that seeks to take away their rights.

No doubt, the Attorney-General will stand in this place later and argue that the situation will be only a base consideration for the Queensland Law Society. However, the Queensland Law Society has said that it will be bound or guided by the legislation that will be passed by this Parliament. So the Attorney-General will argue that these people—these honest, hardworking Australians who have been broken by this incident—may, in actual fact, receive all of their entitlements. We know full well that, once this principle is enshrined in legislation under this new section, they are not going to. It is going to be used as the base position for the Queensland Law Society when it is considering the claim against the fund.

I will explain to honourable members what this issue is basically all about. Previously, if a claim had been made against the fund, that claim was paid out in full. An archaic section in

the Law Society Act states that there is a cap of $60,000 and that the Law Society is not bound to pay out any amount above $60,000. However, during successive Governments in this State, it has done that. We need to appreciate that. Historically, that cap, which is antiquated and needs to be looked at as well, has never been used. Now we see a situation in which the Law Society is saying to the Attorney-General—and the Attorney-General is passing it on as some sort of indicative threat to the Parliament—that if the Parliament does not move with regard to these investment loans, then the Law Society might act on that $60,000 cap and not pay out anything. That is the threat. However, the important point to note is that, historically, that cap has never been used.

This is what is happening. Let us say that a client of a solicitor invested $100,000 with that solicitor in 1989—10 years ago. Over the past 10 years, that solicitor has paid out 10% interest a year. Those interest payments add up to $100,000. At the end of the day, the solicitor has defrauded the original $100,000 principal which was in his trust account and has run away with it. When these folk who are members of this association went to see him, initially they said to solicitor X, "We would like our money." He said, "It's right there. Here's your next interest cheque." When they go back to see him they are then told by the solicitor, "Bad luck, it is all gone." Notwithstanding the fact that the solicitor looked after himself reasonably well by apparently diverting assets off elsewhere, those people were told that the money was gone. They were then told that they would be able to claim against the fund.

However, this legislation considers interest payments as payments of principal. This legislation says that, in relation to that $100,000 that was invested initially, the $100,000 that was paid subsequently in interest will be treated as principal. So that $100,000 will be deducted from the $100,000 invested and the obligation on the Queensland Law Society, in considering its liability, may be zero, because the interest payments made are to be treated as principal. Similarly, if a person had invested $100,000 six years ago and there had been six interest payments of $10,000 per annum—that is 10% and $60,000 over that period—the $60,000 that had been paid in interest would be considered a principal repayment, which leaves that particular person expecting to receive only $40,000.

Over a period of 10, 12, 15 years, or whatever the case may be, many of those people who entrusted their money with their solicitor have been paid more in interest than the principal amount that they invested. Imagine the hue and cry around this State or nation if 20 years ago somebody deposited in their bank $200,000 and went back to withdraw that amount of money after a certain period and was told by the bank that the $200,000 has been paid out in interest over the subsequent 20 years and that, therefore, the bank would not be paying that person the invested principal amount.

Mr Bredhauer: But they didn't invest it in a bank.

Mr SPRINGBORG: The issue is that those people invested in a system, whether it was a loan mortgage, a first mortgage investment, or whatever the case may be. Some of those people transferred money across from trusts. They were told by the solicitor, "Have I got a deal for you." The important point that the Honourable Minister is missing is that those people's money was in a fund and they were protected by the Legal Practitioners Fidelity Guarantee Fund to the extent that their full principal could be paid out in the event that something went wrong.

If the Honourable Minister does not believe me, then he should contact the Honourable Jeff Shaw, who is of Labor ilk and who is also the Attorney-General in New South Wales. He has indicated to us and also to the Attorney-General that there is a moral obligation on the State of Queensland to ensure that these people are paid out, because that is what he is doing in New South Wales. That Government recognised that what happened was wrong. We in Queensland probably also recognise that it is wrong, but we are saying that it is all too hard, that there is not enough money in the fund and that we cannot come up with some way of overcoming the problem. So, instead, we are pulling back on a principle that states that those people have a right to be justly compensated.

There is a very close correlation with the argument about money that is put into a bank. The important thing is that those people put their life savings into the bank. When they do not get their principal back, they become what they did not want to become. They become reliant upon the Commonwealth to pay them a pension or some other form of income support. They did not want that or expect it. They made what they thought was a reasonable investment, trusting their solicitor. We know full well that those sorts of situations will occur in the future. If the Attorney-General wants to do this, he should move to do it

prospectively, not retrospectively, because those people had a legitimate expectation that they would be justly compensated for what happened.

I have had the opportunity to meet with those people and I appreciate their concerns. I know that the Attorney-General has met with them and spoken about those issues. They are very reasonable people. In this particular case, they are principally from the Gold Coast. The Attorney-General knows, as I do, that other impending issues will possibly become a drain on the fund over the next couple of years. We know that. However, we have an obligation to the people who have been affected to date not to retrospectively deny them a just entitlement or right. There are ways of overcoming the structural problems to ensure that the money is available to assist us in meeting that obligation into the future. That is important.

In my discussions with those people, they were not unreasonable. I said, "Let's say we come up with some sort of amendment where you could be compensated the full amount over five or six years. Would you be happy with that?" They said, "Yes, we would be happy with that. We don't want the whole lot up front right now. We would be happy if we received it over a period. Some of us invested several hundred thousand dollars and others invested less than that. As long as we had an indication, similar to what happens in New South Wales, that we could be paid as money becomes available to the fund, we would be happy."

There may be a degree of mirth on the other side of the House about this, but the New South Wales Attorney-General has recognised the principal of paying people their full principal amount, not the crafty idea of taking the principal, subtracting the interest and then treating that as principal. He has also recognised that there is an entitlement to interest at the rate of 8% and reasonable legal fees as well. Is there something wrong with what Jeff Shaw is doing in New South Wales? There is nothing wrong with it at all. He has recognised something.

I have tried to point out the problems with the legislation and I have also tried to come up with some suggestions to solve those problems. I know, as the Attorney-General does, that we have a significant systemic and structural problem in relation to the Legal Practitioners Fidelity Guarantee Fund. I am sure that the Attorney-General appreciates that. He also knows that there is a difficulty in extracting from consolidated revenue the amount of money that this State requires to run legal aid. The Attorney-General often talks about the Commonwealth's role in relation to legal aid. He knows full well that I am not supportive of the Commonwealth's position. Over the last year the Commonwealth Government increased the amount of money that goes to legal aid by about $1m, but that is terribly insufficient. We know that. We have no problem with saying that. We have no problem with offering the Attorney-General all the support that he wants if he goes to Canberra and battles with the Commonwealth on the issue of legal aid. That problem has been addressed somewhat in the past year, but it is still behind what it was.

In Queensland, during the Budget deliberations it has been far easier for Treasury to shift the obligation to the Legal Practitioners Fidelity Guarantee Fund by diverting the income stream that goes into the fund. Even a Master of Economics would probably be incapable of understanding completely how the thing operates. Basically, there are a couple of income streams. In the first instance, a certain amount of money is diverted into legal aid and a certain amount of money goes into the Legal Practitioners Fidelity Guarantee Fund. Another income stream goes off here and another over there and so on. That creates some of the problems.

To give members some idea, in the past financial year in Queensland, about $10m in interest was earned on the trust accounts of solicitors. That is clients' money. Do members know what happened to that money? Of that $10m, $8.6m went into legal aid and $1.5m went into the Legal Practitioners Fidelity Guarantee Fund. In this State, the Legal Practitioners Fidelity Guarantee Fund, or the solicitors' fidelity fund for short, is in a parlous state. Technically it is bankrupt. It cannot meet the expectations of aggrieved clients who have been affected by the actions of defaulting solicitors. It cannot meet the expectations of the honest solicitors of the State, who are overwhelmingly in the majority and who have to be levied to try to ensure that some degree of payment is available.

I will move a series of amendments to the legislation. I will move an amendment that seeks to strike out the obnoxious sections of clause 6 that deny retrospectively the rights of people, who have lost money that was invested with solicitors, to reliably or reasonably expect that they can be compensated for the full amount of principal. We are talking about the principal amount invested and not the principal minus interest which is then considered to be the principal. We are talking

about the amount of principal that was invested forgetting the interest, because interest is interest. It is the same if someone goes to the bank and invests money. I will move an amendment to take the situation to where it is now.

We know full well that the $60,000 cap has never been used. We know full well that it is being used as a threat in this particular case. Why should it be used as a threat now when it has never been used in the past? Why should the $60,000 cap on payouts be used as a weapon to put legislation through this Parliament that will deny a justifiable entitlement to people who have lost money that was entrusted to their family solicitors? I will be seeking to remove that clause from the legislation. If that amendment succeeds, it will leave the current situation intact, that is, the Law Society is bound to consider paying out the full amount without the crafty base that is being built into the legislation.

I will then seek to move an amendment that will increase the ceiling from $5m to $10m so that the fund is able to build up to a reasonable base. In that way, it will contain a substantial amount of money to cover claims that are made in the future. At the moment there is legal aid, which is a legitimate area of Government, and there are the legitimate expectations of the victims of defaulting solicitors. We are picking winners and losers when we should be looking after both groups. My amendment is about putting a reasonable ceiling in place.

The amendment also seeks to restrict any diversions from that income stream until such time as the Legal Practitioners Fidelity Guarantee Fund builds to $10m. After it has done that, the money will trickle over into legal aid. In that way, the fund will contain a substantial amount of money that can be used to fund the victims of the sort of fraud that we have been talking about. A sum of $10m is reasonable. While that will cause a shortfall in legal aid in the first instance, the State has an obligation to fund that out of consolidated revenue. We must not penny pinch over the protective mechanism that looks after the victims of fraudulent solicitors.

People are cynical enough. We only have to look at the issue of negligence claims against solicitors and the insurance companies that look after them. We hear cute arguments about what negligence is and what fraud is. People say, "We can't compensate you because the money was in his general fund and not his trust fund." People say, "That is a matter of negligence", so the matter goes to the insurance company. The claim might be $5m and the company spends $3m fighting it and then comes up with a cute argument that it is fraud, and it goes backwards and forwards. We have to do away with those cute arguments and be genuine about really looking after people. I am talking about providing a solution. I know that there is a revenue implication from it—

Mr Foley: What is your solution?

Mr SPRINGBORG: The Attorney knows that in other States the ceiling is much higher than it is in this State. I think that he is a reasonable man when it comes to these sorts of things.

Mr Foley: I am asking you what your solution is.

Mr SPRINGBORG: I am coming to that. We know that the Budget review process dictates that the income stream for legal aid principally comes from the interest on the legal practitioners' trust accounts. I am trying to say let us establish a principle here in Parliament that the State should be funding legal aid principally from the Consolidated Fund. Once the Legal Practitioners Fidelity Guarantee Fund reaches a sustainable level, there is an opportunity for that income stream to then be returned to legal aid.

In my amendment we will seek to lift that ceiling from $5m to $10m and to ensure that the income stream which is diverted away from the Legal Practitioners Fidelity Guarantee Fund is not diverted away from the solicitors' trust accounts until such time as the fidelity fund reaches $10m. Once it does, it will then spill over into legal aid. When it drops back below $10m, the income stream is then diverted solely back into the Legal Practitioners Fidelity Guarantee Fund.

Mr Foley: So who should pay for all of these claims?

Mr SPRINGBORG: Who should pay for all these claims? Quite clearly, because they predate this legislation, there is an obligation on the Law Society and I suppose, by implication, on the Government. We have a legislative responsibility to put in place a mechanism whereby the fund can become solvent and these people can be paid from the fund—we are dealing with claims made prior to the legislation being passed—as the fund comes into a financial position that would enable it to pay claims. That is what I am saying. It is a bit similar to the principle which is being adopted in New South Wales.

Let us accept that there is not enough money in the fund now. I am trying to put

forward a solution. The Minister might have some problems of a financial nature with it—I appreciate that—but it is a reasonably well thought out solution. It says that we agree that they should be paid their amount of principal in full—not the principal minus interest—over a period of time. That is why it is my intention to try to strike out clause 6, which provides that interest is not to be considered as part of the principal.

I have suggested a solution. The Attorney may not necessarily think it is a solution, but at least it is something that can be considered by this Parliament. It is something that has been reasonably thought through, notwithstanding the issue of the funding of legal aid, which I know has been a historic difficulty for Attorneys-General in this State. I know that; we all know that.

Unfortunately, the funding of justice in this State is the mid range of our process. We have police on one and we have corrections on the other side. The administration of justice is considered to be the non-sexy side, quite frankly. We are always able to find significant revenue to fund enforcement and putting more police out there on the streets, and that is good; I welcome that. We are always able to find significant revenue for the corrections side, which is important as well, to make sure that we have a sufficient number of prisons. But in the middle, in the very, very important area of the administration of justice—

Ms Bligh interjected.

Mr SPRINGBORG: I know hear a bit of mirth from the member for South Brisbane and also the member for Cook. But that is something that is referred to not just by me but by many in the legal profession in general—even members of the Bench. I am sure the Attorney-General appreciates that point. People like to see police on the streets, and that is great. We like to know that the bad crooks are going to go to jail. So we have police and jails. But who processes them in the middle? The courts!

Mr Bredhauer: Are there good crooks? Where do they want to see the good crooks?

Mr SPRINGBORG: I am talking principally about violent and sexual offenders. I think there is a widely held belief that a range of non-violent offenders should not be in jails, but those other sorts of criminals should be. They want to know that the nasties will be put away.

In the middle is the administration of justice. Whether it be the number of magistrates or the number of judges, the resourcing required for the courts or the funding required for legal aid, it is a very, very difficult case to have to argue. Perhaps I should say that it is easy to argue for the funding but it is not such an easy thing to be able to secure that funding. It is something that is out of sight, out of mind. Every day of the week people see that somebody has escaped from prison and every day of the week people see a police officer on the street, but they do not always come across a judge, a magistrate or a courthouse.

I do not think that the important area in the middle, the administration of justice, is given proper consideration. That is why such reliance has been placed on the income stream from solicitors' trust accounts. It has been used to fund legal aid in this State instead of those funds going principally where they should go, that is, into the Legal Practitioners Fidelity Guarantee Fund. Let us break from the way we have been doing things. Let us recognise the principle.

The other option, I suppose, is to support the ceiling of $5m and then to make sure that the income streams for the Legal Practitioners Fidelity Guarantee Fund are not directed to legal aid until such time as the fund reaches $5m. I must admit that it is hard to understand how all this works. When there is the situation in which $10m is earned in interest from solicitors' trust accounts and only $1.5m goes into the fund and it is in a parlous state, one really has to sit back and think, "How could that be the case?"

I would say that there are some good aspects to the Attorney-General's legislation, but there are also some quite worrying aspects to it. We have enshrined in this legislation a principle that I believe offends basic justice. People such as those who have been defrauded in the circumstances previously outlined should be able to have an expectation that they will be paid out in full, notwithstanding the $60,000 cap which has not been enacted in the State insofar as I can recall. What we need to do tonight is to prevent moving away from that very, very important principle in this legislation. People have a just right to compensation. We have to look at the structural problem that exists within the Legal Practitioners Fidelity Guarantee Fund. I am not even saying that that fund is the best way to go in the future. I know it is a moot point; it is a debate that the Attorney is having with his department, with the Law Society and with people who have an interest in this matter. I do not really know what the answer is. There is the issue of fidelity bonds,

of structuring a proper fidelity guarantee fund. Who knows at the end of the day?

At the Committee stage I will move an amendment to address some of the structural problems which have existed historically not only under this Government but also under successive Governments in this State because of the difficulty in being able to secure appropriate legal aid from the Consolidated Fund. As a result of that, the responsibility has been transferred to the Legal Practitioners Fidelity Guarantee Fund, which was set up to protect the victims of defaulting solicitors in cases of established fraud. The vast majority of very good, honest and hardworking solicitors throughout Queensland have a reasonable expectation that in the event that one of their own does something wrong, there will be some protection for themselves and also for the clients.

Mr BEANLAND (Indooroopilly—LP) (5.28 p.m.): In speaking to the Queensland Law Society Amendment Bill, I point out that many of the people who enter into the types of investments addressed in the Bill put all of their assets, apart from their home, into this area. In other words, this is their sole investment. Unfortunately, in the past, people have believed that, because they were investing through a solicitor and because the investment was in bricks and mortar, it was secure. As we know, such investments can come apart, and that is what we are discussing today.

People put various amounts of money into these investments. Some invest only a few thousand dollars; others invest hundreds of thousands of dollars. In either case, this can be the sole investment into which people put whatever assets they have apart from their residential home. I recollect that some time ago the other States were getting into trouble in this area. It does not surprise me that this issue has come home to roost in Queensland. Prior to May 1996 I was not aware that such large sums of money were tied up in these types of investments. Across the State, particularly on the Gold Coast, which has already been mentioned, to a lesser extent on the Sunshine Coast and also in Brisbane, some hundreds of millions of dollars were invested.

I still find that many of the complaints that people make about solicitors relate to this area. In fact, about 80% to 90% of complaints relate to this type of investment offered through solicitors. Nevertheless, I was shocked to see this legislation being introduced. Whether we like it or not, the State has a moral obligation in this area. Unfortunately, we have allowed this to go on unchecked. I accept what the Minister said in his second-reading speech. He has obviously held discussions with the Law Society and they have come to an agreement that it is reasonable for the Law Society Council, in accordance with its previous practice, to not impose the cap on claims of $60,000 per practitioner. I understand that that cap has never been enforced. That is my recollection. The Minister can indicate otherwise in his reply. If that is not the case, I am not sure when it was enforced. As far as I am aware, it has never been put into practice. It is unfortunate that that $60,000 cap is in place. I am sure any full-scale review of the Law Society and the Legal Practitioners Fidelity Guarantee Trust Fund would recommend its removal. This relates to the general issue, which I will touch on further in a moment, of the way in which interest on solicitors' trust funds is treated.

Also, under the Bill the claims in respect of investment loans are not to be met to less than the principal after allowing for amounts paid, that is, interest payments are now part of principal, as the shadow Minister indicated. That is unfortunate. Other allowable claims are to be paid in full unless there are other special circumstances.

As I indicated, this whole area came to my attention only in May 1996. Prior to that time I was unaware of the amount of money invested in this area. At the time, the Government moved to rectify the problem as best it could. As I recall, there was a fair bit of abuse of yours truly because of the action taken at that time; some legal practitioners felt that they had some right to continue as they had over a number of decades, particularly in the late eighties and early nineties, which seems to be the era in which this practice took off. They felt that they should be allowed to continue. Certain provisions were put in place then in relation to what was covered and what was not covered. This is not the normal business practice for a solicitor.

The Legal Practitioners Fidelity Guarantee Fund was established in 1930 to reimburse people who suffer pecuniary loss as a result of stealing or fraudulent misappropriation by a solicitor of any money or property entrusted to the solicitor in the course of his or her practice. It was established at the request of the legal profession at that time, which recognised that defalcation by a solicitor reflects on the whole of the profession. It wanted to ensure that there was a fund to reimburse innocent victims. I understand that. What a change

there has been since 1930 in terms of this type of practice.

What was contemplated in 1930 as a solicitor's practice is very different from some practices some solicitors engage in today and engaged in back in the early nineties and late eighties. It is estimated that some hundreds of millions of dollars are currently invested in contributory mortgages arranged by solicitors in Queensland on behalf of their clients. The money invested in these investment loans, or contributory mortgages, through solicitors is inherently no more at risk than any other money or property entrusted to a solicitor. As far as I am aware, in 1996 there was no indication that any funds invested in mortgages were in any danger at that time, and I made a note to that effect. This has not been the traditional role of solicitors. That was the issue then. I am sure that is something which the Attorney-General is now relying upon for this course of action. The legislation in May 1996 applied from that date. It was not made retrospective. As my colleague the shadow Minister pointed out, what we are doing is bringing in retrospective legislation. There is no denying that.

I maintained then and I still maintain that this work undertaken by solicitors is more along the lines of that of an investment broker. As I indicated back in 1996, the fidelity fund should not be expected to cover such losses. However, we did not make the legislation retrospective, because we felt there was a moral obligation on the Government at that time to cover the situation that occurred up to that time. The purpose of those changes in May 1996 was to remove from the scope of the fund liability for any defalcation by a solicitor in connection with contributory mortgages in respect of which instructions are given by a client, after the date of commencement of that piece of legislation.

This legislation is taking a different course of action. The Minister indicated at the time—and he can correct me later if this is not the case; it is not harmful to his position—and all sides of the Chamber agreed that it was a matter for the Australian Securities and Investments Commission—ASIC—to look at this area. I remember spending a great deal of time putting pressure on ASIC to come up with a formula to cater for this area. Much to my shock at the time, I found out the amount of funds involved. Prior to that time, I never would have dreamt that lawyers were so heavily involved in the investment banking/financial securities area. Fortunately, I understand that ASIC has now become involved in this area. My colleague the shadow Minister indicates that I am right about this.

Mr Springborg: Over $5m.

Mr BEANLAND: That is right; over $5m. I do not keep track of these matters as I once did, because of my other shadow responsibilities. With three parliamentary jobs—and it is four, if we include looking after the electorate—it is hard to find enough hours in the day to keep track of matters such as this. Having said that, I am pleased to see that ASIC has now become involved and has imposed certain requirements. That is long overdue. Through its involvement, I hope that we do not find this situation occurring in the future. I do not believe that it does Government members or any other parliamentarian any good when these situations arise; a bitter taste is left in the mouths of the people affected by this.

Contrary to what I think some members of the Labor Party believe, many of these people are not wealthy. Some are far from being wealthy. As I said, some probably have only a few thousand dollars which they have invested in these schemes. I have asked people why they went down this track. They tell me that they believe investments in bricks and mortar are safe; that they felt safer also because a solicitor was involved; that they do not want their money in the share market, a bank or some other institution. These people have told me that they believe such investments are far safer and more beneficial than others.

Having said all those things, I must say that the Bill is nevertheless anti-consumer. I can understand the concern of those people. I am surprised that they are not speaking out more and that we have not heard more comments about this matter from those affected. I understand that there is one particular solicitor involved at the moment, but in time there could be others. As I recollect, tens of millions of dollars was lost in this fashion in New South Wales and Victoria. If I recollect correctly, the Government came to the party in both States. I think the Governments of those States may still be paying out the large sums of money involved. Someone can correct me as I am going on memory, but I am sure I am correct. In May 1996 I feverishly went about doing some very in depth investigations over a couple of weeks to try to sort out this matter at that time. I am sure it was some tens of millions of dollars in both States. I am sure that, in some cases, those Governments are still paying out that money.

The Governments in those States have accepted their moral obligation. I do believe that, regardless of who is in Government, the Government has a moral obligation in this regard, as unhappy as we might be about that. Nevertheless, these people through no fault of their own but with a belief in the system have been affected. I have not been privy to all the details surrounding this particular solicitor who has ripped these people off, although I am sure the Minister and the shadow Minister are aware of that information. But, as I understand it, through no fault of their own, they have been ripped off by this particular solicitor but the system has let them down. I do not think there can be any argument that that is the situation. Therefore, the Government has a moral obligation.

Currently, the amount involved in this particular case is $6.5m. I know that the Legal Practitioners Fidelity Guarantee Trust Fund has been having some difficulties. I recognised that when I was in office; the Minister recognised that in his second-reading speech. I accept that there is no easy solution to the problem, but in many respects that is a separate issue to this matter. Sure, it is the same issue when it comes to finding the money, but it is a separate issue in relation to the issues we are confronted with here. It is an issue to get the fund in credit and to get it looking after normal legal situations where there is defalcation. There is no question that that needs to be done.

The shadow Minister indicated that perhaps we need to look at the legal aid system. I know that Treasury will not like coming to the party with more funds. The interest from solicitors' trust funds has been used for legal aid purposes and to fund professional conduct investigations by the Queensland Law Society. I am not sure that that is the correct title for those investigations, but the title is something of that nature. The fund assists in paying for the cost of investigations into solicitors. So there are three areas that immediately come to mind for which the interest from that trust fund is used.

It seems to me that that is going to have to be looked at. Again, we cannot expect solicitors to continue contributing to further levies. I am not talking about those at the top end of town, I am talking about the ordinary suburban solicitor who, contrary to what many people might think, is not rich. In fact, many of them find the going very difficult indeed. They would be lucky to net $50,000 a year. That is the same with a lot of country solicitors. Of course some are doing much better than that, but I am talking about the average. I know a lot of people who are no longer practising in the law because they are unable to make a living out of it. Those at the top end of town in the big buildings around the city heart who deal with the big corporate clients are doing very nicely indeed; we are not arguing about that. I am talking about the average solicitor out there who is finding it tough and who is not able to continue to contribute large sums of money each time the Law Society calls for it. I do not pretend for a moment that they can.

There has to be a reckoning. One has to look closely at the fund and how it is going to be handled in the future. Treasury will have to look at this seriously, too. Clearly, consideration needs to be given to additional funding and the approach to be adopted in the future. This matter relates to the way the whole legal fraternity operates, but I do not want to get into that. Because it is not really relevant to this matter I do not want to get into a discussion on whether there should be more regulation, as suggested by the green paper circulated by the Minister, or more deregulation, which I was contemplating.

This legislation is retrospective. Even if one were to lift the ceiling on the fund from $5m to $10m overnight, that is not going to help this current situation or help in other situations for some time to come, because the income will not be coming in. I am sure that the Minister, the Government and the Department of Justice are certainly aware of that.

Clearly, this has been an issue that has been going to happen for a while. I hoped back in 1996 that it would not occur because of the changes we made then but, nevertheless, I expected that at some stage the Government would be faced with a moral obligation to find some millions of dollars—not to the same extent of New South Wales or Victoria—to pay out at some stage. The fact is that that time has now arrived. The Government is tackling it in a different way. As I say, I do not agree with the way in which it has been tackled, but that is a matter for the Government of the day. It is in Government; it has to legislate.

I do not think that it does any good to talk about the existing cap of $60,000. That has never been applied. It should go. I think it is just a nonsense; I remember telling someone that at some stage. The Government will have to look at this issue. This may not be the only case that will come forward but, at the end of the day, we have to keep in mind that many of these people involved are in fact battlers. They certainly qualify as being battlers. Most are not

in the upper echelon. Sure, some of them might be, but the ones I have spoken to over time are battlers. This is their sole investment. They are finding it difficult, and of course they are going to find it a lot more difficult now that the payment of interest is to be treated as repayment of principal. I am therefore somewhat shocked to find this legislation coming forward.

Mr PAFF (Ipswich West—ONP) (5.48 p.m.): I rise to speak on the Queensland Law Society Amendment Bill. I commend the Government and particularly the Attorney-General for initiating a review of the Queensland legal profession, particularly in the area addressed by this Bill. I understand that the impetus for this Bill is the financial state of the Queensland Law Society Legal Practitioners Fidelity Guarantee Fund and the very serious question of whether it is able to meet its commitments. These concerns have been brought to a head by recent events on the Gold Coast which have resulted in claims totalling $6.5m. I wish to address the circumstances by which the affairs of the Queensland Law Society fidelity fund have come to such a sorry state. Let me begin at the beginning.

When a client of a solicitor deposits funds into the solicitor's general trust account, the client receives no interest or direct benefit from those funds. A form of imputed interest is paid directly from the bank to the Queensland Law Society. In the 1998-99 financial year, this amounted to approximately $9.6m. This money, which is, in reality, the property of the individual clients of our legal system, is spent in the following way: $30,000 for administration; $480,000 for the Grants Fund; $960,000 for the Supreme Court Library; $960,000 for continuing legal education; and, last but certainly not least, $7.2m goes to prop up our legal aid. Yes, members heard me correctly: a whopping $7.2m of clients' money is siphoned off by the Government for legal aid.

Each solicitor has to make a deposit into a statutory deposit account. The size of this deposit is relative to the normal balance of a particular solicitor's general trust account. A portion of the interest earned from this account comprises the major source of funding for the fidelity fund. The interest is split fifty-fifty between the fidelity fund and, believe it or not, legal aid.

The break-up of funding for the fidelity fund in 1998-99 was as follows: $84,000 in contributions from practitioners via the Queensland Law Society; and $1.5m from statutory deposits accounts. The bottom line of all these figures is that clients' funds have been diverted, albeit legally, from legitimate purposes such as providing a form of insurance for clients to propping up legal aid. Using the private funds of clients in this manner is akin to theft. It is the sort of thing only a Government could hope to get away with. I might add that Governments of all persuasions have been doing this for many years.

The total sum of money generated each year by the various forms of interest paid on clients' funds in general trust accounts amounts to about $12.6m—a sum of money which, if applied honestly, would be more than sufficient to meet any claims which have in the past been made on the fidelity fund.

The result of this misappropriation of clients' funds is that the fidelity fund has been struggling to meet its commitments for several years and has only succeeded in this because of voluntary levies applied by the Queensland Law Society to individual solicitors. What this means is that solicitors, unlike members of virtually any other profession or trade, are being called upon to pay for the mistakes or criminal activities of their competitors. This is a patently unfair and unworkable situation.

I propose the following steps to remedy this situation as it has not been addressed appropriately in the Bill before the House. I will be moving amendments during the Committee stage to reflect these changes. Firstly, the current cap on the fidelity fund of $5m is far too low to allow the fund to build up sufficiently in good years to be able to weather the bad years. This is one of the main reasons the fund is in its current sorry state.

Next, all interest, by whatever name it is called, from trust account moneys is to be paid directly to the credit of the fidelity fund. None of this money belongs to the Government. The Government must accept that responsibility for the provision of legal aid and other services, guaranteeing fair access to the legal system, is its alone. Once the fidelity fund is self-supporting, it is to commence funding such things as the Supreme Court Library, continuing legal education, the Grants Fund and so on from the interest it earns on investments but not from its capital base.

Once the fidelity fund reaches a realistic minimum balance sufficient to meet foreseeable contingencies, surplus interest from general trust accounts may be used to fund legal aid. This commitment is to be reviewed on an annual basis, depending on the position of the fund. The fidelity fund is to

be administered as a completely separate entity from the Queensland Law Society to avoid any argument over the split-up of administration costs.

Solicitors must disclose formally to any client who has funds in the general trust account for any reason the limitations of protection afforded under the fidelity fund. The Government is to reimburse the fidelity fund any moneys misappropriated for the propping up of legal aid sufficient to meet ongoing commitments of the fund until it is able to be self-supporting.

The Government is to retract from any future compulsory levies on individual solicitors for the purpose of funding any shortfall in the fidelity fund. These levies will not be required as the fidelity fund will be in a position to meet its ongoing foreseeable commitments. If a levy is imposed on solicitors, then it must be apportioned according to the risk that individual businesses pose to the fund. To this end, the levy must be applied to every solicitor who holds a practising certificate.

Current claims, such as those relating to a Gold Coast solicitor, should be met in full. That is, claimants should be paid from the fund the total amount of money they deposited into the trust account. However, they must not be paid any interest they may have lost due either to their own investment decisions or because of the failure of the solicitor to invest their funds appropriately. This generous position should end with the enactment of this legislation. From that time onwards, any claim on the fund which does not apply to traditional legal practice will not be considered.

Mrs LIZ CUNNINGHAM (Gladstone—IND) (5.56 p.m.): I rise to speak on the Queensland Law Society Amendment Bill in great measure because of the representations made to me by people who will be affected by the legislation retrospectively and because of the impact that will have on them, not only emotionally but also financially.

When I was first made aware of the incidents on the Gold Coast that predicated much of this activity, I was advised not by one of those involved in the incident but by another person, "Don't worry too much about their concern. Those people were greedy. They wanted something for nothing. They were looking for high interest. When the deal fell through, they wanted their money back." I met with representatives of the association that has since been formed called the Smith Action Association. The information provided by them was far from that situation.

I will give two examples just to show that we are debating a Bill that in part affects real people. It is not just a theoretical exercise. One lady, an 87 year old, partially blind widow is unlikely to get any compensation for $10,000 taken from her by a Brisbane solicitor. This solicitor, acting for Ada David, took the money and invested $10,000—it was her life savings—in a company. However, one of the directors of the company believed—no doubt on the basis of an assertion by Ada David's solicitor—that the $10,000 was to repay an earlier debt. The debt was accumulated by an associate of Ada David's solicitor. Unbeknownst to her, in circumstances beyond her control, she lost what to her is a great deal of money. She is 87 years old and $10,000 would add greatly to her quality of life.

Another spokesperson for the Smith Action Association has said that most of the solicitor's clients involved in this incident were retirees who had lost their life savings. They had planned to live off them as superannuation. One particular lady, Lorna Bartholomew, lost $270,000. Under the legislation, many of these retirees will receive no compensation at all because their interest payments already equal the amount they originally handed over to the solicitor.

I think it was the member for Warwick who said that we would be ropable if we deposited money in a bank and subsequently went to retrieve that money and were told, "Sorry, we have had your money for 10 years. The interest that we have paid you on a yearly basis accumulates to more than the principal. Therefore, we do not have to give you the principal back." There would be letters flying everywhere. But that is fundamentally what this legislation is asking those people to accept—that if their initial amount has been equalled by interest payments over a protracted period of time, then they should not expect to receive any of the principal back.

Most of the people involved are in their sixties. Some of them have had to get jobs to be able to survive since that solicitor defrauded them of their money. There are those who have cancer and cannot afford the treatment. I met one of the victims of that solicitor who had cancer. One could not be anything but impressed by her courage. In spite of how she feels, she is determined to see this issue through, not because she has a great deal of confidence that she will regain the principal amount but because she believes that there is a moral responsibility on her part, on the part of others in that group, and on the part of those of us who are decision makers, to call to account those who are responsible. Her

attitude during that meeting was such an encouragement to me, and I would like to be part of a Parliament that can give her some confidence in the process.

A number of people attended that meeting. They said to me, "Why is the Attorney-General doing this to us?" At that time, the Bill had not long been tabled, and I was seeking answers myself. The member for Ipswich West has been through a breakdown of Law Society funds. The member for Warwick was challenged by the Attorney-General: do you believe that the Government is responsible for some of this debt—for some of this fund deficit? I think that, in great measure, the answer to that is: yes. Over a long period, money has been taken from the trust fund and used for legal aid. It also has been allocated—as the member for Ipswich West said—to a number of other functions. However, a great deal of it has gone to legal aid. And in part, that draws Parliament—irrespective of who is in Government—into the equation of solving this problem.

I have been advised—and I seek clarification from the Attorney-General—that levies from the fund, that is, the levies on lawyers, were not paid directly into the fund but into a separate account and, therefore, this fund looks worse than it actually is. That was an assertion that was made to me, and I would certainly be interested in the Attorney-General's response.

The other accusation that has been made of the Smith Action Association is that they were looking for, as I said earlier, a greater return or an unrealistic return on funds invested. They have advised me that they were not; they were getting 1% to 2% above bank interest, and that is not unreasonable. That particular solicitor was a family friend to most of the clients. He was also a teacher, a fellow Catholic and a well-known local identity. He was well respected, and people trusted him. He offered first mortgage investments. He never bought any properties, although he made out that he did. When people asked for documentation, he supplied them with bogus information. But because they trusted him and because he had good standing in the community, they continued reinvesting their funds.

In part, I believe that the Law Society itself has some responsibility to carry. That particular solicitor was operating in Queensland. And after his licences was removed here in Queensland, he moved to New South Wales to practise. A letter from J. W. Shaw, Attorney-General, to the Queensland Attorney-General stated—

> "The Law Society has advised me that, although"—

the solicitor—and I will take the lead of the member for Warwick and not mention his name simply because there could be legal action pending—

> "... held a NSW practising certificate and was entitled to practise as a NSW solicitor, he commenced practice in NSW on 16 September 1996 after practising in Queensland from 1986 and after surrendering his Queensland practising certificate when being investigated in Queensland. The authorities in NSW were not informed of the surrender of his certificate or the investigation in Queensland until 20 February 1998. Meanwhile"—

the solicitor—

> "... misappropriated a further amount in excess of $3 million while practising in NSW."

I am also advised that the clients of that solicitor were not advised by the Law Society that the solicitor had had his licence removed.

So under the circumstances, and on the basis of all the information, there is a shared responsibility in this issue to see that those people—almost 30, I think—are not disadvantaged. It has been mentioned that New South Wales has agreed to pay in full the loss incurred to clients in New South Wales at the hands of that solicitor, and the New South Wales Attorney-General is himself querying why Queensland is not prepared to do the same thing.

I have already dealt with the fact that this Bill is going to ask people to accept a nil restitution if the interest paid to them over the period since the investment was purported to have been made by the solicitor is equal to the principal. As I have said, that is completely untenable.

The amendment that I have had circulated in my name intends to remove a section from this Bill. I notice that there are a number of amendments, so it will be quite busy at the Committee stage. The intention of this amendment is as a result of speaking with the Smith Action Association and also, in great measure, to address an issue that I find quite incredible in an amendment that will deal with legal matters. Clause 8 says—

> "A claim may not be made against the fund for reimbursing pecuniary loss suffered"—

and this is what I find offensive—

> "because of the practising practitioner's unlawful conduct in relation to the amount."

So people are not going to be eligible for recompense if the action of the solicitor is unlawful. Yet here we are dealing with people whose whole goal in life—one would have expected—was to act to uphold and confirm the law.

The only other issue that I want to raise is what I believe is the key to why people felt so deeply aggrieved by the direction that this Bill is taking. The victims in the incident that triggered much of this Bill and the victims of the Bill are the consumers. They are the people who go to the legal practitioners with an expectation of getting quality advice and quality work—albeit at a price.

The levy that is applied to solicitors at the moment—other than the special levy—is $20 a year and $100 maximum for the term of the solicitor's licence. Most people would find that reprehensible. Solicitors would be one of those groups of people who would be seen by the community as earning an income in the higher echelons. I will just list a couple of their professional fees: for an associate solicitor, the fee is $200 an hour; for an articled clerk, up to $80 an hour; for a clerk on the Supreme Court scale, $125 an hour; photocopying $1.50 a page; and faxing, $5.50 for the first page, $1.50 per page thereafter.

I am sure that members of the legal profession get tired of having these amounts thrown back at them, but it appeared to me, in my discussions with people who were aggrieved by this legislation, that they believe that the legal profession should share an obligation like many other professions, that is, to share liability created by their peers. There are quite a number of other associations that are required to pay levies and fees to build up a bank or a trust of money to be able to address illegal activities by peers of that particular employment stream.

One would have to say that the income of people in the legal profession is high, and that they should be able to see their way clear to contribute more than $20 a year, or $100 for the life of their practice, towards a fidelity fund to cover these sorts of illegal activities. I acknowledge that additional levies have been placed on lawyers. However, I still believe that a great deal of the aggravation displayed by members in this debate has been because they believe that the legal profession is attempting not to live up to its obligations. Consumers believe that many elements of this Bill disadvantage them. I have touched on only some. However, I look forward to the Minister's reply and also to the Committee stage, which should clarify some of these concerns.

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (6.10 p.m.), in reply: I thank honourable members for their contributions to the debate. I acknowledge in the gallery a couple of people who have been the victims of the Gold Coast solicitor to whom reference has been made during the course of the debate. I extend to them the concern of all honourable members for the position in which they find themselves.

The Government could have chosen the path of doing nothing about this issue and simply leaving the law in its present state. Had the Government done so, it is clear that the entitlements of persons who are the victims of defalcation by solicitors would have been left in an unsatisfactory state. With the $60,000 cap as part of the law, such people would not have been in a position to ensure that they recovered the funds that they had lost.

This Bill ensures that some proper measures can be put in place for people who are the victims of defalcation by solicitors. The Bill does not limit the discretion of the Law Society. Rather, it puts in place a framework that enables certain measures to be taken to provide compensation. That has come about following lengthy consultation throughout the State and following a process in which the Government has consulted with all the stakeholders.

Of course, this is part of the larger process of reforming the legal profession and finding some long-term solution to the problems confronting the Legal Practitioners Fidelity Guarantee Fund. The issue really comes down to two questions: firstly, should investments, as a matter of policy in the future, be covered by the Legal Practitioners Fidelity Guarantee Fund? The second question is: what is to be done about the problems that have occurred to date?

In relation to the first question, it is the Government's view that investment decisions should be made on the basis of a commercial transaction. There should be a distinction between such transactions and other work that is of a traditional legal character. Solicitors throughout the length and breadth of the

State with whom I have consulted—with the concurrence of the present and former Presidents of the Law Society—expressed their concern, if I might put it in such modest terms, that they should have to fork out for the defalcation of others. Be that as it may, that is part of the responsibilities that come with the professional status of the legal profession. However, it is important to ensure that the Legal Practitioners Fidelity Guarantee Fund is confined to those matters of traditional legal work. This Bill does that.

The very difficult question is what is to be done in respect of the problem of the claims on the fund far exceeding the amount of money specified. The Government proposed the solution that is advanced in this Bill without in any way limiting the discretion of the Law Society. It put out this Bill for consultation and, on the basis of that consultation, the Bill came forward to the Parliament.

It has been disappointing to see the Opposition's reaction. Regrettably, the Opposition has taken an irresponsible approach and not faced up to the facts. What is the Opposition's solution to the problem? To increase the cap to $10m. What does that mean? Firstly, it means that the Opposition wants taxpayers to pay more. If I accept the suggestion by the honourable member for Warwick, that is, changing the cap from $5m to $10m, essentially that would involve taxpayers paying $5m more. The second implication of the Opposition's position is that solicitors should pay more. Regrettably, the Opposition has not actually spelled out in plain terms its solution. If the claims are to be paid in full, someone has to pay—either the taxpayers or the solicitors. It is the Government's view that this is not the responsibility of taxpayers; it is primarily the professional responsibility of solicitors and the Law Society. However, the demands on the fund are very considerable indeed and outweigh greatly the amount of money available in the fund.

The honourable member for Indooroopilly says that there is a moral obligation on the State. That is true in one sense. However, it is not clear from the honourable member's otherwise reasonably thoughtful contribution whether he means by that that the State should pay—that the taxpayers should pay. If so, that is a surprising and extraordinary proposition to come from the honourable member.

The honourable member also made the point that the $60,000 cap is antiquated, and I agree wholeheartedly. As we set out in the Green Paper, the Government proposes to increase that amount significantly. We have put out a figure of $1m and that has been the—

Mr Springborg: There shouldn't be a cap.

Mr FOLEY: The honourable member says that there should not be a cap. The issue is: how does one guarantee the actuarial basis of the fund? Certainly, it is the case that there should always be a discretion to exceed the fund. Regrettably, the members opposite—from the luxury of Opposition—have simply failed to face up to the practical problem. They have fudged it. They have not spelt out in plain terms the necessary implication of their position, namely that taxpayers should pay the way out of the problems and that solicitors should pay more than the $650 that is contemplated will have to be levied on each solicitor.

The Government considered a range of matters, including the current state of the fund, the magnitude of the investment loan claims and the fact that the moneys were placed with the solicitor for investment purposes and not in connection with traditional legal services. The payments to such claimants under this proposal would be well in excess of the $60,000 that would otherwise be payable to all claimants per practitioner, given the current state of the fund. Although the amount of the levy on practitioners would be a matter for the council, taking account of all the liabilities of the fund, the amount to pay investor loan claimants alone would equate to approximately $650 per practitioner.

This is balanced legislation. It deals with a difficult problem that, regrettably, the Opposition does not wish to face up to. This Bill addresses the competing interests and tries to ensure that we have a system in place to provide a fair and equitable basis for compensation for those persons who have been the victims of wrongdoing by solicitors.

Motion agreed to.

Committee

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) in charge of the Bill.

Clauses 1 and 2, as read, agreed to.

Insertion of new clause—

Mr SPRINGBORG (6.20 p.m.): I move the following amendment—

"At page 4, after line 6—

insert—

'Amendment of s 14 (Moneys payable into fund)

'2A. Section 14—

insert—

'(da) an amount paid to the fund under section 20A; and'."

In my earlier contribution I foreshadowed that I would be moving a series of amendments that are designed to provide an opportunity to allow the Legal Practitioners Fidelity Guarantee Fund to build up a reasonable amount of money from which to compensate people. This amendment is associated with that. It is about constraining and defining the income stream and other consequential actions that need to be considered in light of the amendment to increase the ceiling to $10m. The amendment should be supported.

Mr FOLEY: The Government does not accept the amendment. The proposal is linked to the honourable member's later amendment that proposes an increase in the cap from $5m to $10m. In short, this is a request by the Opposition for taxpayers to pay another $5m towards legal aid without the legal aid services being increased. The figure of $10m is an ironic one for the Opposition to choose. In fact, the Government has increased funding for legal aid by $5m in accordance with our pre-election promise. At the same time, the coalition Commonwealth Government has reduced its fund by $2.5m. The amendment proposed is not accepted by the Government.

Mr SPRINGBORG: I would like to respond to the Attorney-General. As I outlined in my speech earlier today, by its very implication once responsibility is transferred from an income stream such as that of the legal practitioners' trust accounts and it is transferred away from legal aid in the quantum that is currently going to the Legal Practitioners Fidelity Guarantee Fund, where it should be going, there will be an impost upon the consolidated revenue fund of the State and, therefore, the taxpayers. We know that. However, through this legislation the State is abrogating its responsibility by not wishing to provide a legitimate and justifiable entitlement to the people who have become the victims of solicitors who have defrauded them.

The Attorney-General and others say, "We'll come in here and just oppose something, but we won't come up with any suggestions or solutions." I have come up with a solution. It might not be perfect, but at least it is a solution to the appalling and parlous structural state of this fund. The Attorney-General is unwilling to do anything about that. It has been a systemic problem for a long time. There is a part of a solution here, although it does have revenue implications.

The other solutions are for the State to directly fund the victims of solicitors who have defrauded them or for the levies on solicitors to be increased further. I am not so sure that the latter option is a good one, because solicitors have had additional amounts levied upon them over the last few years. There is no doubt about that. Later on we will deal with a validation of some of those levies and we will support that.

We are saying that there is a moral obligation on the State and we should support that principle. The State is unwilling to fund legal aid from the Consolidated Fund. We could argue justifiably that it is the responsibility of the State to provide a proper defence for persons who would otherwise not be legally represented in court. We are saying that the State has an obligation to do that. We know that it is difficult to guarantee those funds, but a just conclusion is not reached by robbing Peter to pay Paul. A just outcome is not reached by saying, "We will compensate somebody who has been the victim of fraud by milking the solicitors' trust accounts or interest from them in order to prop up legal aid." That is denying somebody else who has a justifiable entitlement the opportunity to be compensated for the actions of a fraudulent solicitor.

We know that this is not an easy issue. We know that it involves a taxpayer contribution, but I do not think that placing further levies on honest solicitors is a proper option. This amendment is worthy of support. As I said, it is consequential to our amendment to increase the ceiling of the Legal Practitioners Fidelity Guarantee Fund to $10m.

Question—That the member for Warwick's amendment be agreed to—put; and the Committee divided—

AYES, 38—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Santoro, Seeney, Sheldon, Simpson, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

NOES, 38-Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reynolds,

Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Wells, Wilson. Tellers: Sullivan, Purcell

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

Resolved in the **negative**.

Clause 3, as read, agreed to.

Insertion of new clause—

Mr SPRINGBORG (6.32 p.m.): I move the following amendment—

"At page 4, after line 18—

insert—

'Amendment of s 20 (Administration of fund)

'3A. Section 20(5), '$5 000 000'—

omit, insert—

'$10 000 000'.

'Insertion of new section 20A

'3B. After section 20—

insert—

'Payment of interest balance amount

'20A.(1) This section applies if at any time the balance of the fund is less than the prescribed amount.

'(2) Despite the Legal Practitioners Act 1995, sections 50 and 51(9)(b),[1] the society must pay to the fund the lesser of—

(a) the interest balance amount; and

(b) the amount necessary to bring the balance of the fund to the prescribed amount.

'(3) After making a payment to the fund under subsection (2), the society must pay any amount remaining of the interest balance amount in accordance with the Legal Practitioners Act 1995, section 51(9)(c).

'(4) In this section—

"interest balance amount" means the balance of the amounts of interest mentioned in the Legal Practitioners Act 1995, section 51(9)(b).

"the prescribed amount" has the meaning given by section 20(5).'.'.

1 Sections 50 (Legal assistance fund) and 51 (Solicitors trust accounts etc.)"

As I said earlier, this amendment puts in place measures to try to build the Legal Practitioners Fidelity Guarantee Fund in this State up to a decent sort of level and to try to sustain it so that it has a reasonable base from which we are able to compensate victims of solicitor fraud. As we know, when dealing with some of these mortgage type situations such as the association down the coast and other circumstances, large claims are made on the fund and, therefore, the fund should have a reasonable amount in it to be able to compensate those people. I commend the amendment to the Committee.

Mr PAFF: I support the amendment moved by the member for Warwick. We believe that the ceiling should be higher, in fact. Instead of being $10m, we think that it should have been increased to $15m or $20m. I support the amendment.

Mr FOLEY: The Government opposes this amendment for the reasons that were outlined in the context of the previous amendment.

Question—That the member for Warwick's amendment be agreed to—put; and the Committee divided—

AYES, 38—Beanland, Black, Connor, Cooper, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Santoro, Seeney, Sheldon, Simpson, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

NOES, 38-Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, Mickel, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Wells, Wilson. Tellers: Sullivan, Purcell

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

Resolved in the **negative.**

Clause 4—

Mr PAFF (6.40 p.m.): I wish to move an amendment that will delete clause 4.

The TEMPORARY CHAIRMAN (Mr Reeves): The honourable member's foreshadowed amendment would delete clause 4. All that the honourable member need do is vote against the clause.

Mr PAFF: The removal of clause 4 would prevent a situation in which the Government uses an extra tax by way of a levy on solicitors to cover the shortfall in the fidelity fund which was caused by the Government diverting money to fund legal aid, which is quite clearly a Government responsibility.

Mrs LIZ CUNNINGHAM: It was my understanding that the levy was over and above the $20 per year that solicitors pay—and I commented on this in my speech—which many in the community would

see as insufficient. The levy was applied by the Law Society over and above that to cover the shortfall in the fidelity fund. Practitioners have been levied in the past. A further clause in this Bill will validate retrospectively those levies that have been paid. It is my understanding that the amendment of the member for Ipswich West would effectively reinstate the $20 per year levy. If that is the case and the Minister confirms that, I certainly will not be supporting it.

Mr FOLEY: With respect, I think the honourable member may be mistaken about the effect of the clause. What the clause in the Bill does is to allow the society to levy practitioners more than $20 or $100 for their career. This is an antiquated out-of-date provision which we should get rid of, and that is what clause 4 does. I think the honourable member has a mistaken view about it.

Clause 4, as read, agreed to.

Clause 5—

Mr PAFF (6.43 p.m.): I wish to move an amendment to delete clause 5.

The TEMPORARY CHAIRMAN (Mr Reeves): Order! The same procedure applies as applied in relation to clause 4.

Mr PAFF: Yes. The same argument applies to this amendment.

The TEMPORARY CHAIRMAN: Order! The honourable member's amendment deletes clause 5. All the honourable member need do is speak against the clause.

Mr PAFF: The removal of this clause prevents a situation whereby the Government uses an extra tax by way of a levy on solicitors to cover the shortfall in the fidelity fund, which was caused by the Government diverting money to fund legal aid, with is quite clearly a Government responsibility.

Mr FOLEY: Clause 5 makes provision for the Government to be able to impose a levy by regulation, if the Law Society does not do the right thing and impose the relevant levy. It is a fail-safe mechanism so that at the end of the day the funds can be levied from the society members. If the Law Society does not do that, the Government can introduce a regulation.

Clause 5, as read, agreed to.

Clause 6—

Mr SPRINGBORG (6.44 p.m.): I move the following amendment—

"At page 5, lines 22 to 26, and page 6, lines 1 to 15—

omit."

As I outlined in my contribution earlier this afternoon, this amendment does away with a particularly repugnant aspect of this legislation. A while ago the Attorney-General stood in this place and expressed empathy for those sitting in the public gallery who had been the victims of shoddy solicitors around the State and who had lost significant amounts of money they had invested with them. He said, "I have a great deal of empathy, but I really can't do too much about it." Tonight I am saying to the Attorney-General: do something about it and remove this terribly repugnant clause, which seeks to deny those people the ability to be compensated properly for money they lost through placing it with a solicitor in this State who defrauded them.

This clause attempts to treat interest paid over a period as principal. There is something terribly wrong and immoral about that. As I indicated earlier, this means that, if somebody had placed $100,000 with a solicitor 10 years ago and they had been paid $100,000 in interest over that period, by virtue of this clause they may not be entitled to one zack of their claim on the Legal Practitioners Fidelity Guarantee Fund. I note the honourable member for Southport is shaking his head. He empathises with the people affected. A lot of them are from places in and around his electorate. Members from Gold Coast electorates, including the members for Surfers Paradise, Burleigh, Broadwater, Merrimac and Currumbin are concerned about this issue.

If the Attorney-General is genuinely concerned about making sure that these people are dealt with fairly, he would support the amendment moved by the Opposition to delete this clause, which seeks retrospectively to deny them a legitimate expectation that they will get their entire principal back, instead of this dodgy business of calculating interest as principal when calculating compensation from the Legal Practitioners Fidelity Guarantee Fund. He simply must do this. If he does vote to remove this repugnant clause, he could say, "Whilst we are not willing to fix up the fidelity guarantee fund and to lift the ceiling from $5m to $10m, and whilst we are not prepared to tighten up on the income stream to put it into an area where it might be of benefit, we are sending a strong signal that the $60,000 cap on the maximum amounts payable from the fund will not be used or activated, and that the victims of fraud will be given a reasonable period in which to recoup their money." Recently, when I met with those victims from the Gold Coast, they suggested periods of five, six or seven years—whatever the case may be. They just want to know that they will

be able to recoup their principal at some future time—not the interest paid but the principal invested. They want from the fund the nest egg that they originally invested. As long as they are able to recoup that amount in some reasonably staged way, they will have the opportunity to live proudly and not be obliged to rely upon income support, pensions and so on.

An important principle is at stake in this piece of legislation. We really have no option other than to remove these parts of clause 6, which are repugnant. Retrospectively, they seek to deny an entitlement and a reasonable expectation that people had previously. As I said, there is a way around it. If it cannot be paid out straightaway, the Attorney-General can make a statement in the Chamber that the society should move over a period of time to reimburse these people for the principal amount that they have lost, rather than their interest being considered as principal. I think that that is a very reasonable thing for us to be looking at in the Chamber tonight. I would certainly be hoping that all honourable members would support this amendment because it is a good amendment.

Mr Littleproud: They found $15m for the electricity workers who sacked themselves.

Mr SPRINGBORG: Absolutely. We can find all sorts of money at other times for all sorts of other interesting situations, but when it comes to assisting proud Australians who trusted their solicitor and who have a reasonable expectation that they are going to be compensated over time from the Legal Practitioners Fidelity Guarantee Fund, those opposite do not agree. Where are they? Missing in action! Take this clause out. Do not provide the Law Society with an opportunity to blame the Government. The Law Society has made it very clear that it will be guided by what the Government puts in the legislation, and that will become the base consideration.

As I said, if someone has invested a principal of $100,000 and they have been paid back $80,000 in interest, they might get only $20,000. That is the base consideration. There is no sense floating around saying that people will get more because that figure is only the base. The Law Society will actually look at that and say, "That's what the Government's legislated and, because of the parlous structural situation the fund is in, that is the way to reduce the obligation on the fund." I urge honourable members to omit this clause to ensure that these decent, hardworking Australians who have worked hard and did what they thought was a wise thing in trusting money to their solicitors have a reasonable expectation that they are going to get that money back.

Mrs LIZ CUNNINGHAM: I will be supporting this amendment, but I do have a question for the Attorney-General because of a legal issue that was raised with me. I have been advised that the judgment in Victoria in Eumerella Finance v. the Law Institute of Victoria 1972 was that it was illegal to calculate interest as capital, stating that interest can never be calculated as payment of capital. I would be interested to hear whether that relates to this Bill and whether, without this amendment, we are attempting to do something in this Chamber which may be contrary to good law. Again, if most people put money into a bank and were paid interest over a number of years and then went back to the bank and asked for their initial deposit back and the bank said to them, "No, sorry. You have received some interest which is equal to the amount of the initial deposit, so we're square", they would feel aggrieved by that, as would all honourable members. These people have a justifiable case.

Mr PAFF: Clause 6 circulated in my name—

The TEMPORARY CHAIRMAN (Mr Reeves): Order! We are discussing the amendment moved by the member for Warwick.

Mr PAFF: Yes, I support that amendment.

The TEMPORARY CHAIRMAN: We will deal with the member's amendment after we finish debate on the amendment moved by the member for Warwick.

Mr PAFF: We are concerned at the fate of all those victims of default, many of them senior citizens who have had long-term investments on which they have received so-called annual interest payments. They have been unaware of the possibility of default and have been comforted by the quite often advertised claims that their investment was protected by the fidelity fund. They have used those annual payments to fund their living expenses. Unless their capital is returned to them intact, many of them will be destitute. On the other hand, once the legislation is in place and the public is aware of the risk involved, people will have to make their investment decisions accordingly. We believe it is reasonable that, having made a decision to invest in possession of all the facts, they should not expect a fidelity fund to provide security for what would then become a guilt edged investment.

Mrs GAMIN: I want to speak briefly in support of the amendment moved by the member for Warwick and also to express my strong support for those victims of the solicitor who has been discussed in this Chamber this afternoon, those victims who come from my electorate and whom I know. They deserve better than this legislation is going to give them. Their circumstances are now very difficult due to the loss of this huge amount of capital thanks to the actions of the solicitor which were not picked up and which were not dealt with in time by the Law Society. The Law Society itself is very much at fault. This Government is engaging in what I would call shoddy business practice in classifying interest as capital. It is quite wrong. I support the amendment moved by the member for Warwick. I think that this Chamber should do justice to those victims.

Mr FOLEY: The Government does not support the amendment for the reasons outlined in the course of the second-reading debate. This goes to the whole scheme of the Bill. While I accept that the previous speaker expresses her concern sincerely, this amendment is part of the Opposition's approach which really does not offer a responsible solution, or indeed any solution, to the facts of the case presented by the Legal Practitioners Fidelity Guarantee Fund. It is all very well for Opposition members to beat their chests and purport concern on behalf of the victims. They did nothing to fix it when they were in Government. This Government has acted to fix it. The amendment is not accepted.

Mr SPRINGBORG: That is an offensive lot of rot. We have over there a supposed great civil libertarian Attorney-General who would have been outraged if the Joh Government had moved to do something like this 10 years ago when he had some principles before he came into this place. We would have seen him cartwheeling out in the street. He would have been running up and down the front of this building protesting and goodness knows what else. The fact is that those opposite never gave us an opportunity in Government. This is an issue which has arisen in this Government's time and the Government has moved to retrospectively deny these people an opportunity to have their principal amount properly refunded to them.

What about this dodgy approach of considering interest as principal? I have never heard of that. I want to point out to the Chamber tonight another couple of reasons why those opposite should be supporting the amendment. There is a real nuance in this. Over the last few years those people have had a capital amount invested. They have been receiving interest. They have been paying tax on that interest. We do not pay tax on principal; we pay tax on interest. So now what is the situation? Should there be a refund?

Should the Attorney-General over there, who professes a belief in civil liberties, be going off to Peter Costello and saying, "What we're doing here in Queensland is we're now considering as principal interest previously paid on which tax was payable." These people have been discriminated against. Taxation was paid on this interest, and now it is being considered as principal. Not only that, many of these people were ineligible for pensions. As honourable members know, the capital amount is rather limited in the assessment criteria for a pension. What is really looked at is the amount of interest.

Let us say someone has $200,000, $300,000 or $400,000 invested and each year they receive $30,000 or $40,000 on that, they are paying tax on that income. What we are doing now is saying, "Well, that interest was really principal, so maybe you shouldn't have been discriminated against by being denied a pension over that time." So there are some really interesting nuances in this process that this Attorney-General does not want to know about. The Government has been innovative and has called interest principal. That will be very interesting for a whole range of considerations—taxation payable on interest, which we now have defined as principal, and also the issue of non-eligibility for a pension because the amount of interest which has been earned on that principal over a period of time has now been described by this Attorney-General as principal. This is very interesting stuff. That is very cold comfort for those people who have been denied pensions and who have paid tax over the years.

Mr BEANLAND: I was not going to rise in the Committee stage, but to say that the former Government did nothing about some of these matters is untrue. It was on 16 May 1996, or thereabouts, when we introduced legislation. This matter of investment loans or contributing mortgages, whichever they are known as, was brought to the Government's attention. We introduced the legislation to apply from then to clearly spell out the situation to require solicitors who were operating in this area to take out separate liability insurance and so forth. There was a requirement for that; there were many rearrangements.

From that stage forward we also, as I mentioned previously, started to pressure the Australian Securities and Investments Commission, ASIC, to do something about this to bring it within its ambit of responsibility. It seemed it was the appropriate body. It had the machinery to cover financial matters. This was a financial matter of people wanting to invest in bricks and mortar through a solicitor, as I have said previously. We not only went down that path to get these solicitors to operate under this new system and to get the matter brought under the jurisdiction of ASIC, which has now happened, but also we set up a working party.

Sitting suspended from 7 p.m. to 8.30 p.m.

Mr BEANLAND: Before the dinner adjournment I was speaking about how the former Government did a number of things. Whether we agree with it or not, this Government is in the process of making some other changes to the whole area of the Legal Practitioners Fidelity Guarantee Fund. I think it is fair to say that more changes and amendments will become necessary over time. The Minister is reviewing the whole area. I appreciate that. That will no doubt lead to some more changes.

The Opposition does not agree with these changes. No doubt in time other solicitors will get into trouble for things that occurred prior to 1996. Under this legislation, if I read it correctly, the people affected will not be able to claim on the fidelity guarantee fund. They will be in the same situation as the people we are dealing with now. I think that is unfortunate. I do not agree. I think the Government's course of action is immoral. Nevertheless, the Government has decided to go down this particular track. I am sure there will be other cases. We have struck one and there are bound to be one or two others. I hope it is nothing like what happened in Victoria or New South Wales. Horrific amounts of money were involved there—tens of millions of dollars.

These problems must have existed in the early 1990s. Something should have been done about them at that time. One would think these problems would have come to light at some stage. Surely the Law Society itself would have been reporting them to the then Attorney-General. Certainly the then Minister would have been aware of problems through departmental officers because there was always liaison, discussions, connections and things happening.

From memory, it was not so much the late 1980s but the early 1990s when this really started to take off. I was not really aware of the significance of it, particularly the amounts involved, until about May 1996. Certainly what was involved and the enormity of the whole situation was brought home to me very starkly indeed. I just wanted to put that on the record.

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

AYES, 37—Beanland, Black, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Healy, Hobbs, Johnson, Kingston, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Stephan

NOES, 38—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

Resolved in the **negative**.

Mr FOLEY: I move the following amendment—

"At page 6, lines 29 and 30—

omit, insert—

'(a) the council decides either—

(i) not to reimburse a person's loss; or

(ii) other than as provided for under subsection (1C), not to reimburse a person's loss in full;'."

Section 24(4B)(a) as proposed in the Bill would require the council of the Queensland Law Society to notify the Minister when the council decides either not to reimburse a person's loss, or not reimburse a person's loss in full. The amendment ensures that the requirement does not arise when the council decides to pay claimants in respect of investment loans on a reduced basis under section 24(1C).

Amendment agreed to.

Clause 6, as amended, agreed to.

Clause 7—

Mr FOLEY (8.42 p.m.): I move the following amendment—

"At page 8, line 7, 'society, direct the society'—

omit, insert—

'council, direct the council'."

In proposed new section 24AA, references to the society are replaced with references to the council for consistency with the rest of the Part.

Amendment agreed to.

Clause 7, as amended, agreed to.

Clause 8—

Mrs LIZ CUNNINGHAM (8.43 p.m.): The amendment that I have circulated effectively opposes clause 8. I acknowledge that, in the previous Parliament, legislation was passed whereby practising solicitors whose main work activity was to invest funds for clients were put under separate legislation. This clause, however, I find offensive simply because it relates to an ancillary activity of the practising lawyer. Proposed subsection (2) refers to a person taking the solicitor in good faith if that solicitor acts unlawfully. It is not an accident. It is not a miscalculation. They are directed by a client to invest certain moneys, and the solicitor acts unlawfully—against the law. That is absolutely diametrically opposed to what people would expect of a legal practitioner. This Bill sanctions that behaviour, and I believe that the sanctioning of that behaviour is reprehensible.

My amendment seeks to remove this clause so that practitioners who act unlawfully will be called to account and that this fund will then be able to be pursued by the aggrieved party for restitution of the amounts lost.

The TEMPORARY CHAIRMAN (Mr Mickel): Order! For the record, Mrs Liz Cunningham's circulated amendment No. 1 proposes to delete clause 8. Thus Mrs Cunningham's amendment will oppose the clause. I call the Honourable the Attorney-General.

Mr FOLEY: The Government supports the clause in its current form. This is actually quite an important reform. The Government is quite proud of it and disagrees completely with the member for Gladstone. With great respect to the member for Gladstone, this is not a question of rendering the relevant solicitor accountable. The relevant solicitor will be accountable in the criminal law and in the civil law. This is about whether or not other solicitors should effectively underwrite the defalcation by the solicitor in question in respect of moneys placed for investment purposes as opposed to traditional legal purposes.

There is an important policy in this clause, and the policy is this: where a person places moneys for investment—be it with a bank, another financial institution, on the stock market or elsewhere—then he or she does so, and is obliged to do so, in accordance with the risks that operate in that environment.

The whole point of the Legal Practitioners Fidelity Guarantee Fund is to provide assistance in those cases where there has been a misappropriation of property in connection with a traditional activity on the part of the legal practice, that is, a conveyance or something of that sort. This is actually quite important for the whole prudential basis of the fund. This is quite an important amendment for the future, to get the fund on a stable footing. This is absolutely fundamental. The honourable member for Indooroopilly referred to the exemption for mortgage investments, which he introduced and which was appropriate as far as it went. This deals with other forms of investment.

Now, this operates into the future. This does not operate with respect to claims already in existence, but it is a most important amendment to provide a secure financial footing and to ensure that a clear line of demarcation is drawn between those areas of traditional legal work and those other areas where the person is simply placing their money for investment purposes.

Question—That clause 8, as read, stand part of the Bill—put; and the Committee divided—

AYES, 38—Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, D'Arcy, Edmond, Elder, Fenlon, Foley, Gibbs, Hamill, Hayward, Hollis, Lavarch, Lucas, Mackenroth, McGrady, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 38—Beanland, Black, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Gamin, Goss, Healy, Hobbs, Johnson, Kingston, Knuth, Laming, Lester, Lingard, Littleproud, Malone, Nelson, Paff, Pratt, Prenzler, Quinn, Rowell, Santoro, Seeney, Sheldon, Simpson, Slack, Springborg, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Stephan

The numbers being equal, the Temporary Chairman (Mr Mickel) cast his vote with the Ayes.

Resolved in the **affirmative**.

Clauses 9 and 10, as read, agreed to.

Clause 11—

Mr PAFF (8.55 p.m.): We believe that it is immoral to legislate to convert retrospectively what was originally a loan into what now would become a straight-out payment to the Government. This money actually belongs to individual solicitors and there is no justification

for the Government to seize those funds and reappropriate them for use in propping up the fidelity fund, which would otherwise have been comfortably self-supporting had it not been for Government raids on those funds. This liability is an obligation of the Government, not of the individual solicitors or the Law Society. We will be opposing that clause.

Mr FOLEY: This is an important clause. It provides for past levies to be validated, for levies to be part of the fund and for the society loans to be taken not to have been paid. This is an important part of ensuring that that which has been done in the past by the Law Society is effectively validated and those funds can then be applied for the very purpose that I thought honourable members wanted to achieve, namely, to pay the victims of the defalcation.

Clause 11, as read, agreed to.

Bill reported, with amendments.

Third Reading

Bill, on motion of Mr Foley, read a third time.

BUSINESS OF THE HOUSE

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (8.58 p.m.), by leave, without notice: I move—

"That further to the resolution of the House agreed to this day concerning the passage of Bills, those Bills set down in the resolution for debate on Thursday, 9 December, can be commenced, debated and passed during this day's sitting.

Motion agreed to.

PARLIAMENTARY COMMISSIONER AND FREEDOM OF INFORMATION AMENDMENT BILL

Second Reading

Resumed from 23 November (see p. 5141).

Mr BEANLAND (Indooroopilly—LP) (8.58 p.m.): The Opposition supports this Bill. In the main, it contains sensible amendments that have been asked for by the Legal, Constitutional and Administrative Review Committee in its report No. 14 of July 1999, to which the Premier made a partial reply on 26 August this year. This legislation follows an in-depth study by the Legal, Constitutional and Administrative Review Committee of a range of issues, particularly in relation to the ombudsman's office and the Information Commissioner's office.

I do not plan to speak at any length to this Bill, because it is one of the many to be dispatched to meet the end-of-year timetable crunch and that disgraceful use of the guillotine set down by the member for Chatsworth. For a number of reasons, I will not take up unduly the Parliament's time on this Bill, because it has been agreed to by the Opposition.

However, having said that, I want to refer to a couple of matters that are contained in the legislation. The amendments that are before the House relate to strategic review. In that regard, in his second-reading speech the Premier outlined that this legislation makes a number of minimal amendments. However, I want to refer to a couple of other important issues that relate to this legislation. In that regard, I would like to hear from the Premier as to what the Government proposes to do about them. One of those issues relates to recommendation No. 21 of the committee's report, which states—

> "The committee endorses recommendation 28 (reproduced above in section 9.1.1) to the extent that, prospectively, government and the private sector should be discouraged from using the word 'Ombudsman' in entities they create. Where an entity is created with 'Ombudsman' in its title it should be ensured that the entity resolves complaints and disputes in an Ombudsman-like way; namely, in an independent, impartial, just, informal and speedy manner."

The committee recommended that the Premier, as the Minister responsible for the Parliamentary Commissioner Act 1974, introduce legislation to amend section 5 of the Act to change the name of the commissioner from "Parliamentary Commissioner for Administrative Investigations" to "Queensland Ombudsman". The committee also recommended that the Premier retitle the Parliamentary Commissioner Act as the Queensland Ombudsman Act and make other amendments that are necessary. I think that those are sensible changes. I might be mistaken, but I do not find those changes in the amendments. Perhaps the Premier has hidden them somewhere. I think that is a significantly important amendment.

We cannot turn back the clock. These days a lot of ombudsmen work in various areas, such as banking, a range of industry groups and Government areas and there are also various commissioners. The title of "Parliamentary Commissioner" is very wordy.

From memory, Queensland was the first State to have an ombudsman. Incidentally, I remember well the person who promoted the idea. She was a branch member of the Liberal Party who went on to Federal office. She was a member of the Senate and later the House of Representatives. Therefore, it is recommended that we change the current wordy term to that of Queensland Ombudsman, which defines the title suitably and distinguishes him or her from the Commonwealth Ombudsman and so forth. I would like to hear what the Premier proposes to do about that. It is an important matter.

The committee's recommendation 19 deals with the management review, which the Bill also encompasses under the provisions relating to the strategic review. I understand the reasons for that and, as I say, the Opposition supports it. We need to look at what other changes need to be made. This is not a matter that will weigh the Premier down unnecessarily. I am sure that one of his senior officers can quickly resolve the issues that are contained in the report but that have not been picked up. That will not take too much time from the Premier's busy schedule, but it needs to be done to tidy up the outstanding matters.

The parliamentary committee and the Department of the Premier and Cabinet have undertaken the strategic review process and are now moving to the management review process. That is very important. They are also working to tidy up some other aspects of the interrelationship between the Office of the Ombudsman and the parliamentary committee. We should bear in mind that the ombudsman is an officer of the Parliament, like the Auditor-General. There are many statutory officers such as the Director of Public Prosecutions, the Anti-Discrimination Commissioner and so on. However, those are not officers of the Parliament. The difference is that the ombudsman and the Auditor-General are officers of the Parliament and have to be treated differently. It is important that the legislation deals with that.

As I say, these amendments are limited to certain aspects only. Further time needs to be put into looking at the other aspects that need tidying up. It is important that we try to avoid this situation in the future. In this case, the Legal, Constitutional and Administrative Review Committee has been charged with the responsibility of overseeing some aspects of the role of the ombudsman. Therefore, the Government needs to ensure that we make other necessary changes to update this area. Clearly, this area needs to be updated in line with modern legislation.

LCARC has recommended that we go through the process of the management review. As offices of the Parliament, the Office of the Ombudsman and the Office of the Freedom of Information Commissioner, which are interlinked, do not get reviewed when departments are reviewed. We all know that from time to time the management systems, programs, styles and so on of departments are reviewed externally or internally. That is fair enough. For some reason, because of the position of the ombudsman, that has not happened. That is now being picked up and that is fair enough. We need to get on with that process. It is fair to say that a few matters are outstanding that need to be looked at and picked up.

The Office of the Information Commissioner is an important aspect of this legislation. I am not talking about freedom of information matters, but the role of the Freedom of Information Commissioner, how the commissioner processes applications and goes through the mechanical sides of things. Of course, both offices have had significant increases in staff in recent times, both under the former Government and under this Government. Because they are offices of the Parliament, the Parliament needs to be sure that they are effective in delivering on management programs and so on. That is why the Legal, Constitutional and Administrative Review Committee is involved, although of course it should not get involved in day-to-day management procedures. That would be totally wrong. The committee is not an executive committee; it is purely on oversight committee. There has to be a process for those offices to report to the Parliament on strategic reviews, management reviews and so forth. This legislation will put that process in place.

I look forward to considering the other amendments that the Premier might bring forward. I am sure that the Ombudsman's Office and the Office of the Freedom of Information Commissioner will both benefit from the processes of the strategic review and the management review that are looking at the effectiveness of their operations. They themselves will be able to look closely at the processes and procedures that they have adopted. After those initial reviews, a review will be conducted every five years. That seems sensible to me. That procedure needs to be put in place so that we do not go on for decades without having a review.

Ombudsmen and parliamentary commissioners come along and, with the best will in the world, they operate as best they can.

However, like every organisation within Government, there needs to be accountability and appropriate management procedures in place. That must be overseen by the Parliament. That is the role of the parliamentary committee in conjunction with the Premier's Department and the Department of Justice, which is responsible for the Freedom of Information Commissioner. Obviously, an independent accounting firm will review the processes of management to ensure that they are up to scratch in terms of modern accounting and procedural practices. The Opposition supports the legislation.

Mr FENLON (Greenslopes—ALP) (9.10 p.m.): I rise to support the Parliamentary Commissioner and Freedom of Information Amendment Bill 1999. This particular legislation before the House arises from a report of the Legal, Constitutional and Administrative Review Committee into a strategic review of the ombudsman which was conducted in the past couple of years. I congratulate the Premier on his promptness in responding to at least two of the recommendations of the LCARC report in terms of bringing this legislation before the House.

This legislation is part of the natural evolution of events emanating from the strategic review of the ombudsman. That was conducted in 1997-98 by Professor Ken Wiltshire and commenced under the auspices of the previous coalition Government and the then chair of LCARC, the member for Burleigh, through the process of consultation that was required. A great deal of effort has gone into the review process to date, and I look forward to the Premier's responses to the remaining issues addressed in the all-party committee report.

The strategic review was timely in that it was the first conducted in the 25-year life of the Office of the Queensland Ombudsman. A fundamental finding of LCARC was that the strategic review was essentially limited in its scope to the extent that section 32 of the Act constrained the capacity to look into everyday management, operational and procedural matters affecting that office. In the same sense that the original strategic review was timely, so too is the need—again for the first time in the 25-year life of this office—to conduct a management review of that office. That was, in fact, a direct result of LCARC's recommendations in its report into the strategic review.

These processes are of utmost importance to the integrity of public administration in Queensland. The Office of the Ombudsman stands at the pinnacle of public administration in Queensland while also being an officer of the Parliament. The Office of the Ombudsman is charged with fundamental responsibilities which effectively set the standard and, therefore, also must lead by example for the entire public sector. Now the committee is involved in a procedure which has been established in consultation with the ombudsman, the Office of the Premier and the Office of the Attorney-General to conduct this management review. That is intended to start in the new year and proceed over a period of three months. The fundamental purpose of this legislation is to ensure that that review is conducted on a proper legal footing and that the results of that review are then brought back before this Parliament.

That current procedure is established through the medium of a consultative reference group which consists of representatives of the parliamentary committee, the Ombudsman's Office, the Information Commissioner section of that office and also the Premier's and Attorney-General's offices. The first of those meetings has already occurred, commencing the foundations of that process. There is a process under way to appoint consultants who will be undertaking a very professional job, I expect, of proceeding with the review of that office. That is well under way and I am very hopeful that all of the time frames, especially with the passing of this piece of legislation, will be satisfied through the work that is currently being undertaken.

It is also very logical and important at this stage to incorporate the Information Commissioner into this process, given that the same person wears both hats: Information Commissioner and Ombudsman. The legislation before the House does contemplate that future strategic reviews will have legislative foundation which will enable both of those offices to be reviewed when the one person occupies both positions: Ombudsman and Information Commissioner. This legislation is necessary to enable the review to proceed.

Another issue which has attained some prominence and public attention in the past is the issue of backlogs and delays in handling of complaints. With an increasing number of complaints, both offices have struggled to reduce an increasing backlog of outstanding matters over the years. In its first Budget, the Beattie Government increased funding for the Ombudsman's Office and maintained this increased level of funding in the 1999-2000

Budget. With recruitment of new staff in both the Office of the Ombudsman and the Information Commissioner now substantially complete, it is time to look at how the offices can most effectively use their new resources.

It is also important to proceed with these amendments because they will clarify existing law. As the previous speaker mentioned, this legislation is a relatively new development in the great sweep of history in this State in that we are fundamentally still using the original legislation which was put in place 25 years ago, and more recently the legislation relating to the Information Commissioner. We do have an important job to carry out to ensure that that legislation can in the future meet the modern requirements of proceeding with effective oversight by the parliamentary committee, which is of utmost importance, as well as having an appropriate and measured involvement from the Executive arm of Government. The strategic review, as I indicated, will proceed in the coming year.

Finally, I would like to indicate to the Ombudsman and Information Commissioner, and to the staff at those offices, the importance of this review in establishing a great foundation for the next 25 years of those offices and in fostering the very important role of and close relationship between the parliamentary committee and those offices. As we know, the Ombudsman and Information Commissioner is reaching the end of his term. I am sure I join with the Parliament in wishing him the best for the rest of his term and his future. This legislation and the review that will emanate from it will be very important in establishing a strong foundation for the offices that remain when the ombudsman departs from his current positions.

It is also a very important opportunity for the staff at that office to grasp every opportunity that they can to ensure that its future is based upon a very sound and professional foundation. They will have at their immediate disposal highly competent and qualified external reviewers. I give the staff every assurance that I am able to, in my position as Chair of LCARC, that we will support the staff of the ombudsman and the Information Commissioner all the way through this process. I encourage the staff to take this opportunity, and make the very best of it, to build a great future in those offices and to take advantage of any direct communication that they wish to have with those reviewers. They should feel confident that they will be listened to very closely by those reviewers and the committee. That is a very important foundation on which we should all proceed. I support the Bill.

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.21 p.m.), in reply: I thank both the Opposition spokesman and the member for Greenslopes for their support for the Bill. I know how the chairman of the parliamentary committee has been pursuing this issue with passion, dedication, commitment and determination, and I thank him for that.

Mr Mickel: He drives me insane with his endless conversation.

Mr BEATTIE: Does he? The honourable member said that he even talks to him at length about it. Obviously, he needs to spend a bit more time talking to him about it; he needs a bit more of an education.

I will come back to what the honourable member for Indooroopilly had to say in relation to a couple of matters. In its response to the committee, the Government has agreed to these recommendations, that is, to adopt the name Queensland Ombudsman. I propose to look at these recommended amendments in the first half of 2000. I wish also to consider the outcome of the upcoming review, before considering further amendments to the Parliamentary Commissioner Act. I endorse the committee's recommendations to bring the Ombudsman closer to the Parliament, and I will look at appropriate amendments also early in 2000.

The parliamentary committee is currently conducting an extensive review of the Freedom of Information Act 1992, which will involve consideration of the role of the Information Commissioner. All honourable members know how passionate I am about freedom of information laws. I know that passion is shared by nearly all—but not all—honourable members. With those few words, can I say that I am looking forward to the review. The reason I am keen for this legislation to be passed this week is so that the review can be up and running and we can get an outcome very soon. The Attorney-General and I have agreed on the appropriate person to carry out the review. Once this legislation has been passed, the person we have agreed on will be appointed. A process has been gone through. That person will be appointed and we will get on with it. Beyond that, I look forward to the freedom of information review.

Motion agreed to.

Committee

Clauses 1 to 5, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Mr Beattie, read a third time.

WATER RESOURCES AMENDMENT BILL

Second Reading

Resumed from 21 July (see p. 2766).

Hon. V. P. LESTER (Keppel—NPA) (9.25 p.m.): Water is one of the most significant issues in Queensland, and I believe that it will only become more significant in the coming months and years ahead. Unfortunately, I think that in the future wars will be fought over water. To some extent, minor wars are being fought over water at present. As I travel the length and breadth of Queensland, the most significant issue that continues to be raised with me is the need for more water. Even where a supply is not fundamentally sound, people still seem to need more water. In the future, we will have to pay very serious attention to this issue to work out how we can provide more water in this State in an environmentally sustainable way. We are just running out of it. It is as simple as that.

Water is fundamental to the continued development of our great State of Queensland. There will be no development if we do not have the water to support it. One need only go out to places such as St George to see that. I recall visiting St George and Dirranbandi a few years back. At the time, those towns were not too clever—and I think that is being fairly polite. Those towns are now absolutely vibrant, with new employment and business activity. We saw the development of new mining, industrial and agricultural industries, rural and regional development, job creation and export growth.

Unlike other States, in particular Victoria and New South Wales, the vast majority of Queensland's river and underground water systems are in good environmental shape. Again, unlike those in other States, our river systems have not been overdeveloped. In fact, in many instances they are not totally utilised. As I said a moment ago, we have seen that, where water infrastructure has been constructed, enormous benefits have flowed directly to the regional community and to the State economy. For example, the construction of the Fairbairn Dam at Emerald sparked mining developments, irrigation, and encouraged the cotton and horticulture industries, providing jobs, income and services to that community. Having represented the area, I know that Emerald was seen as a fairly significant sheep and cattle centre. In those days it was a pretty dusty place. Then people suddenly became excited about the proposed dam.

This was all brought about by a Labor man, Tom Foley. He was ridiculed for suggesting many years ago that there should be a dam built on the Nogoa River near Emerald. They used to call it Foley's Folly. When he left the Irrigation portfolio there was certainly no dam, but ultimately commonsense prevailed and that dam was built. It was opened in 1972 at a cost of $23m. It now provides water for a large number of mining towns and mine operations, the cotton industry and the citrus fruit industry. The benefits of that dam go on and on. The population of Emerald has increased from about 4,000 people to between 14,000 and 15,000 people. Although that dam is environmentally very sensitive, it still supplies water to the likes of Blackwater, Tieri and Capella. Thousands of people attend the Easter Festival held on the beautifully maintained lawns that surround the dam.

We should look at the benefits that the Federal Government in particular is reaping from that dam. Some of the mining companies in the area are making profits of up to $100m a year. All the mines in the area are looking at profits of several hundred million dollars. If we add the profits of the citrus fruit growers and the cotton growers, probably for that $23m investment the Federal Government is netting revenue in the order—and I do not think I really want to put a figure on it—of many hundreds of millions of dollars. That has been one of the truly great developments because somebody had the courage to say, "Yes, let's make it work." I do not believe that there is one ounce of environmental damage there. In fact, the trees, the shrubs and the other vegetation that has been able to be grown as a result of the building of that dam have indeed made the place environmentally friendly.

I mentioned earlier other areas such as St George and Dirranbandi. It just amazes me to go out there to find these great seas literally in the desert—not quite desert but close enough—and what that has done for those towns. Then there are places such as Mareeba on the Atherton Tableland. We do not need to talk about the tablelands, but I would like to know where it would be if it were

not for the Tinaroo Falls Dam. It is amazing, though, that most people in that area are not satisfied because they would like more water from that dam. Whenever I go up there, all sorts of schemes are put to me about somehow or other harvesting more water. I dare say that there are opportunities there if we think carefully about them. Bundaberg and the Burdekin have boomed with the construction of water storage schemes and the development of irrigation industries.

The former Borbidge Government recognised the wealth of opportunity offered to this State through sustainable water infrastructure development and commissioned a massive report to identify and prioritise potential water schemes. They did not throw a few darts at a map of Queensland to see what they could hit. They worked it out scientifically. Had we continued along that line, we would have been in a position today where perhaps some of those dams and weirs would have been under construction. Again, we would be providing more opportunities for people to carry on that great Australian tradition of going out and making their fortune. That is not such a terrible thing. If people make a fortune, they spend it and they employ people. So "profit" is not such a dirty word.

Unfortunately, with the election of the Beattie Government 18 months ago that work has halted and at least seven major water projects across regional Queensland have either been axed or stalled. That is a pretty unhappy state of affairs. I do believe that some of these dams could now be in the throes of construction. We could be using our construction and environmental expertise to set Queensland up as a showplace to the rest of the world, to show it that in Queensland we do things better. The Premier often says we can, so here would be an opportunity to do that.

The proposed $123m St Helens Creek dam at Mackay with a capacity of 200,000 megalitres was axed in December 1998. I am at a loss to know why that happened. I do not believe it should have happened. The additional jobs it would have created would have meant an enormous amount to the Mackay area, which is doing pretty well as it is at the moment with mining in the hinterland, sugar, the expansion of the University of Central Queensland and so on. It has developed well, but this would have been yet another way to develop Mackay and the surrounding area. I am sure the environmental sustainability would have been proven to be correct and up to the task. The proposed $42m Finch Hatton Creek dam near Mackay with a capacity of 36,000 megalitres was also axed in 1998. I really do not know what the Mackay people have done to this Government, but they have got the axe fairly and squarely in the neck.

Mr Welford: They asked us not to do that one.

Mr LESTER: I do not think so. That is not what I have heard. This Government is giving all the reasons why something cannot happen rather than looking at the issue and saying, "How can we make this happen, even if we might have to delay some of these structures to work more on the environmental side of things?" I am quite sure this could have been done, and done well.

The raising of Walla Weir in the Burnett district has been placed in perennial limbo. It is like it is between heaven and hell. It does not know which way it is going. A commitment by the Borbidge Government to raise the weir has been reversed by the Beattie Government, even though the facility was designed to take that addition. It was designed so it could be improved in the future. We have seen no action there at all. I also mention that the much needed Cooranga Weir has still not been funded and no plans have been released by the Minister as to when it will be funded.

The proposed 620,000 megalitre Flinders dam was axed in 1999. That was an outstanding project. I have been up there and looked at it. One would have felt really good to go there to see the unbelievable excitement of the people of Richmond. They took me out to where low loaders and those sorts of things were scooping up ground ready to grow crops when this dam was built. The shire council talked to me at considerable length. They were excited. They believed it could happen. Then, all of a sudden, it was announced over ABC radio that it would not happen. It was very devastating to those people that they did not really mean any more than a radio news bulletin. They were not even told what would happen.

Mr Seeney: Arrogance—absolute arrogance.

Mr LESTER: I believe so. I did not ever really believe that the Government would act in that way. I actually tried to reassure these people that the Government was genuine and that it was going to really try to help them. A few weeks later, of course, we saw this rather extraordinary act. These days I am not quite so willing to sell the present Government's good tidings, because I am not sure they will

come to pass. That sort of thing leaves one a little embarrassed.

Construction of the proposed $150m Nathan dam in central Queensland with a capacity of 1.1 million megalitres, approved by the Borbidge Government in 1998, has been frozen.

Mr Seeney interjected.

Mr Welford interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! I think it would be appreciated—

Mr Welford interjected.

Mr DEPUTY SPEAKER: Order! The member for Callide and the Minister! I think it would be appreciated if we listened to the member for Keppel.

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! The member for Callide!

Mr LESTER: Thank you, Mr Deputy Speaker. That gave me time to pause and reflect on what has not been happening under this Government. I really believe this is a tragedy. While it could be argued that the dam might go ahead one day, every day that passes it is less and less likely to go ahead. I know that there are issues about privatisation and so on, but there was a lot going for this dam.

Mr Seeney: Wayne Goss thought it was a good idea.

Mr LESTER: He did. In fact, I got taken on by one of the media in relation to this particular dam because I indicated all the jobs that would be created through its construction. The media took me on—

Mr Seeney interjected.

Mr DEPUTY SPEAKER: The member for Callide will be speaking very shortly. I think it would be most appropriate if he listened to a member from his own side, the member for Keppel.

Mr LESTER: I think the member for Callide is so distraught about what has happened to his proposed dam that he cannot help himself.

Mr Welford interjected.

Mr LESTER: It is true. Actually, I held a public meeting in Rockhampton which some 500 people attended. The member for Callide was extraordinarily vocal at that particular meeting. He was so vocal that it probably got him over the line at the election. If people did not know him beforehand, they knew him after that meeting. I am of the belief that they knew about him beforehand, too. I understand that he once got in front of a train to make a point with the railways when the Labor Government was trying to shut them down.

Mr Seeney interjected.

Mr DEPUTY SPEAKER: The member for Callide can have this conversation outside. If he keeps it up, he will be warned and then he will not have a chance to actually say what he wants to say.

Mr LESTER: It created a bit of a problem for me in my own electorate when this was announced. Some of the conservationists were carrying on. They were suggesting that all of the pollution from this dam came from "those awful cotton growers". That is a quote; they are not my words.

Mr Mickel: I hope not. I hope you have not denigrated those cotton growers.

Mr LESTER: The member understood what I said. I said I was quoting. I would never denigrate those people, who do so much for our State of Queensland—in terms of money and in other ways. I hope that when the appropriate votes are to be taken good people such as the member for Logan will vote for what we are doing to help them and not vote against us.

I was able to convince the conservationists that with this particular dam very modern methods of environmental control had been used perhaps for the first time. Much of the water that would normally be running into the stream after it was used for irrigation on the cotton fields actually would be channelled back on to the farm.

Mr Littleproud: Tail draining.

Mr LESTER: Yes, it is tail draining back on to the farm. This was very significant. It meant that the water that would go down through the city of Rockhampton would actually be quite safe. Of course, the conservationists got it a bit wrong. Not too much water from the Dawson River goes through Rockhampton anyway. Most of it comes from the Isaacs/Mackenzie. They held a couple of demonstrations outside my office in the couple of weeks before the election. It did not do them much good. I think they got about 1.2% of the vote. There is a problem with saying why something is crook, why it will not happen or why it should not happen rather than getting on with the job and saying, "How are we going to do it? If we've got a problem, let's fix it. I am sure we can do it."

Construction of the proposed $247m Paradise dam in the Burnett has also been frozen, despite the Premier's promise. He

made a promise. Mr Beattie actually went up there and said, "I promise you the Paradise dam." Members can understand that the member for Bundaberg, who is a nice lady, gets very cranky whenever that dam is mentioned. She gets a bit cranky with the member for Burnett. He seems to stir her up a bit about that dam. There is also something about an electorate office, but I will not go into that. It would be a bit off the subject of this Bill. Despite the Premier's promise at the last election to match the Borbidge Government's commitment to build within five years, he conned those people a bit. He smiled nicely at them.

I went up there and had a yarn with the sugar growers, various other people and the member for Burnett. I know that I got into trouble with the Minister. I got in a plane, went up and had a good look for myself, just to see what could happen and so on. He thought I was trying to pull a bit of a stunt, but really I was not. I had been over a lot of that area on the ground as well. I just wanted to get a total visual effect. I think what upset the Minister was that I did get very good press out of that trip to the Burnett.

We made it very clear what we thought about the whole issue. We had the backing of everybody of any substance in that city of Bundaberg. We were quite pleased with what we achieved there. At least we got people thinking about the issue. Bundaberg does need this dam. A $247m dam is a very important asset for that area. I would like to see the member for Bundaberg being a bit more vocal about it, but she has probably been hit across the knuckles and told to quieten down a bit.

The list of broken promises and non-events goes on. In fact, a host of other smaller projects have been stalled or axed under the Beattie Government. This is quite a shame, because this State has so much going for it, but the old axe is out and these dams are being stopped. Yet the Government is bringing in other legislation at the moment to axe the harvesting of a few trees. I cannot quite work out the Government. I thought it would be a bit more considerate.

To top it off, the Minister has reneged on his commitment to amend the guidelines to make it easier for primary producers to access assistance to build on-farm water storage under the Water Development Incentive Scheme. The other day in the Parliament I asked a question about that issue. The Premier got a bit cranky and upset with me, but I think I hit the mark. I understand from public servants that they were starting to see some action. I did not pursue it any more, but I think I hit a nerve. I believe that there was some substance in my question. And although I would never suggest that the Minister tried to mislead the Parliament, I know that there was some action after I asked that question, so I am very pleased about that.

The Water Development Incentive Scheme provided a great incentive for people to build on-farm water storages. Provided that all the levels and flows are right, there is nothing wrong with on-farm water storage. In fact, it is far better that water be stored than wasted. We should never forget that. I believe that the more incentive schemes we have to actually assist people, the more they will do something.

This Government is going about things backwards. Why it is doing that, I will never know. The numbers of inspectors and people like that are being increased. With all due respect to many of those inspectors, who have been through university—particularly the young ones—they have not had the experience of trying to make a farm profitable or even working on a farm. They have their little black books, and if they go back to the office without having booked a farmer for this or that or put some sort of imposition on a farmer, then they get into trouble with their superiors. Those inspectors are trying to get ahead by studying at university for another degree. But it is a great pity that they are putting impositions on people.

Some of the people involved in aquaculture have had extraordinary trouble trying to get ahead and do their jobs. One fellow had a 20-part scheme, but the scheme was stopped on the first part because it was suggested—and only suggested—that there might be mahogany gliders on his property. There is no proof of that; nobody has found any. But his whole scheme has been stymied, and he is losing heart. One inspector even had a go at that fellow because some of the effluent from his property was running into the mangroves. The inspector said, "You're in trouble, mate, because that effluent is making the mangroves grow bigger than they should be." I thought that people got into trouble if they chopped mangroves down, but that fellow got into trouble because the moisture from that effluent was making the mangroves grow bigger than they should be.

People are losing their marbles over this issue. In the past, the DPI person, the DNR person or the environmental person would visit a farm and give the farmer a hand. They

would show him how to plough contours and control erosion. The farmer would be given a list of things to do, and it all worked out pretty well. Those people had a great relationship. But all that went with the Goss Government. Now we have this new breed of inspector. And God help us with the tree-clearing guidelines! There will be so many inspectors on people's properties that they will be like white ants and nobody will be able to move. But that issue relates to other legislation before the Parliament, so I will not talk about that.

In recent days, we have learnt that the Minister has directed his department to cease processing existing applications under the Water Development Incentive Scheme and is currently working on a recommendation to Cabinet not to pay those existing applications. I hope that I have got that wrong, and I do not mind being corrected if I am wrong. It would be terrible if, all of a sudden, those people who have set up the machinery and are prepared to start work on their schemes found that they could not commence that work. That would be pretty dreadful, to say the least.

The Beattie Government talks about jobs. But with the non-construction of dams and the difficulties that people are facing in developing their farms, their situation will be made worse with the tree-clearing guidelines. This Government is anti-jobs and anti-regional development. So it is somewhat fitting that, on one of the first and few instances when this Minister has introduced legislation regarding water, it is simply a procedural or administrative Bill. Even the amendments that the Minister was kind enough to explain to me appear to be just that.

The Opposition is not going to oppose the Bill. However, there are some issues that I would like to raise with regard to it and to the Water Resources Act. Firstly, with regard to the Act, I have been made aware of some of the problems that are causing serious concerns among primary producers on the Atherton Tableland. The Leader of the Opposition, the Honourable Rob Borbidge, and I went up there. Russell Cooper went up there on another occasion, and the Deputy Leader of the Opposition, Mr Springborg, has been up there, too. We have spoken at length with those primary producers. There is a fair bit of brain power on the Atherton Tableland.

Mr Springborg: The Minister is not interested.

Mr LESTER: I have not really touched on that. The Mareeba and District Fruit and Vegetable Growers Association has brought these concerns to my attention, and I acknowledge their efforts. They do a great job on behalf of their members. When I went up there, I could not believe how organised they were. They had all their representatives there, and they arranged to take me around within a specific time and show me all of the various areas that were of interest to them. Their ideas are futuristic, and they told me about what they thought they could do in the future and how their expertise could make products from the Atherton Tableland more competitive on world markets.

The Labor Party really needs to understand that we have to be more competitive on world markets. If we do not provide water and the capacity for our producers to utilise as much land as possible and to produce in the most economical manner, members know what will happen; not only will we lose out in the international market, but we will lose out in the domestic market as well, because we will not be competitive, and it will be cheaper for Woolworths or Coles or some of those so-called great Australian companies to import from Taiwan, South America and other countries the types of goods that we should be producing ourselves.

One needs only to talk to people at the Golden Circle pineapple factory—a great company—about economies of scale. That factory has to compete continually with the rubbish that is imported from other parts of the world and which is stocked mainly by supermarkets. Unfortunately, some Australians are silly enough to buy that rubbish, even though it might contain mercury or other toxic substances. I would be surprised if the Minister was not aware of these problems. I would also like very much to hear his views about this issue and what he can do about it. I also urge the Minister to act on these concerns and move promptly to address them through an amendment. There is no reason why he cannot do that.

Following the introduction of the water resources regulation in 1999, which introduced tradeable water allocations, concerns have arisen with the trading process. This is important. Currently, there is no obligation for the buyer of a water entitlement to be made public, only for the name of the seller to be made public. Irrigators on the tablelands hold concerns that the transfer of water from one person to another has the potential to impact negatively on other irrigators. If we really think hard about this issue, we realise that there is a problem with only the name of the seller of a water entitlement being made public, and not the buyer. Irrigators hold concerns about this issue and, obviously, it needs to be given a fair

amount of attention. Given that the notification process does not require information regarding the buyer to be disclosed publicly, growers may not know of the potential impact that that transfer will have on them until it has taken place, and then it will be too late to do anything about it.

I am referring to the actual impact of that water trade on others. I believe that that is an environmental issue. We have to make sure that, when this happens, nobody is impacted upon adversely. Irrigators should be advised of the seller's location. I think that is important. They should also be advised as to where the water allocation is to be transferred. If that is done, everybody knows where they stand and they will know whether or not they are impacted upon negatively. There should be a process in place by which this issue can be dealt with. Adding to this problem, as it stands there is also no provision for an appeal process if other irrigators in the scheme are disadvantaged through the transfer of a water allocation.

So the issues are the identity of the buyer, where the water allocation is to be transferred, and no appeal process. They are all pretty serious. I believe that the Minister should really take note of them and, if he does not mind, try to address them. He should talk to the people on the Atherton Tableland and see what can be done to overcome the problems. Certainly, what they are suggesting sounds reasonable to me. They are not people who just try to cause bother; they have thought all of this out. They know how things work. Those are some of the concerns that they have put to me and, no doubt, have probably been put to the Minister as well. I think that they would like some answers and, more importantly, some positive action.

Given the potentially significant implications of the transfer of water allocations on the viability of a system and other irrigators, it is essential that an objection process be provided and that industry has some involvement on how the transfer takes place. These people are saying that they would like their industry group—their representatives—to be involved in this process. That is not a bad idea. If we can have some of the local people involved in their own processes, then they will all be out to help the area and to help one another. If that occurred, I do believe that we would see a pretty tidy system.

A further deficiency in the existing arrangements is that there are no guidelines for the transfer of water within an irrigation scheme. Again, that is a concern to these people. As I have just alluded to, the transfer of water allocations from one channel to another, or from a channel to a creek, or vice versa, can potentially have enormous impacts on other irrigators in that part of the scheme from where the water allocations have been transferred.

So often we see problems occur outside the immediate area, such as the enormous problems that can occur when due care is not taken during the construction of a road. I think of those poor Ahern people in the Ayr area. Because of what some other people have done up the line and because a road was built through the middle of their area, every time it rains those poor people get flooded. I have been out to their farm, too. They showed me photos of their beautiful farm with them rowing from paddock to paddock in a boat. That should not happen. Now nobody wants to do anything about it. It is too big a job for the council. I think that millions of dollars would be needed to fix it. There have literally been all sorts of wars between the growers who are the beneficiaries. Obviously, had some care been taken in the first place, this whole sorry situation would never, ever have happened.

As I have explained in the Ahern incident, there is little value in introducing a system of transferable water entitlements if it potentially leaves part of an irrigation scheme short of water. There is not much point in that at all. There are very good people within the system who really know what it is all about. They could be involved and could do the job very, very well. The current regulation is the pilot for what I envisage will be a roll-out of similar water trading across the State. Therefore, it is vital that we get the framework right before that takes place. I believe that that is very, very important.

The Minister should really be very aware of the concerns on the tablelands over tradeable water allocations. I think that it would be in the interests of not just those growers but others throughout the State and also, indeed, the Government to rectify those problems before that roll-out takes place. I reiterate my call to the Minister to fix these problems for the benefit of those growers in the tablelands irrigation scheme. As I say, we should really be getting something into line that comes into being right across the State.

On a related issue, I also hold concerns that the introduction of tradeable water allocations has the potential to allow the big to get bigger and the smaller to be, for want of better terminology, droughted to death. Of course, it is a fact that some of the bigger

operators think that it is their right to have water. That then creates one heck of a problem for the little people. I believe that there is a place in the world for those little people. Sometimes small farmers have to try to purchase water from the bigger operators, who sell it at some extraordinary price. Those issues certainly need to be dealt with. There is a problem in the St George area that I believe needs attention. I am led to believe that some of those problems would have been alleviated by the building of a new dam.

Mr Hobbs: Off-stream storage.

Mr LESTER: Off-stream storage is an answer, but I am led to believe that that has been put on hold. There is some suggestion that the Commonwealth should be paying for that. That might help solve some of those problems in the St George area.

In any market situation, it is important that there are checks and balances in place to ensure that fair competition occurs while the interests of the smaller operators are safeguarded. Part of our problem, not only in Queensland but in Australia generally, is that we appear to be focusing too much on the big people. We must remember that it is little people who really keep our State afloat.

To give an example, many years ago a huge British grazing company owned all of the land around Capella and Clermont. It was a huge show. It was inefficient, it did not employ a lot of people, it made a loss and generally it was hopeless. The land was split up into smaller properties and now it is one the most vibrant areas that one could ever think of. Sometimes the area suffers from drought, but all in all that has been a magic solution to an enormous problem that was created by a huge combine. I think it was the British Food Corporation that was causing the problem. Once they got rid of that combine, the whole area became very vibrant. It now has its own high school, a beautiful cultural centre and so on. It also has a huge swimming pool. Many of those facilities were built during the time of the member for Peak Downs, who is the current member for Keppel.

Mr Littleproud: When the member for Condamine was Minister for Education, he gave you a high school.

Mr LESTER: When the member for Condamine was Minister for Education, he approved the high school. I take this opportunity to thank him very much, before I get into trouble with the Deputy Speaker for getting off course.

Mr Welford: It sounds like a pork barrel to me.

Mr LESTER: It was very much needed.

Mr Welford: A very much needed pork barrel.

Mr LESTER: No, it was not a very much needed pork barrel. It was not a pork barrel at all. This proves my point about the Labor Party. Even though outside this place Mr Welford is a good friend of mine, he cannot help himself. When we are trying to help country people, he says that we are pork-barrelling. He will not let them chop down trees and he will not give them any water, and when they get a high school he says that they are being pork barrelled. That is an awful thing to say.

Mr Welford: Get back to the Bill.

Mr LESTER: I know that the Minister wants me to get back to the Bill because I am a little too good for him. As I read it, the protections are not in place at present. I do not want to see situations develop where large multinationals or corporate farmers, which have enormous resources at their disposal, buy up the majority of available properties and, therefore, all the irrigation schemes. I have just mentioned the British Food Corporation, and the same thing can happen with large irrigators. They can buy up all the land, knock out the little people and become highly mechanised. The little towns will suffer because there are not so many people about. Indeed, it will probably get to the point where the big corporations will fly people in and out. Indeed, I have been on a farm that does just that, but I will not go into that.

Mr Purcell: Give him a kicking if he is doing the wrong thing.

Mr LESTER: I thank the honourable member for that interjection. I might get him to give me a hand. I believe that in previous years he was not too bad at that. I will withdraw that comment if the member wants me to.

This is not in the interests of regional development or social justice. I hope that this Government shares my concerns and acts accordingly. I ask the Minister whether he has considered introducing such safeguard measures and, if so, what shape might they take. I believe that that is very important. The Minister might be kind enough to respond on that point in his reply.

I understand that the amendments proposed to the Bill will enable the remaking by one regulation of more than 100 instruments under section 129, which were due to expire on 1 July 1999. The amendments also provide for the consolidation

of all existing instruments under section 129 without the necessity to repeat the advertisement and objection process undertaken when each instrument was made.

I have perused the Scrutiny of Legislation Committee's report on this Bill, which raises a number of issues. In the main, it would appear that the committee is satisfied that this legislation does not adversely affect rights and liberties or impose obligations retrospectively. Certainly, we do not want that. That deals specifically with clause 9, proposed section 257. Retrospectivity is one of the worse things that can ever happen. The Scrutiny of Legislation Committee has referred the issue of whether the legislation has sufficient regard to the rights and liberties of individuals under proposed section 258 to the Parliament.

The committee noted that while Part 7 of the Statutory Instruments Act established a general mechanism for the staged automatic expiry of subordinate legislation, the legislative intent underlying Part 7 is to regularly expose such subordinate legislation to the question of whether it is still needed. The committee also noted that applying that provision in this instance to such myriad regulations would be a mammoth and onerous task.

I read the Minister's response to the issues raised by the Scrutiny of Legislation Committee. He pointed out that the Department of Natural Resources has already undertaken comprehensive reviews of all subordinate legislation relating to the water boards and many of the instruments will not be remade. Indeed, from his reply I understand that some 110 of a possible 500 instruments will be remade and consolidated pursuant to the amendments to the Bill that we are debating. Basically, that is necessary to continue the existence of each water board and to maintain their lawful authority to construct and operate specified works and divert water.

I wish to comment on the Burdekin South Water Board and the Burdekin North Water Board. If one takes the time to inspect those boards and meet some of the people who are associated with them, one will be quite taken with the efficiency, honesty and the lack—fortunately, so far—of Government regulation that enables them to do as they wish, within reason. One sees from the reports of these water boards that they continue to have elections of officers every so often and if somebody is not performing, they get voted out, just as we do. I think that the system works particularly well.

Mr Malone: They are under a lot of stress because they are unsure of the Government's intentions.

Mr LESTER: When I was talking to them, they told me that they are very, very concerned that the Government is going to come in and totally regulate them. It is true; that is what they are telling me. The Minister might like to go up there and tell them that it is not going to happen.

Mr Welford: Regulate what?

Mr LESTER: Water boards—put heaps and heaps of regulations and legislation on them and take away the authority that they currently have at the current time. They are awfully worried that they just will not be able to operate the way they do at the moment. My suggestion to the Minister is to leave them as they are. They are doing a pretty good job and they are not hurting anybody. All they are doing is the right thing.

Mr Malone: What about increasing the charges for bulk water?

Mr LESTER: They have heard about that, too, and they are very, very concerned that that might happen. They tell me that the Government is going to charge us for the drains.

While it would appear that the task as envisaged by the Scrutiny of Legislation Committee may not be as onerous as first thought, it would also appear that at least to some extent the task has been carried out already by DNR. Accordingly, I would like the Minister to outline the process used by his department to conduct these reviews and whether that included public consultation. Sometimes this Government is a bit short on public consultation. It has certainly been a bit short on public consultation in relation to the prison that they are going to build at Glendale.

Mr Springborg: And tree clearing.

Mr LESTER: And tree clearing and a few things like that. Accordingly, I am tending to lean towards the view that to remake these 110 instruments in accordance with the advertising and objection process that was undertaken when they were first established is unnecessary, but I would like to hear the Minister's response regarding that review process that has already been conducted. Governments, particularly this Government, have a habit of generating an enormous amount of red tape. I think the Parliament should be very wary of any more being generated. It cannot help it; it generates heaps of red tape. It just does not do things simply.

Mr Welford: I'm with you.

Mr LESTER: Thank you. It is about time the Minister woke up.

At the same time it is important that people are afforded ample consultation regarding Government decisions and activities. Sadly, since the election of the Beattie Government, all too often we have witnessed a dearth of genuine consultation with all stakeholders on issues of vital importance, such as the regional forest agreement, tree-clearing guidelines and water management and use.

Mr Hamill: I am not a gambler.

Mr Springborg: I know that; not any more.

Mr LESTER: Not any more! I would not talk too much about that if I were the Treasurer.

The final issue raised by the Scrutiny of Legislation Committee was the shortcomings in the Minister's Explanatory Notes which accompanied the Bill. The committee highlighted that the Bill was introduced back on 21 July. However, on 25 June a regulation was made under the Statutory Instruments Act of 1992 extending the automatic expiry date of the relevant regulations to 30 June 2000 on the basis that the Water Resources Act is subject to review. Accordingly, the committee was of the view that these matters were sufficiently serious for it to recommend that the Explanatory Notes are inaccurate and they are inefficient. There appears to be little excuse for what could best be described as incompetence, and I look forward to the Minister's statement regarding the shortcomings in his reply.

Mr Hobbs: They must be explained.

Mr LESTER: Absolutely! In conclusion, believe it or not, the coalition will not be opposing the Bill. However, I do ask that the Minister address the issues that I have raised regarding the administration—

Mr Hamill: Which one in particular?

Mr LESTER: Tradeable water allocations. He should explain it all.

Time expired.

Mr SEENEY (Callide—NPA) (10.25 p.m.): I am grateful for the opportunity to make a contribution to the consideration of this Water Resources Bill. I cannot help but make the observation that once again we are seeing a piece of legislation that deals with resource management and primary production issues that are important to primary production treated with disdain in this Parliament tonight. Once again we see the Minister responsible treating this sort of legislation as some sort of a joke. We have seen the Minister sit over there for the majority of this debate and bury his head in the paper. He does not even have the good manners to listen. When he does listen, he makes smart alec jokes. He turns the whole thing into some sort of a joke.

It is an indication of the total arrogance that this Minister has for the whole area that is covered by his portfolio. It happens time and time again. I begin my contribution to the consideration of this Bill by restating that any legislation of this type is very important to the people whom I represent and any legislation of this type will be considered properly by the members on this side of the House, unlike the attitude that is taken by the Minister for Natural Resources.

No amendment of the Water Resources Act 1989 can be considered by this House without once again noting the scandalous performance—or lack of performance—of the Minister responsible for the development of Queensland's water resources. In the one and a half years that the Beattie Labor Government has been in power in Queensland, the Minister responsible for water resources development in this State, Minister Welford, has successfully stopped the implementation of the water infrastructure development plan implemented by the previous Government. Among his achievements, he has also thrown the whole irrigation industry into confusion and caused mild panic among holders of water resource licences across the State. He will never be forgiven by those in the irrigation industry for that.

In considering this legislation, the record of the Minister introducing it is important. Nothing constitutes a better illustration of the degree to which this Minister is out of touch with his departmental responsibilities than his opening statement to the Estimates committee. He said—

> "The past 15 months have seen significant progress to a more confident and certain future for Queensland ... The budget for my Department of Natural Resources will enable the Government to continue this progress, particularly in rural and regional parts of the State."

Nothing could be further from the truth. How can we not be suspicious of this legislation today when Mr Welford, the Minister introducing it to this House, must surely be living with the fairies? He is certainly totally

blind to the realities of the issues in his portfolio area.

Over the past 15 months, rural and regional Queensland have almost totally lost confidence and any certainty they had, and no more so than in the irrigation industry and the management of this State's water resources. Rural and regional Queensland have totally lost confidence after a series of water resource management issues initially caused concern, then alarm and, in some cases, unfortunately, almost panic, as Minister Welford's ideologically driven agenda has become clear to the people it most affects. His handling of the critically important water resource issue to date has been abysmal. He has thrown the developing irrigation industry into disarray and he has caused untold uncertainty. This legislation comes into the House against the background of that performance and against the background of the uncertainty that this Minister has created in his portfolio area. The uncertainty that the Minister has generated in relation to water allocations/entitlements strikes at the heart of the irrigation industry, and the complete freeze on capital works has destroyed any hope that irrigators had for the future.

This Minister and other members of this Government need to understand how critically important the water allocations and entitlements that this legislation deals with are to irrigators and the irrigation industry. Those entitlements are not only part of the irrigator's capital base; they also determine in a very real way the return that the individual operator is able to generate from that capital base. When the future of those irrigation entitlements and allocations is thrown into doubt, as they have been under this Minister, when the access to the water that those entitlements represent is no longer secure, irrigators have very good reason to panic, and we have very good reason to have grave suspicion about this or any other legislation which seeks to amend the Water Resources Act.

In relation to the critical area of infrastructure development, no amount of political doublespeak from the Minister can hide the facts of his record, which is an important part of the background against which this Bill must be viewed. When this Government was elected 15 months ago, Queensland was on the threshold of a massive water infrastructure building program that had been planned by the coalition Government and which would have established the economic base of many rural communities and many primary industries throughout the State for many years to come. There had been a properly planned and exhaustively researched program to identify the priority projects from all of the possibilities available in regional Queensland. In the 15 months since last June, all of those projects have been effectively stopped or interminably delayed. Many of those water infrastructure projects are in my electorate. I know well the opportunity and hope that they offered to so many communities. I know the hope that those projects offered to so many people. I know, too, the anger and frustration that is developing every day at the interminable delay with regard to those projects.

Mr Hamill: You can't count.

Mr SEENEY: This legislation is important, because the irrigation schemes and equitable access to irrigation water have clearly been identified by those communities as an effective answer to the declining economic conditions and a necessary prerequisite for many people and communities to move into new intensive, high-value industries. I note the inane interjections of the Treasurer. His record of service to rural Queensland is well documented. We well remember when, as the Minister for Transport, he was hanged in effigy in the main street of Monto.

Mr HAMILL: I rise to a point of order. I remember him hanging me in effigy.

Madam DEPUTY SPEAKER (Ms Nelson-Carr): Order! Is that a point of order?

Mr HAMILL: Yes, it is. I was deeply offended by the remark. The fact is that the honourable member cannot count. It has been 18 months since the Beattie Government was elected.

Madam DEPUTY SPEAKER: Order! What would the Treasurer like him to withdraw?

Mr HAMILL: I find it deeply offensive that he should malign me in such a way in the House.

Madam DEPUTY SPEAKER: There is no point of order.

Mr SEENEY: The current Treasurer looked a lot better hanged in effigy in the main street of Monto than he does sitting in the Chamber tonight. As I was saying, irrigation water is the great hope for a better future for many rural communities. Where there is water now there is prosperity.

Mr Welford: Keep going. No-one is listening to you.

Mr SEENEY: For the record, I note the comment of the Minister for Natural Resources, who said "no-one is listening". He does not want to listen. He does not want to

know about the hopes of rural Queensland. He never considers the prosperity that water infrastructure brings to rural Queensland. He is off with the fairies—off with the extreme Greens that run the agenda from his office. No wonder he does not want to listen. No wonder every time there is a piece of legislation dealing with resource management issues he sits in this House like some overgrown clown and makes a joke of and belittles these issues that are so important to the people of rural and regional Queensland. They are important to the people I represent. Every time legislation such as this comes into this House, it will be dealt with seriously by me and other members who represent those electorates, irrespective of the stupid, inane attitude of the Minister for Natural Resources.

Madam DEPUTY SPEAKER: Order! I remind the member for Callide not to use unparliamentary language.

Mr SEENEY: This attempt to amend the Water Resources Act has to be seen against the background of the performance of this Government and its most hopeless Minister. The tragedy of the performance of this do-nothing—

Mr HAMILL: I rise to a point of order. I am distressed by the language of the member for Callide. I want to know whether he has reconciled his conflict of interest in this House in relation to matters concerning the meatworks.

Madam DEPUTY SPEAKER: Order! There is no point of order. Frivolity such as this does not belong in this Chamber.

Mr SEENEY: That is absolutely right. As I said before, the attitude being displayed by Government members is a clear indication of the importance they attach to these issues. We see it every time that this type of legislation is introduced into this House. Every time I get a chance, I will point it out not only in this House but also to the people in rural Queensland—the people to whom these issues are important.

Mr Welford: What a man.

Mr SEENEY: They are a joke to the Minister for Natural Resources, but they are serious issues for us.

The tragedy of the performance of this do-nothing Government is that it has destroyed any hope that some of those communities have had. They have destroyed the hope that so many people had for a better future. They have taken away the opportunity a whole range of regional and small communities had for their future. The future of those people has been denied to placate an anti-everything ideology that uses an emotive fear campaign and misinformation to promote its narrow, negative agenda.

I have said many times in this House—and we all acknowledge this—that the need for environmental care in the construction of water infrastructure is paramount. We must ensure that the environmental impact of any irrigation project is minimised, but we must also accept that this infrastructure must be built to provide a future for our agricultural industries and the regional communities that depend on those agricultural industries. There are plenty of examples of tremendously successful irrigation areas across the State which make an enormous contribution to the State's economy and which will be impacted sooner or later by the precedents set in this Bill. These successful irrigation areas hardly ever get mentioned when the debate turns to new infrastructure. We never hear the good stories from the Minister for Natural Resources. Tonight we heard the shadow Minister outline in detail just how those benefits have flowed from one particular irrigation infrastructure project in Emerald. But I cannot remember when the Minister for Natural Resources—the Minister now responsible for the State's water resources—made positive comments about this State's irrigation industry. We never hear the good stories from the Minister, just inflated versions of examples of things that can go wrong—more scare tactics and emotive rubbish.

In considering this legislation, we must remember that he and other members of the anti-everything brigade are all too quick to repeatedly point to the mistakes of the Murray-Darling scheme, and some regrettable mistakes were made there in the early days of development. The evidence of that is clear for all to see. In considering any change to the Water Resources Act, we in Queensland need to learn from that history and those mistakes and develop much better irrigation schemes and manage those schemes to ensure that those mistakes are not repeated. We cannot allow the anti-everything brigade to use those mistakes as a convenient excuse never to develop any irrigation infrastructure again. That is the agenda being promoted by the Minister for Natural Resources.

This State could have been well on the way to seeing more success stories like Emerald in central Queensland, which was so well described by the shadow Minister tonight. This State could be well on the way to seeing more success stories like the Burdekin in north Queensland, St George, Dirranbandi in the

south west, Mundubbera in the central Burnett or the Mareeba/Dimbulah irrigation scheme in far-forth Queensland. I would be interested to know how many of those schemes the Minister has visited in the time that he has been in that position. How many of those schemes has he taken the trouble to look at to see the positive benefits that flow not only to those communities but also to the whole State?

As we consider this legislation, we must remember that under the stewardship of this Minister nothing positive has happened. The Nathan dam project, which the shadow Minister mentioned, had a huge potential for the whole of central Queensland and a huge potential for the electorate of Callide and yet it, too, was treated as a joke in this Parliament tonight. The Minister made a joke about it. The Nathan dam project is apparently permanently stalled. That is the only fair interpretation to put on the situation. I would be only too happy to be proven wrong. I would be only too happy to see the Nathan dam project proceed.

The Fitzroy River WAMP was due for finalisation last November—12 months ago. The date for its release seems to be always extended further and further and further. The Minister got headlines in the local press in central Queensland a couple of weeks ago with a grand announcement that it was going to be released before Christmas. It is not long until Christmas now. I will be watching closely to see yet another promise broken, to see yet another deadline passed without the WAMP that the people of the Fitzroy Basin have been awaiting for 12 months. Once again, I will be only too pleased to be proven wrong. I will be only too pleased to see that WAMP released before Christmas, but the Government does not have long.

The attitude of the people in the Fitzroy Basin is simply that enough is enough. On their behalf, I again call on the Government to get that project moving. I again call on the Government and the Minister in particular to recognise the need for that infrastructure throughout the whole of central Queensland. In relation to the Burnett River WAMP and the Burnett River projects, it is the same story. The Burnett River WAMP has only just begun. It is many years behind the Fitzroy River, but it will effectively delay any project on that river system for years to come. That will make an absolute fool of the member for Bundaberg, who promised so much to the water users of the Burnett Valley in her bid to win the seat of Bundaberg.

An Opposition member: She's a one-termer.

Mr SEENEY: Absolutely. I take the interjection. She is a one-termer. Anyone who knows anything about the political situation in that part of Queensland knows it is a pretty safe bet that the member for Bundaberg is a one-termer. The Burnett River WAMP and the attitude of the Minister for Natural Resources will be a major contributor to ensuring that the member for Bundaberg is a one-termer. The people of Bundaberg have not forgotten the promises that were made. They have not forgotten the grinning Premier, with teeth like a picket fence, who went up there and promised them whatever they wanted. They have not got any of it. The WAMP study has not even been done.

Despite the verbose contributions that the Minister has made in this House about the water allocation management planning project and his suggestions that it is going to be sped up and despite the vague promises and the political doublespeak, these studies are still being used as a convenient excuse for the Minister to do nothing. They are still a convenient excuse to delay forever the projects that the people of the Burnett and the people of the Fitzroy so badly want to see come to fruition, and they are projects that we would have delivered. The repeated extension of those studies has become a convenient excuse for this Government to do nothing and to try to justify their do-nothing stance. That is the sort of double play we would do well to remember when we consider this legislation. That is the background against which this legislation has to be viewed.

The irrigation industry in particular and rural Queensland in general needs an honest, fair dinkum commitment from the Government to the development of water infrastructure. We want something more than fancy words and political doublespeak. We know that out there on the ground the process is proceeding at a snail's pace. Rather than tinkering with the Act, as this Bill does, the irrigation industry wants to see some realistic starts made to some of the potential projects across Queensland. It is difficult, and I would suggest very politically dangerous, for any Government to underestimate the growing level of frustration at the deliberate delay and procrastination being presided over by the Minister for Natural Resources.

Rural Queensland has had enough of the Minister's political doublespeak and his cynical manipulation. It is time Minister Welford realised that the management of Queensland's water resources is a critical responsibility of the Beattie Government. It is time that he realised it is a serious issue. It is

not a joke. It is time for the Beattie Government to make some decisions and to proceed immediately with a program to provide some much needed water infrastructure for Queensland.

If he wants this Bill to be considered properly, Minister Welford needs to understand that his smart alec, ideologically driven approach is achieving nothing and endearing him to nobody in rural Queensland. If his handling of his responsibilities with respect to the management of Queensland's water resources has been terrible, his handling of the other resource management issues in his portfolio have been even worse. The real tragedy is that he does not realise the extent of the problems that he has caused. It is important for whoever holds the position of the Minister for Natural Resources to have a good working relationship with rural industry and rural Queensland in general. How breathtakingly has this Minister failed. There has never been a Minister that is so mistrusted in rural Queensland than the current Minister for Natural Resources. There has never been a Minister so hated and despised as the current Minister for Natural Resources. In the blind pursuit of his ideological agenda he has taken away any certainty and any hope for the future of so many communities.

Time expired.

Mr HOBBS (Warrego—NPA) (10.46 p.m.): I am pleased to speak to the Water Resources Amendment Bill 1999. In the Explanatory Notes, under the heading "Reasons for the Bill", it states—

> "... 'the Act') provides for the constitution, by regulation, of a part of Queensland as a water supply or drainage area in respect of the construction, acquisition, maintenance, administration, extension or modification of works for water conservation, water supply, irrigation, drainage, flood prevention, flood control or the replenishment or improvement of underground water supplies."

The legislation touches on most of the aspects of water in Queensland. I want to expand on a few of them.

As the previous speaker mentioned, not a lot has been done. I support the member and the comments that he made. At the Estimates hearings I asked the Minister to provide us with some details in relation to capital expenditure on the development of water resources in Queensland. We ended up with a document that explains some of the projects. An analysis of that document reveals that all that the Labor Government has done is abandon projects, stop projects, discontinue studies and provide insufficient data. I do not think the Government has opened anything. During the Estimates hearings I asked the Minister what he had done. He mentioned things that he had opened. I presumed that he was talking about projects he had opened. In fact, after he read out quite a few, I realised that I had opened most of the ones that he mentioned when I was the Minister. The honourable member for Warwick was also the responsible Minister at one stage, and he must have opened some as well.

This Bill deals with all of the aspects on that list—construction, acquisition, maintenance and administration. We are even talking about drainage areas. I will come to the finer points of the Bill in due course. I want to read into the record a paragraph relating to the planned progress, expenditure and projected completion dates for 1999-2000. It states—

> "Although drafting of the plan is well advanced, it is not possible, at this stage, to provide a detailed breakdown of budgeted expenditure against each individual activity in the plan or at this stage, to detail anticipated progress during the year."

We know why that is the case. First of all, nothing is happening and there is no money. The money is all gone. Tho members opposite know that it is all gone. It is no good saying one thing and meaning another.

Mr Hamill: It dried up.

Mr HOBBS: It dried up, all right. The Treasurer probably played a very significant part in the drying up of the dam supply here in Queensland.

Mr Hamill: It is a very desiccated argument you are running.

Mr HOBBS: It is. I will explain a little more about it. The reality is that when the Government did the clawback from the various departments and—

Mr Hamill: Claw back?

Mr HOBBS: Lazy money. I think the word is "smoothing". The Government pulled back something like nearly $37.5m from DNR. All the working capital has gone back to Treasury for reallocation. So the funds are not there. Even if the Department of Natural Resources wanted to go out and build—

Mr Hamill: Is this to do with red claw?

Mr HOBBS: It could. Aquaculture may be a part of it.

Mr Hamill: A few of the dams have that in them, you know.

Mr HOBBS: It could be and it could be part of it. We might see if we can examine some of those details. If the Department of Natural Resources wanted to build even a small weir, worth maybe half a million dollars—that is a very small weir—it does not have the money to do it. There is nothing there.

Mr Hamill: Does red claw come under Fisheries or is it Natural Resources?

Mr HOBBS: It is in relation to water. The water is supplied by DNR and then the Minister for Primary Industries has to approve it. He has to grant the licence. We know all about that. We will move on.

I will go through a few of these programs. I refer particularly to Walla Weir Stage 1. This project has taken a long time to get off the ground, but finally it has got going. Stage 2 needs to be started urgently. The Bundaberg region is desperately in need of funding for that program. In that region an enormous amount of underground water supplies are being used and there is salt intrusion. It is very important to use the surface supplies and reduce the amount of water coming from the underground supplies. It is very important to utilise that water from the surface, and it can be done with very little funding. That needs to be taken into consideration.

Another important project that has been progressed very slowly is the Riversdale-Murray water management project. This is a great project that should be the benchmark in relation to sustained management of the canelands of north Queensland. This project seems to be bogged down in some areas, particularly in some of the DPI Fisheries areas. The Minister for Primary Industries may be interested in this issue. The problem in those areas relates to drainage. Mangroves may go up man-made drains. Drains that may have been there for 30 years get mangroves through them and then they fall under the Fisheries Act. Therefore the mangroves cannot be moved, yet the drain has to be cleaned out to make sure water can get through it. Eventually we worked our way through it and we were able to do one side at a time, but it is still not good enough. This problem can be fixed by regulation. It is very simple.

Mr Palaszczuk: Code of practice.

Mr HOBBS: Perhaps, but it needs to be smartened up as well. There is no need for bureaucrats to hold it up. We spent quite a long time working our way through this. The legislation put in place by the Goss Government was very difficult to—

Mr Hamill: I've heard about rats up drain pipes, but never mangroves.

Mr HOBBS: Mangroves do, too. In fact, they would be worse than rats up drain pipes.

Mr Hamill: I reckon they would be, too.

Mr HOBBS: They would be a damned sight worse.

Mr Hamill: I tell you why: it is their roots.

Mr HOBBS: That is true. They dig down. They get right down into it. That is the issue. I think it is very important that the Minister take that on board. I think there is more he can do with his department to make that a lot simpler. Mangroves grow back again anyway. It is probably something we can work our way through.

We have talked about the St George off-stream storage on numerous occasions. I see that that is lost now. For the life of me, I cannot see how it can be built. The site has been lost. It is probably not really the fault of this Government; it is probably more the fault of the channel farmers, who have not been cooperative in trying to get it happening. If they had, it would have been built by now. This Government has probably been a bit slack as well. It should have pushed it through a bit faster. We had it at the stage where all this Government had to do was push it and it would have been right. If we had been in Government, it would have been virtually built and up and running now.

The development incentive scheme is a very important part of water development here in Queensland. This very innovative scheme has been put on hold. It appears to me as if the Minister at one stage was interested in lowering the limit from 200,000 to about 70,000 for each scheme. That would have allowed a lot more of the cane people, the horticultural groups and dairying people to utilise that scheme.

Mr Palaszczuk: You didn't reduce it either.

Mr HOBBS: We were working on it. We knew we had to.

Mr Palaszczuk: Never doing anything.

Mr HOBBS: That is quite untrue. We started the program. We were in Government for only a bit over two years. We had to work the whole thing up and get it rolling. We had to deal with native title as well. That program was in place and we had to let it run for a while. The idea was to reduce it.

There is no money. The Government has lost the money. It is gone. The Government really has to try to get its act together. It would

appear that the Minister has advised his department not—

Mr Springborg: The Treasurer has taken it away.

Mr HOBBS: That is true. The Treasurer has taken the money back. This is a very important thing for regional development. For a minimal amount of money we were able to give land-holders the opportunity to build off-stream storages. Dirranbandi, in the St George region, has probably—

Mr Hamill interjected.

Mr HOBBS: I ask the Treasurer to listen for a minute. Probably half a billion dollars has been invested in that region, generating in the vicinity of 500 jobs. A power station, which may cost $1.2 billion, will generate 100 jobs. The power station is obviously very important, but irrigation is probably a better employer in terms of money invested. The development incentive scheme is a good way to get regional development going. The Government should look at that and try to get things going.

No doubt the member for Western Downs will talk about a couple of weirs that probably should be built. Everything is right to go. There is no reason they cannot be built. They are just being held up. I am sure the member will touch on some of those issues.

We also looked at the Comet River dam. We were very keen to build that dam. At the end of the day, it was quite evident that the environmental issues were fairly significant. I felt that showed our genuine commitment to the environment and the fact that we were fair dinkum about water development. We would not allow water to be sold to people who had unsuitable soils. We did not want to build dams that were unsustainable. We wanted to do it properly and efficiently, with world's best practice. I was disappointed that we had to let it go, but the figures came in not as good as they should have. Rather than do the wrong thing, we did not proceed with it. I could mention quite a few other projects.

An area that desperately needs to be worked on is the Burdekin region. It needs further development. I was able to fast-track some of the studies into the Elliott Main Channel. Obviously we do need additional water coming in from either the Burdekin Stage 2—

Mr Knuth: Urannah dam.

Mr HOBBS: There is Urannah dam at Collinsville or Hell's Gate. The options are there. Two of those three dams can be built. It is really a matter of the Government working out what it wants to do. It can have Burdekin Stage 2 and have all the water in one area and all the development from Ayr to Bowen. Alternatively, it could have the dam at Collinsville or Hells Gate and distribute further the opportunity for development in those regions. That is something for the Government to work out. It really will depend on how the figures stack up. The reality is that the Elliott Main Channel, while very expensive, will allow many people in that region to get into more horticulture and aquaculture and better activities in relation to—

Mr Knuth: Industrial sites?

Mr HOBBS: Yes. Industrial sites.

The reality is that there is an enormous amount of work still to be done in that area. I do not believe that this Government is fair dinkum about pursuing those particular issues. There is a lot more that can be done. There is huge potential in that region. It can be done. We will do it. It is as simple as that.

The blueprint of how to undertake development in Queensland has been set out. It is very, very simple. It is like following a trail of breadcrumbs. All one has to do is pick up the Water Infrastructure Task Force report and the implementation plan, and there it is: step one, two, three, four, five. It sets out the years and the money, and one can do the assessments. The priorities are set out, as well. The Government does not have to try to satisfy everybody's needs at once. The priorities are there. It is purely and simply a matter of following the steps. There is nothing hard about that. The Government just has to put its mind to it. Of course, the big problem for this Government is finding the money. The money was available, but it now appears to have been allocated elsewhere. That is typical of what we have come to expect from this Government.

The member for Keppel spoke about the Flinders dam at Richmond, which has been axed. I have not seen the final assessment of that particular dam site, and perhaps I should do that first. But from what I have heard, it is okay, although the Minister has said that he does not think it is worth while. He could be right. But no dam in Queensland would have been built under the sorts of rules that we have today. Yet we know their huge development potential for a region. Emerald, St George, Bundaberg and the Burdekin area would be nowhere near what they are today if it were not for water.

I turn now to the pumping of effluent for agricultural use in the Lockyer Valley and up to the range. This is an interesting issue, and I recall when it was first raised. It was raised by

members of a National Party branch who wanted to engender a bit of enthusiasm for this project. We had a look at it and discussed all the suggestions. The then member for Inala, who is now the Minister for Primary Industries, asked a question of me in the House, suggesting that there was some sort of pork-barrelling going on and asking why that particular National Party group would be getting all that money to develop a pipeline to send water to the Lockyer Valley. I hope that those particular political days are gone and that the Government is genuinely looking at that scheme. I believe that it is. There is no reason why we cannot utilise water schemes in many regions.

I could say more about further development, but I want to discuss particular parts of the Bill. The Minister really needs to explain some of the mechanisms that will be put in place with this Bill. His second-reading speech was very short and simple, but there is more to it than meets the eye. In particular, I would like the Minister to explain overland flows in relation to the proposed drainage areas. Are we talking about a water supply area? Are we talking about, for instance, a water board? Or are we talking about a larger area? What exactly does the Minister mean, and what implications will that have for land-holders in that particular region in relation to water access and general drainage issues?

The Minister also mentioned the constitution of a board or the establishment of a board. Perhaps he should explain the difference. I would appreciate the Minister's comments in that regard.

Time expired.

Mr MICKEL (Logan—ALP) (11.06 p.m.): I want to comment on an issue that is vital to the residents and businesses within Logan City. I refer in particular to the Logan City Council's water policies, which have just been rejected by the Supreme Court. This whole action was brought about, I believe, because of the arrogance of one of the councillors, who should accept responsibility for his refusal to meet with businesses. By refusing to meet with businesses, he forced them to take action in the Supreme Court. As a result of that, the Logan City Council's water policies have been thrown into doubt. I believe that the only way that councillor can accept responsibility as an elected official is to resign.

Logan City Council businesses have been concerned about this issue for a number of months. They approached me in early July, and we convened a meeting at which they voiced their concerns to me about the water pricing policy. As a result of that meeting, I spoke with an officer from the Department of State Development in the local area who agreed to act as a mediator to try to resolve the impasse that had been created, namely, that some Logan City Council businesses had been faced with massive rate increases.

One fellow was using $2.40 worth of water but was faced with a massive rate bill of thousands and thousands of dollars. This was at a time when neighbouring shires and councils had not been impacted upon by such water policies. Those businesses told me that this meant that they would leave Logan City, uproot their businesses and set up in neighbouring shires. That was potentially disastrous for Logan City, given the nationally high unemployment rates there. Unfortunately, because of the Federal Government's policies, unemployment levels in Kingston and Marsden reach 25%. It would have been intolerable to put up with that. The business houses could not have faced those massive rate increases. Therefore, they were left with no option other than to take legal action—very expensive legal action—but that demonstrates the level of frustration that they felt with the water policy of the Logan City Council. This two-part tariff policy was introduced by the council in a rushed fashion. Businesses were charged not so much on the water that they used but on the infrastructure that was in place. Some of those businesses faced rates bills of thousands and thousands of dollars.

Recently, I have learned that there have been unintended consequences for some of the local sporting clubs—the clubs that provide so much of the recreational activity in the eastern part of Logan City, such as the Rochedale Rovers and also near my electorate, the Logan Scorpions. Previously, they used to get a bit of a discount on their rates. They are now faced with paying 100% of their rate bills. Anybody who has anything to do with sporting clubs would know how hard they work for their members. Particularly in Logan City, they are working hard to provide sporting venues and sporting activities. This massive rate increase would have been felt by them.

I must say that, in the early days, it was the same with the schools. Suddenly, we found that this water policy was in place. We were out there fighting to get more money for the schools and P & Cs were actively fundraising, yet they found that their efforts were going to pay for increased water bills at a time when they had been given no warning and could not put in place water-saving devices. So I had to go to the Minister for

Education to get an assurance that the schools, in my electorate particularly, would be given a reprieve from that water policy. As I say, it was a rushed policy and one for which businesses particularly, but residents as well, had been given very little opportunity to prepare.

Rather than go back into history, today I am pleased to hear that the Minister for Local Government has indicated his desire to treat the matter expeditiously. However, because the decision of the Supreme Court is quite a complex one, I understand that it is not possible to bring in amending legislation by Friday afternoon to address all the issues raised by the court. I hope that the Logan City Council can get its house in order. So far, the reaction of some of those councillors has been to resort to banal excuse making rather than to face up to the real issue at hand. They need to alter the criteria used to determine water charges.

Above all, Logan needs to attract more businesses. I want to commend the businesses that have moved into Crestmead and the ones that are moving into the Logan West area. There are some very, very exciting business opportunities there. They can get on with the job of attracting more businesses. However, all we need is for the Logan City Council to get that water pricing policy in order. If legislation is needed, I have spoken to my colleague the member for Springwood and he is ready and willing to meet with businesses and councillors to make sure that every effort is being made with the Local Government Minister to get the water pricing policy right and to get a better outcome for residents, for sporting clubs and for businesses. All we are asking for is a fair go. I urge the Minister for Local Government, who is listening to my contribution, to make sure that we can get that positive outcome and a better water charging policy in Logan City.

Hon. B. G. LITTLEPROUD (Western Downs—NPA) (11.12 p.m.): In rising to speak to the Water Resources Amendment Bill 1999, I first want to make some comments about the wording of the Minister's second-reading speech. I have read it two or three times and I would have to say that the wording is rather vague and hard to understand. The first sentence states—

> "The Water Resources Act 1989 provides for the constitution, by regulation, of a part of Queensland as a water supply area or drainage area."

That is a pretty all-encompassing statement. The Minister then goes on to talk about drainage areas and water boards. There are many of those throughout the State. However, on the second page states—

> "A minor amendment is also being made to clarify that, under the transitional provisions of the Water Resources Act 1989, areas—other than irrigation or drainage areas—constituted under a repealed Act are to be treated as water supply areas."

I find that rather hard to understand. I am a bit worried that this legislation is being classified as just a minor amendment. I notice that the Minister is currently not in the Chamber. I am not sure what that sentence means. I do not whether it is trying to be a catch-all put forward in the guise of a minor amendment. So I call upon the Minister to give a better explanation of exactly what is meant by that sentence.

When we debate a Bill such as this, it gives us a great opportunity to talk about the Act itself. Tonight, I want to take the opportunity to do that, because currently a number of issues have been raised in regard to water and its conservation and they need to be discussed. There is an acceptance by the people of Western Downs that a reliable water supply in agriculture means an assured prosperity. It gives farmers more surety of one of their inputs into their farms. That means that farmers are then better able to plan the crops that they will grow, when they can grow them, their planting rate, and what fertilisers they will use and in what quantity. All of those things are variables, but if farmers can nail down exactly how much water they have to use, all of a sudden they can maximise their production by upping the planting rate and making sure that they balance out the nutritional needs of the crop.

The issue of security of water goes beyond affecting crop husbandry; it also affects the marketing side of a farmer's operations. If farmers are assured that they are going to get a crop, they can then go ahead and forward sell the product that they have on a volume basis rather than on a quality basis. Farmers would also be very much aware that they have a consistent product, so in terms of forward selling farmers receive ongoing benefits.

A good example of that is the cotton industry. Currently, it is probably the best-organised primary industry in Queensland. Those cotton farmers who are irrigators have control of their inputs and they are out there forward selling. Although currently there is a real slump in the price of cotton throughout the world, a lot of the cotton growers in the

Western Downs had themselves locked into markets three and four years ahead. The downturn that some people who work on the spot market are suffering is not being suffered by those people who have a surety of water supply. That is just a good example of why the conservation and use of impounded water is so important to my part of Queensland.

We are all worried about rural Queensland. The population of rural areas is declining, but productivity is up. It is better than it ever was before. However, owing to that decline in population, we need to create jobs to keep people in those areas. Towns that have an assured water supply, such as Goondiwindi, Dalby, St George, Theodore, Emerald and Ayr are shining examples of prosperity coming when there is an assured water supply.

That brings me to one of the most vexing questions that we still have not solved, and that is water allocations. When this Government first came to power, there was a lot of angst around Queensland because the Minister made a statement that all allocations of water that are currently held by farmers across Queensland are not guaranteed. The only guaranteed allocation will be an allocation given after the WAMP is finished. None of the WAMPs throughout Queensland is finished. So currently many farmers have made large investments by putting in ring tanks and drainage systems, and laser levelling, and they are waiting until the WAMP is issued to know whether, in fact, they are going to keep as much water as they think they will or whether they are going to lose some. Because the Government thinks that it is going to be up for compensation, it has looked for the safe ground. So the Minister has said, "We will only guarantee and pay any compensation on any water allocations that were given out after they have been subject to a WAMP study." That is not fair, and there is uncertainty out there just like there is uncertainty in tree clearing. It has to be fixed up.

The Opposition is the first to agree that there are all sorts of problems, because we need more legislation in terms of water harvesting and how we use water right across the State. Currently, there is too much uncertainty. I think that some of the blame could also be placed on a former Primary Industries Minister when primary industries was a super portfolio, and that was Ed Casey. He went out to places such as St George and sold further allocations out of the river over and above what had already been allocated. Now we have the problem that has been talked about in this House a number of times, most recently by the members of the One Nation Party. They were invited to go out there. They thought that they could solve it all in five minutes. It is not that easy. I can tell members that my experience was that Ed Casey did not do anyone any favours by going out and selling allocations. We cannot guarantee the flows in the Balonne River. Yet Ed Casey was selling something like up to 80% of a pretty good year's flow every year. Then we reach the time when the river does not flow very much, and all of a sudden a farmer does not get the water allocation that he has paid for. So there are enormous problems in that area.

I want to turn now to the problem out there of undeclared streams that is still to be fixed. I know that Governments of both persuasions have been looking at this problem. We have talked to the Minister and he has said that he is going to make a move on this. He promised that he would do that before Christmas. That has not happened yet, but I will explain the situation. The best example of an undeclared stream being exploited is south of St George at Cubbie Station, where about one third of all the water that flows through the Condamine catchment in Queensland is impounded on Cubbie Station. One third of all the water goes into one man's place. He did that because he got in early before it was a declared stream.

However, on the Darling Downs—which is really a big flood plain—there are not many declared watercourses but, as it is a flood plain, there are lots of run-offs. There are low indentations and undeclared streams. In that area, scores and scores of people are keen to get a secure water supply. So they have built ring tanks. It is not uncommon for a farmer to be working on the slope and, realising that a fair bit of water is going past him, digs a big sump and puts a ring tank beside it. It might cover 50, 60, or 70 acres. When the rains come, he pumps like hell out of the sump, fills it up and he has an assured water supply for the next crop. He is going pretty well. He has been to see the bank and he has invested a lot of money. The neighbour upstream says, "By crikey, Joe Bloggs is doing pretty well. This water harvesting looks all right. I'll get into that." He puts a sump in upstream and the bloke downstream cannot make a claim. He can make a bit of a protest and a bit of noise, but that is about all. If the bloke upstream builds a ring tank and a sump, suddenly the bloke downstream does not get as much water as he wants and his investment is at risk. There is an enormous need to look at that situation.

When one flies across the Darling Downs and northern New South Wales, one can see that an enormous amount of private investment has gone into water harvesting across low country flows. I have seen that spread gradually to the Western Downs. I would say that in another 10 years it will spread as far as Roma. All sorts of people will take advantage of water harvesting on their own properties. They may be miles from the Balonne or the Condamine Rivers, but they will harvest the water that flows off the natural run of the country.

It is a pity that the Minister is not in the House, because I want it talk about lack of equity. In my area, the black soil plains is the most fertile country in the district. Fellows who farm that land can make an application to the Department of Natural Resources for the right to put in a ring tank and a sump and they can then water harvest. On the other hand, Canagh Creek is a natural drainage creek. I happen to have a property on that creek. I thought that I would rather have some irrigation beside the creek because the land there is deep loam, which is ideal for horticulture. I made an application to the Department of Natural Resources, asking for water harvesting rights on the Canagh Creek. They said, "For drought mitigation, you get 10 hectares or 25 acres." That meant that I could irrigate 25 acres. That is not worth looking at in terms of pasture. When I looked at 25 acres of horticultural crop irrigated from the sump, I could not get enough water to look after it. The inequity is that the blokes on the flat country, who have properties that the water runs past, can put in a sump and ring tank and get all the water that they want, but because I want to get some water out of a creek, which is a part of the same drainage system, the department has refused.

About two miles down the road, Canagh Creek turns into Charley Creek, which is one of the major tributaries of the Condamine in the Chinchilla Shire. People who have properties on Charley Creek are able to water harvest. That lack of equity has to be addressed by the Government. People desperately need to get their fair share of the water that either falls on or flows past their properties. If they happen to be on a minor stream they are locked out, but if they on a major stream they are given some sort of a chance. We have to do something about that inequity.

Let us look at the big picture in terms of cross flows. So much water is being captured that the Government needs to realise that any water that does not get into the river reduces the flow of the river. We have to ensure that we have environmental flow. Having been the Minister for Environment, I know about our responsibilities for keeping our rivers alive and healthy. Because of the number of ring tanks in the upper reaches of the Condamine River upstream of Dalby, not much of the water that actually falls on the countryside gets into the river. In the last five years, I could probably count on one hand the number of times that the Condamine River has flowed over the Louden Weir at Dalby and gone downstream. On the occasions that the Chinchilla water supply has got very low, it has been rescued by the streams in the Chinchilla Shire that flow into the Condamine below Dalby, rather than the water that comes from Warwick and further upstream around Pittsworth. There is a need there. I have spoken to the Minister about the problems and he appreciates them. We have to do something about that.

Currently, my district is going through the WAMP process. An advisory committee has been put together. There is always consultation with local committees. People from the upper parts of the Condamine River have been irrigating for a long time. They are very nicely set up, thank you very much, and they have water allocations. People from the area from St George to Dirranbandi also have water allocations and are doing very nicely. Those people are members of the committee that advises the Minister. In between, from Dalby through to St George, there is a large stretch of river that generates an enormous amount of water. In fact, it is generating more water than ever before because lots of the good farmland, which was melon hole country, has been levelled and cleared. More water is now running off the land rather than soaking into it. We are denied allocations because of the argument that the total catchment of the river is over allocated.

I have been arguing with the Minister about this issue. In private conversations he will nod and say, "You are right, Brian. In terms of equity, you people along that stretch of the river who have undeveloped potential have to get a fair share." However, will he take water off some of the blokes upstream and some of those down near St George to make sure that we get our fair share or will he ignore us? The easy thing to do is to ignore us. If there is to be any fairness in the system, we have a right to develop our potential and use our fair share of the water.

It has been estimated that only 5% of all the water generated within the Chinchilla Shire is impounded. That figure should be anything up to 30%, which is a six-fold increase. That six-fold increase would bring a lot more

prosperity to a place like Chinchilla. We desperately want to be like St George, Emerald and Goondiwindi. We have the farming expertise, the fertile soil and the public infrastructure, but there is a problem with the WAMP process.

When the member for Warrego was the Minister, he negotiated with the other States that are tied up in the Murray/Darling system to build three dams, one on the off storage stream at Condamine, the Nangram weir between Condamine and Chinchilla and another weir at Condamine. One of those weirs was only very small. It had been decided that Queensland could go ahead and build those weirs without a WAMP study being undertaken, because they knew all about the flows and so on. There was no need for any more studies about allocations. The water was there and that part of the river needed a better allocation. What happened? When the new Minister came in, he said, "I'm going to go through the WAMP process." I think that that was only because the Government does not want to spend money on rural infrastructure.

The people who represent the irrigators downstream and upstream are doing very nicely thank you very much, and they are frustrating the system. We were promised that the WAMP study would be finished in February 1999, but still it has not been finished. No money was allocated in the last Budget to build the Nangram weir or the Condamine weir. The Minister has his own reasons for slowing down that process and some of the people who already have good allocations have their own reasons for acting as they do. We are victims of all sorts of people.

I have also written to the Minister about the Nangram weir, because it will supplement the Chinchilla Weir. The Nangram weir will cost only about half a million dollars. It is about 10 or 15 kilometres downstream from Chinchilla. Currently, certain people downstream of the Chinchilla Weir have a water allocation. They are entitled to ring up the Department of Natural Resources and say, "We want our allocation released." Say they only want 1,000 megalitres. It would be inefficient to release that much water, so they release something like 100,000 megalitres. There is a lot of soakage as a result and water is wasted. If the Nangram weir is built, water usage will be probably 70%, 80%, 100% or even 200% more efficient.

Mrs Edmond: You've put them all to sleep.

Mr LITTLEPROUD: No, I have not. I want this on the record because the Minister is not here. He has probably gone to sleep. I am sorry that he is not here to hear my contribution. It is important that the Minister understands that he does not need a WAMP study to give the Nangram weir the go ahead. It will be a more efficient use of the existing water. However, he insists that it all has to tied up in the WAMP study. I find it absolutely unacceptable that that should be the case.

There has to be an attitudinal change for many people in my part of the world who own small blocks. The member for Warrego talked about the subsidies that are given for building storage away from the river itself. It is all right to have good irrigation beside the river, but lots of farms are not near the river. We initiated a scheme to give farmers a subsidy to build ring tanks, which would allow people to have an assured supply of water so that they could expand into intensive agriculture. It has long been the attitude of people out our way that if they want to expand their farming enterprises, their farms need to become more extensive. A cattleman will buy a second block. A grain farmer will try to buy another block down the road, get bigger gear and become a bigger farmer. They cannot keep on doing that.

An alternative is that people are going to start thinking, "I can be extensive in some of my operations on my property, but there is more of a future if I become intensive on a part of it." If, in fact, they are able to irrigate 100 acres of their thousand acre block and on that hundred acres of irrigation they go into horticulture, they will set up an enterprise that will probably be a lot less expensive to fund. Rather than taking a big bite and borrowing half a million dollars or a million dollars to go out and buy a property, they can gradually ease themselves into a smaller development and get into intensive horticulture, which will give them two industries to service and more assured income for their enterprise.

I was terribly disappointed when the Government of the day walked away from the subsidy of that off-farm storage scheme that we had going because it showed so much potential. I talk to people around the Roma area in particular who I suppose are a generation behind the people in the inner downs in terms of farming and involvement in agriculture. Those people have gone into wheat farming in a big way. I can see that their young sons are going to come back from school or the Dalby Agricultural College or Emerald college full of ideas, having had plenty of training, and say to their dad, "Mate, there is another way you can do it. Give me a hundred acres on the corner here and that water and I will make this place sing."

An attitudinal change has to come through, but it will evolve. Until such time as we are able to overcome some of these administrative problems in relation to overflow regulations, until the Government goes back and starts putting more money into infrastructure and those off-stream storage schemes, it is going to hold back the development of rural Queensland.

The Premier professes that he has a real commitment to his being a Government for all Queenslanders. I can tell him that the people of Western Downs have thought about it long and hard. We do not have many options. We have coal out there, but we are still waiting for approval from the Government to build a powerhouse. The other resource we have is water. We can export coal overseas or generate electricity. That would give us a couple of hundred jobs at least, or we could put water in and let people who have already got the skills out there in agriculture expand on their operations and give them more surety. I have never heard the Government of the day come up with any better ideas in terms of bringing better development to that part of Queensland.

They are the two options. We have talked about them at councils, chambers of commerce and the producer bodies. They are the options we have and, under the Borbidge Government, we were working on how to make those things a reality. Everything stalled in the past two years, and that is a great disappointment to the people of Western Downs.

Mr JOHNSON (Gregory—NPA) (11.35 p.m.): It is coincidental that I was having a drink of water and I am about to talk about water. I join in this debate tonight on the Water Resources Amendment Bill. In doing so, I would just like to put on record my support for the efforts and the work that has been put into this debate by the shadow Minister for Natural Resources, Vince Lester, the member for Keppel.

Mr Hayward: It completely exhausted him.

Mr JOHNSON: No, he is not completely exhausted. He is a very intelligent man and understands fully, exactly and precisely what goes on in the irrigation areas of central Queensland. It was people like Vince Lester and members of the Bjelke-Petersen Government who put in place one of the most magnificent water infrastructure programs that we have ever seen in Queensland, let alone any other part of the nation or the world.

I have heard the contributions here this evening made by many speakers from the Opposition side. I also heard some of the contribution of the member for Logan. The water resources amendment legislation is a very, very important issue. It is very pleasing to also see the Honourable Minister for Primary Industries in the House tonight, because I know of his commitment towards these programs and I know of his understanding of the industry and what he has learned in the 18 months that he has been Minister. There are a few points I do want to raise tonight and I hope he takes them on board.

The Fairbairn Dam is a classic example of a Government's commitment along with the community to putting in place infrastructure—a Government with vision, a Government with direction—as the Government did in those years when that dam was built. When we look at the flow-on benefits from that dam, it certainly is a real example of how we can progress this State. We talk about the south-eastern corner of Queensland all the time. There is a lot of emphasis on the south-eastern corner, and many of us know that the majority of Queenslanders live in the south-eastern corner—from Noosa to the border and west to Toowoomba. The point I make here is that it is about relocating population. If we are going to relocate population, we have to have water to sustain that population.

The most important factor here is to recognise the importance of water wherever we are. When we look at the south-eastern corner, we see all that beautiful area in the Redlands—and I see my colleague the honourable member for Redlands in the Chamber here. We see that that electorate probably contained some of the most magnificent vegetable growing areas in Australia until such time as we saw real estate developments overtaking that prime agricultural land. Therefore, we have a situation in which we have to find other agricultural lands to grow vegetables, fruit, crops or whatever.

Mr Palaszczuk: And the Fairbairn Dam is doing just that.

Mr JOHNSON: I thank the Honourable Minister for the interjection. As the Minister has rightfully said, Emerald is doing precisely that. The one thing we have to remember is that to sustain population we have to have that water. Because of the Fairbairn Dam at Emerald, we have seen massive growth there in recent times.

I know that the Minister is referring to a venture put in place by Darwin King, a Filipino

family who has just purchased Carl Morowitz's property at Emerald. Carl Morowitz is an American and is one of the pioneers in irrigation in that part of Queensland. He is a very successful businessman and farmer in his own right and was one of the pioneers in irrigation in that part of Queensland. It is people like Carl Morowitz, Steve Brimblecombe, Charlie Wilson, Cameron Miller and Jim Fleurity—and the names go on and on—who have been the pioneers in irrigation in that part of Queensland.

We have seen substantial growth in that area. Not only have we seen that growth as a result of that water infrastructure, but we have seen growth in the mining industry, too. Again, the mining industry was put in place by a visionary Government of the day. It has to have a certain amount of water to be able to carry on its business operations on a daily basis. Again, we have a situation in which water is the essence of the relocation of population and the essence of regeneration of development, whether it be farming, agriculture, mining or sustaining the population itself.

The point I make is that places such as Emerald—I have said it before and I will say it again—are the Dubbos and Waggas of Queensland; they are the wealth generators of this State and, ultimately, this nation because of good planning and good development, whether it be environmental management or infrastructure management through good engineering. Again it comes back to Governments working with local councils and communities in general to make this become reality.

We talk about food production, mining, cotton and cattle. The other thing is the potential for tourism. As my colleague the honourable member for Callide said tonight, one of the most important things here is the Nathan dam project—and I know the Minister for Primary Industries is listening to what I have to say. It is a grand opportunity for Queensland to be able to put in place another Fairbairn Dam type operation to once again grow a population in that area. We all support the Government's 5% jobs target and I hope that in time it does become a reality. Again, that dam would create jobs, development and growth, but the most important factor is that it creates a quality of life. That is the most important thing. I think we are all about quality of life not only for ourselves, but for our kids and the future generations of this State.

Mr Pearce: What do you reckon it cost to build that dam?

Mr JOHNSON: I cannot tell the honourable member for Fitzroy off the top of my head. It was not a lot of money in those days compared to what it would be now. Mr Lester, how much did it cost to build the Fairbairn Dam?

Mr Lester: $23m.

Mr JOHNSON: $23m was a sizeable sum in those times.

Mr Seeney: Repaid many times.

Mr JOHNSON: As the honourable member for Callide said, it has been repaid many times.

Mr Palaszczuk: We were very fortunate that it was completed in '74, just in time for the heavy rains.

Mr JOHNSON: That is right. In 1974 my second daughter was born. That was the year of the Brisbane floods and the big floods in the west. That was a great year. Nineteen seventy-two was a great year, too.

Mrs Edmond interjected.

Mr JOHNSON: My eldest daughter was born in '72. That was the one thing that scarred '72!

Mr Palaszczuk: My second daughter was born in 1974 as well.

Mr JOHNSON: We have something in common.

We speak about planning, the environment and so on. However, it all comes back to one thing—the people factor. The Minister for Environment and Heritage and Minister for Natural Resources is not in the Chamber tonight. However, this Government seems to place a lot of emphasis on environmental issues. We are all environmentalists. Those who have lived in the far west of the State, such as my colleagues the honourable members for Warrego, Keppel and others and I know what the western areas are all about. Some honourable members have been farmers in different areas of the State. They know that, unless they carry out their management programs in a professional and businesslike manner and look after their properties, they will perish. It is important to recognise their professionalism and ability to manage their properties.

Four or five years ago, when the Central Highlands was gripped by drought, the Fairbairn Dam was down to about 17% capacity. Tonight the member for Western Downs referred to water allocations and the transfer of allocations. I know that farmers on the end of some of the channels could not get water, because the big operators had the

water tied up. The little fellows at the end of the line were perishing. My reference to the big fellas tying up the water was not meant to be derogatory. They were smart enough to look after their operations and I applaud them for that. However, if the water cannot be used in that year, I think a program has to be put in place so that it can be transferred in a reliable manner so as to help people to grow their crops successfully. At the end of the day, none of us wants to see the bloke next door perish because somebody further up the channel has all of the allocation. That has to be looked at.

Mr Pearce: That's a good point.

Mr JOHNSON: The honourable member for Fitzroy is a neighbour of mine on the eastern side. He understands what some of those people have been subjected to over the past few years because of the problems associated with the transfer of allocations.

The Water Resources Amendment Bill covers boards, transfers, allocations and the continued existence of areas. Existence is the prime reason for our talking about this subject. I mentioned the success of the Fairbairn Dam. We know how successful the Burdekin Falls Dam, to the north, has been. I urge Government members to make certain that we get these dams built. It is absolutely paramount that we get the Nathan dam built so that future generations in this State can take advantage of it.

While on the subject of water, I wish to raise a subject affecting my area of western Queensland. I refer to the Cooper Creek issue. The Minister for Primary Industries is in the Chamber. I applaud the stand he has taken in Opposition and in Government of opposing irrigation in that pristine area. It is one of the most magnificent natural beef producing areas of Australia, if not the world. It is a natural delta area. Millions of dollars of cattle have been produced there over the past 100-odd years. Again, it all comes back to environmental management. The people born and bred in that environment know how best to manage it and how to put in place management practices that will deliver that asset to the future generations of this State and nation in the pristine condition it is in today. As I said, it is a natural delta. Thousands of cattle are trucked out of there every year, for example, from places owned by Stanbroke, the AA Company, Kidman Holdings and private operators such as David Brook and Mortons at Birdsville. The list goes on and on.

My point is that these people are the best managers of the environment. They understand it fully and they have been taught how to manage it over time. Last week I met with officers from the Premier's Department and the Departments of Environment and Heritage and Natural Resources in relation to the irrigation concepts being proposed for the Cooper. The Barcoo Shire has been fighting this cause for a long time—under the former Goss Government, the former Borbidge/Sheldon Government and now under the Beattie Government. I will be looking very closely at the amendments to the legislation that will be debated in this House in March next year. I urge all honourable members to familiarise themselves with this issue. The Minister for Primary Industries and the Minister for Public Works and Minister for Housing have been strong opponents of irrigation on the Cooper, as have members on this side of the House and also the Premier.

This is something that we cannot interfere with. It is an environmental issue of monumental proportions. It is sacred not only to the people from that part of Queensland but from the entire State and nation who want to see it preserved indefinitely. At the moment, those in the south-west corner have in place what they call the Opal beef program, which is resulting in clean beef—beef free of chemicals and pesticides—now being exported straight to Japan. That market is taking off. The Minister is nodding his head in agreement. These people have done a lot of the groundwork themselves. I know that they have had cooperation, assistance and support from both the State and Federal Governments. This area has been proven in beef, mutton and wool production over many years. We must preserve it in its natural, clean state. Areas around Emerald, Goondiwindi and Dirranbandi have been subjected to chemicals. Departmental officers and farmers are working in cooperation to make sure that we eliminate some of these problems. This is an issue that we have to work through together to make certain that we get the best deal for all of these areas. Water will be the governing factor.

The great American industrialist Harvey Firestone—the man who invented the inner pneumatic tube for modern-day motor car tyres; and I note that most modern-day car tyres are now tubeless—said at the time he invented that tube, "You don't fix things or create things by throwing money at them. You've got to throw brains at them first." It is important that we acknowledge that principle of Harvey Firestone in respect of the future development of water infrastructure in this State.

We want to be a progressive State and develop this State in a pristine way whilst at the same time developing those food growing areas and repopulate them by redirecting the populations from the south-east corner and away from other over populated areas. Emerald, Biloela, Goondiwindi, Dirranbandi, the Burdekin area in north Queensland or the tablelands in north Queensland are great places to live. They are all fantastic places to live. Many people in this House have lived in parts of Queensland other than the south-east corner. That is something that we have to do. When I was Minister for Transport we launched the Integrated Regional Transport Plan, better known as the IRTP. I know that the Government is further embracing and further improving that. That is how we can develop and build better communities, better transport corridors, water infrastructure, communication corridors and the whole bit so that planning and development of living infrastructure can be put in place without too much dislocation of families and dislocation of assets, etc.

As Governments, as Oppositions and as legislators we have to make absolutely certain that we put in place the necessary infrastructure—especially water—and the necessary public utilities, to be able to sustain that population. The Central Highlands area, the Callide area, the Surat Basin area, the area further north around Moranbah and the area at the top end are rich with mining developments and natural resources. Those go hand in hand with increasing the population of those areas. That goes hand in hand with farming and hand in hand with mining.

We can make this State the greatest State in the world by making sure that we get the planning and development right, but at the same time that WAMP process has to be worked through properly and precisely so that communities everywhere can take advantage of it. I say to the Minister—I see he is back in the Chamber now—we should not err on this. This is something that is very important to future generations. We have to get this absolutely right now so the generations of tomorrow and years after can take advantage of something that we got right. We should do that.

Time expired.

Mr ROWELL (Hinchinbrook—NPA) (11.52 p.m.): Except for the east coast, Australia is a fairly dry continent for the most part. The strip of some 50 kilometres to 100 kilometres wide along the east coast receives quite a deal of rainfall. Further away from the coast is fairly dry. Further west the land becomes quite arid. Irrigation is seen as a panacea to get around some of the problems of our dry continent. Many speakers before me have talked about dams that have been built over a period of time in Queensland that are really quite important infrastructure for this State.

From those dams flows a great deal of activity. Agriculture is just one of those activities. Another activity is the coalmining industry; I note that the Minister for Mines and Energy is in the House. Power generation is also a major user of water. We are now looking at some power generation systems that will try to reduce that usage of water to enable a more efficient use of that resource. Particularly where water is not readily available, it is quite important that we look at all these aspects. Private enterprise is getting very much involved in this area now. The infrastructure I am talking about that is generated through the provision of water infrastructure is quite important to this State. It brings roads. It brings populations. It brings people into areas who would not normally be there had it not been for a dam.

I do not think this Government will go down in history as the greatest builder of dams. There is certainly some doubt over the Nathan dam, the construction of which was pushed very hard by the coalition when in Government. It was considered to be an extremely important project. The Paradise dam at Bundaberg was another project that a lot of people in the Bundaberg area were scrutinising very closely as a means to enable them to grow irrigated crops that are of high value. To pay for the water used, it is extremely important that these crops produce a good return per hectare.

There are a whole range of ways of irrigating. Some are more efficient than others. Only a few months back I was in Israel, a nation with a very limited water supply that has made very good use of its water. It is very important that we as Australians make use of the water resources we have. We are attempting to do that in every way. The irrigation system being used to water the plant is also the system used to provide nutrient to the plant. That system has to be very efficient. Australia's efficient use of water matches that in many countries in the world.

The actions of the Government have placed a question mark over the construction of a number of dams. The whole process has been slowed down, which will reduce the rate of growth of the State. As I have indicated, without water many areas would not exist in the way that they do at this present time. It is

absolutely imperative that, if this State is going to decentralise and if it is to realise a lot of its potential, we have to store water wherever possible. Industries that will probably come on stream are those such as the horticulture, which is now worth something like $1 billion to the State. There is little question that every time we put a dam in we will have more horticulture grown in that area.

Mr Welford: That assumes there is water.

Mr ROWELL: You're a dill. There is more water able to be used in—

Mr Sullivan: How can you say that?

Mr ROWELL: They are such inane comments. What else can I say? It is important that we build dams to grow high value crops. As I said, horticulture is worth something like $1 billion.

Mr Welford: How many dams would you like me to build?

Mr ROWELL: We put together a program. We did a lot of assessments. A lot of work has been done on the future locations of dams. In the instance of the Comet dam, we looked at that very closely. It was not a feasible proposition, and it was struck off the books. That will happen from time to time. It is a matter of having to do the assessments, look at the prospects of where the dam is to be put, and consider the impact on the people whose land will be flooded and how to finance construction. A lot of that process was put in place when we were in Government. The Minister and the Government had the opportunity to capitalise on that and go on with a lot of those projects that could be of immense benefit to the State.

I will return to the horticultural industry, which is worth about $1 billion now. With more water available, I could see it being worth somewhere around $2 billion to $3 billion in the very near future. Then of course there is the cotton industry. The broad acre cotton industry is a very big consumer of water. Many areas of the State have benefited greatly from the dams that have been constructed over a period of time.

I turn to the Tinaroo Falls Dam because it is extremely important to the northern part of the State. It was built some time ago. It has been of immense benefit to the area around Mareeba. That dam was built pretty much to provide irrigation for the tobacco industry at the time. With the demise of the tobacco industry in recent times, people who had grown tobacco on their land moved to horticultural industries such as the growing of mangoes, avocadoes and so on. They have had a great deal of success in growing these crops over the last five to six years. In comparison to the days when tobacco was king on the tablelands, there has been an absolute transformation of what is grown on the tablelands. Tobacco is still grown there, however instability in the industry is causing its demise. Of course, there is little doubt that the massive campaign about the impact the smoking of tobacco has on people has affected the industry.

The sugar industry is now quite important on the tablelands. Three or four years ago the Tinaroo dam was down to about 30% of its capacity. If there is an extremely dry spring and summer and there is substantial usage of water by the sugar industry, that region could well have some difficulties. I know that there has been an intention to divert from the North Johnstone to the Tinaroo dam to bolster the supply of water there so that the value of that storage area can be extended.

There are a few very important issues with the Tinaroo scheme in relation to transferability of water rights. Some of the things mentioned by the shadow Minister are really very important. There are a number of considerations when transferring water rights from one farm to the other. It is quite important to advertise the location of both the buyer and the seller, because that indicates where the water is being taken from and where the water is going. It would be appropriate that an industry body works with DNR on that transfer. There are a number of issues involved with transfer of water rights from one area to another within an irrigation scheme.

If there is an overloading or extended use of a channel, it is highly likely that people on that channel may not get their necessary supplies because the volume of water going down that channel could be inadequate. That is just one of the issues. It is probably not a major consideration, but the fact is that those channels were designed in such a way that they enabled the water to be used for the dedicated areas that the channels went through. I think that is where a local grower arrangement is appropriate. There may need to be three or four growers in that industry body to work with DNR to get a full appreciation of the level of water usage where transfer is occurring.

It is also very important that when an allocation is moved it does not deny an area some prospect of continuing to have water right on it. It may be too dear to supply an end user on a channel at some stage. There are a number of variables. If industry people are

involved, both DNR and the industry people get a clear indication of what is actually happening with transferability. I think there also should be an objection process. Those who are concerned about what is happening with the transfer of those water rights should have some way of appealing the exchange that occurs from time to time.

This tablelands region is very substantial. It has had troubles. I know the area quite well because of my history in the tobacco industry. During the time the coalition was in Government it overcame the papaya fruit fly. The Dimbulah/Mareeba area had suffered very badly from the demise of the tobacco industry. People looked at alternative crops such as grapes, peaches, mangos, avocados and so on. They did experience considerable difficulties with the papaya fruit fly. We were very fortunate to get over that particular problem in a short time and people such as the grape growers were able to stay in the industry.

I will move on to drainage issues, which are also mentioned in this Bill. As I said, the east coast of Queensland is quite diverse.

Mr Welford interjected.

Mr ROWELL: The Minister talked about drainage issues and they are referred to in the Bill. They are important, particularly in the area I represent. We have problems with the SIIP package. I surmise that the Minister is well aware of the issues. In relation to the Riversdale-Murray scheme—we thought all the i's were dotted and the t's were crossed, but it is apparent that that is not the case.

Mr Welford: It has been a difficult one.

Mr ROWELL: It has been difficult, but it is also difficult for those people who are trying to farm in that area. They thought they had some security. This scheme was devised something like six years ago and we are still waiting for things to happen. It is not just in that area. The Loder Creek, Mandam and Ripple Creek areas in the Ingham district are suffering very badly. In the last two years we have experienced extremely wet seasons. The Ingham district has just had the wettest November since 1894. That has had a great impact. We had something like 24 inches in the first 20 days of November and probably as much as 30 inches during the whole of November. That is an extraordinary amount of rainfall. It is the sort of thing that does not happen very often.

Mr Malone: What about the mangroves growing in the drainage ditches?

Mr ROWELL: We will get to that. That is to come. The rainfall has impacted very heavily. We were fortunate this year that the crop was removed before the actual heavy rains fell. Young crops of cane and planted cane that was inundated with water have suffered very severely. There is little doubt that there are some growers in the Taylors Beach area, in the region of the Mandam and Loder Creek scheme, who will find it very difficult to maintain viability because the problems they experienced over the last two years have seen their financial returns depleted severely.

I believe it is extremely important that we get on with the job. The $19m provided by the State and the $19m provided by the Federal Government about six years ago, in 1993-94, has been wasted to a large degree by excessive planning. We just cannot keep planning these things to death. It is absolutely imperative that we get on with construction once a plan has been devised.

Of course, there are some issues with mangroves. The Minister would be well aware that I raised the issue of the clearing of mangroves during debate on another Bill. I believe that there is a mechanism there by which we can deal with the acid sulfate soils. Conducting work in those soils is problematic. There is technology to overcome those particular problems—to avoid fish kills and stop the acidification of water that goes out into the sea which could cause difficulties to the fish populations.

Really, the areas we are talking about putting these channels through are very minor in the scheme of activities in that particular region. From time to time those channels do block up with silt. Because of the way they grow, mangroves collect silt. It is probably quite important that they do, but every now and again, as silt builds up, it is important that we be able to clean those channels, canals or whatever we have built so that the drainage schemes that feed into them are working at their optimum level.

Canegrowers have been very responsible about where they are planting crops. We have a code of conduct for planting at certain AHD levels and not clearing land in low areas. Over the past three to four years, some really good codes of practice have been developed, to the extent that mangroves are going to be considered very closely when work needs to be done by the local canegrowers' committees. That is a major step forward.

Getting back to drainage issues—if we cannot ensure that schemes such as the SIIP, for which money was allocated six years ago, are established rapidly, then that really negates the whole purpose for which they

were devised, and the ability of people in those areas to maintain their viability is severely impaired. If Governments—of whatever political persuasion—cannot come to terms with what is required there and get on with that vital work, then the money that has been allocated for that purpose probably could be used for some other purpose.

Growers in those areas are particularly upset. They are not sure how long they can stay in the industry. The industry is going through a particularly difficult period because of world prices. Who knows how long it will be before we get out of this trough? It is difficult to cope with the double whammy of low prices and the inability to grow crops. It is only a matter of time before anybody who is trying to work in those areas—which, under normal conditions, are very productive—will go out of business, because those areas are part of the very vital sugar industry.

Time expired.

Mr SLACK (Burnett—NPA) (12.12 a.m.): As members would appreciate, water issues are very important to Opposition members, as they should be to the Government. Many members on this side of the House feel very strongly about water because they have had personal involvement in irrigation and because their core constituency basically is the farming community, for which the provision of water or the lack thereof is very important. Other members have mentioned that Australia is not a country that is overly endowed with water and rainfall. It is a dry continent. It does not have snow-fed rivers like many other continents do. Consequently, water storage and water conservation are very important, as is any water Bill that comes before this House.

When one considers the history of water conservation in this State in particular, one can only come to the conclusion that the National Party and the Liberal Party have the runs on the board in relation to the provision of reliable water storage in Queensland. The shadow Minister for Natural Resources spoke about the development of various conservation schemes throughout this State. As members would know, I come from the Bundaberg area. And as the Minister would know, water is particularly important in that area. The lack of water in that area has been quite controversial. For some time, farmers and industry in Bundaberg have been pressing for additional water storage in that area. Unfortunately, to date, that has not been forthcoming.

Today I read a very interesting newspaper article that stated—

> "Bundaberg is one of Queensland's most welfare dependent regions with about 56% of the population receiving some form of government handout.
>
> Figures released by Centrelink, based on postcodes, show the Bundaberg region has the highest number of people receiving unemployment benefits in the state.
>
> Bundaberg also recorded high numbers of people receiving pensions, family payments and any form of continuous welfare, coming second only to Toowoomba."

I instance that because, as members would realise from that particular report, the provision of jobs—and this Government likes to talk about jobs, jobs, jobs—is very important for that region. If we are to create jobs in that region, we must have growth. And if we have growth, then we need a reliable supply of quality water.

Members may have read about droughts in that area. At times, the water allocation for farmers in that region has been 20% less than it should be. So members would realise the critical importance of additional water storage and water conservation in that area. I am not saying that, at the same time, we should not use water smarter; because with the dry continent syndrome, we do not have as much water as we would like to have in that area.

I notice that the Minister is asleep. He is not paying attention to one of that region's most important demands. I invited the shadow Minister to visit that area earlier in the year to inspect some of the proposals—

Mr Johnson: I wonder if he will do this during the tree-clearing guidelines debate.

Mr SLACK: Exactly. I think he probably will. I invited the shadow Minister to inspect the proposals for the Bundaberg, Burnett and Isis region. Unfortunately, the Minister was not overly cooperative at that time. I rang his office to seek assistance from one of his staff to accompany us on the plane as part of the inspection tour, but unfortunately, the Minister refused to give his permission. That did not facilitate a bipartisan approach to the provision of additional water storages in that area.

The people of the Bundaberg, Burnett and Isis area have been very disappointed by this Government's attitude to the raising of the storage capacities of the Bucca Weir, the Walla Weir and the Jones Weir near Mundubbera. All of those particular projects were approved by the former Government. Unfortunately, they have not come to fruition. I

know that the Minister will say that the situation with the Walla Weir is relevant to additional environmental studies. However, I do not believe that the same applies to the Bucca Weir.

The required environmental studies have been done, and I understand that money was allocated to help to replenish the underground storages. As part of the rescue package, the Bucca Weir was to be raised with bags to provide additional storage, but that project has come to a dead halt. Some time ago, the Minister gave some assurances in this House about the project going ahead. He claimed that the money had been allocated, but it just had not been identified in the Budget. The reality is that that money is not forthcoming, and nothing seems to be happening to provide that vital additional storage for the Bundaberg area.

Another concern is the provision of an additional major storage on the Burnett catchment. As the Minister is well aware, several sites are being considered. I understand that those sites have been evaluated, and a site for the potential Paradise dam has been identified as the most viable of the three sites in that area. Unfortunately, that whole project seems to be bogged down. It is going nowhere.

I wonder whether the member for Bundaberg is going to speak on this legislation. Publicly, she keeps saying that she supports the provision of additional water storages in her electorate. She even made it the basis of an election promise. But if this Government does not deliver the additional storages that I am talking about, then obviously that will be regarded by people in that area as the member not being able to deliver on a commitment that she made prior to coming into this House, particularly when we tie that to the commitment that was made by the Premier prior to the last election. The Minister will argue that he did not make that commitment, but I have spoken to journalists, canegrowers and vegetable growers.

Mr Sullivan interjected.

Mr SLACK: No, I have spoken to all of those people. All of them have said unequivocally that the Premier made that commitment. He came to Bundaberg. The then Premier, Rob Borbidge, had made a commitment that if all the environmental and economic studies were right and everything stacked up, we would commence construction of that dam. It would have been built.

Mr Sullivan: What did you say about Nita?

Mr SLACK: Nita backed the situation in which we needed—

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member will refer to other members by their correct titles.

Mr SLACK: I apologise to the member for Bundaberg.

Mr Johnson interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member for Gregory will interject from his correct seat. I am talking about referring to members by their correct titles.

Mr SLACK: I take your point, Mr Deputy Speaker. Prior to the election, the member for Bundaberg gave commitments relevant to developing water storages on the Burnett system. I am saying that, come the next election, if there has not been sufficient progress in the development of those storages, obviously the people in the area must question the ability of the member for Bundaberg to deliver on what was promised prior to the last election.

I will say the same for the Premier. Let us make no mistake about it: he came to the area and he matched the commitment that was made by the then Premier, Rob Borbidge. The Minister can argue all he likes about that, but I went to the people who were there and asked, "Am I making a mistake? What did he say?" They said, "No, he made the commitment all right."

One of the senior journalists said that the Premier was very cagey to start with. He did not want to make the commitment but, realising that it had been made already by the then Premier, he matched it. The reality is that, sadly, now that Labor is in Government, they do not want to deliver. It is also a very sad comment on the Premier's word and the Minister's word and their commitment to the development of water resources in this State. I am surprised that you can sit over there—

Mr DEPUTY SPEAKER (Mr Reeves): Order! I remind the member to speak through the Chair and refer to members by their correct titles.

Mr Welford: They ought to give you a tourist map for Christmas.

Mr SLACK: I am surprised that the Minister for Natural Resources can sit there and make fun of these types of issues that are so important to the people of my area.

A Government member interjected.

Mr SLACK: It is not a joke.

Mr Welford: No sane person would want to listen to you at 20 past 12 in the morning.

Mr SLACK: Sadly, the Minister is the joke in the area, because he goes there and makes all sorts of promises about development and does not deliver on them.

Mr WELFORD: I rise to a point of order. The honourable member is misrepresenting the truth. The reality is that when I go up there and address the WAMP panel—

Mr DEPUTY SPEAKER (Mr Reeves): Order! There is no point of order.

Mr WELFORD: They are greatly impressed. They have never had a Natural Resources Minister who has been so honest with them.

Honourable members interjected.

Mr DEPUTY SPEAKER: Order! I am conscious of the time, but I think that it would be much better if we heard the member for Burnett in peace.

Mr SLACK: When the Minister raises these issues and tries to make fun of the representation that is being made by me—

Mr WELFORD: I rise to a point of order. I find that remark offensive and I ask that it be withdrawn. I am not making fun of anything. The fact of the matter is that the member is misrepresenting the truth.

Mr Seeney interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member for Callide will cease interjecting.

Mr WELFORD: When I see the WAMP panels in Bundaberg and the Burnett, they regard me as the most honest Natural Resources Minister ever to address them.

Mr DEPUTY SPEAKER: Order! The member has been asked to withdraw.

Mr SLACK: What am I supposed to withdraw? The fact that the Minister makes fun—

Mr DEPUTY SPEAKER: Order!

Mr SLACK: I will withdraw.

Mr DEPUTY SPEAKER: Order! The member will resume his speech.

Mr SLACK: Will the Minister deny that, when the shadow Minister came to Bundaberg at my invitation for an inspection of the Burnett-Isis irrigation scheme, he refused to allow a senior officer of the water resources section of the Department of Natural Resources in the area to accompany us to give us an overview of the proposals? Will the Minister deny that when the shadow Minister and I questioned that, and when the journalist questioned your office, an officer of yours denied—

Mr DEPUTY SPEAKER (Mr Reeves): Order! I remind the member to speak through the Chair. This is not question time. He will speak through the Chair on Bills.

Mr SLACK: Mr Deputy Speaker, when the shadow Minister visited the Burnett-Isis area, we approached the Minister's office for permission to have a senior person from his department accompany us, all in good faith, to provide an overview of the proposals and inform the shadow Minister of what was happening in relation to water conservation in the area. The Minister refused to supply an officer. When the Minister's office was contacted about this, it was denied that he had been approached for an officer to accompany us on that inspection.

I notice that the Minister does not accept that point. However, I would say that it was very disappointing to me and to the people of the area, including the canegrowers, the vegetable growers and the local authority people who were all part of that visit, because the shadow Minister had a meeting with them. I must admit that they were shocked that the Minister was not prepared to cooperate in any way to allow the shadow Minister to be adequately informed about what was happening in that area.

I will move on from the Bundaberg area to a couple of other major projects within the State where water is very important. I am pleased that the Deputy Premier and Minister for State Development is present in the House. One of the big projects that is being proposed for the State is an inland rail corridor running from the southern States right up through the inland of Queensland and across to Darwin. That will provide a corridor through which produce grown in that area could be exported. I raise this matter because, for it to be a success, we would have to have additional water storages.

From the feedback that has been coming through to the proponents of the inland railway, there is undoubtedly widespread support for the development. However, for it to work, additional water will be needed to grow the crops in the quantities and qualities that are required to supply that railway corridor.

Mr Rowell interjected.

Mr SLACK: That is right. That is essential. I hope that we would have the Minister's support for that. We would like to see some indications of his support for that corridor, as

well as the support of the Minister for Natural Resources, through their applications to the Budget Review Committee for additional funding for water storages to facilitate the development of that railway to service inland areas.

As the Minister will appreciate, one of the biggest problems of the inland is not that it does not have the soil or the climate; it is that it does not have the people or the infrastructure to create the wealth that it needs in order to develop. That is one of the reasons that we pushed the Surat/Dawson development and the Nathan dam. They would have provided catalysts for development in those regions, ensured the retention of the population, provided jobs and produced a more decentralised economy within the State. Unless we have a decentralised economy and various regions of the State can produce quality produce for export, a proposal such as that would not have the legs to carry it through, as the Minister well knows. With the dry climate and unreliable rainfall that we have, it would not be a feasible proposition without adequate and properly planned water storages—

Mr Elder: What areas?

Mr SLACK: Right through the west of Queensland. The envisaged rail line would go west of the Great Divide, up through the Hughenden and Richmond areas and across the gulf to Darwin. The Minister knows about it.

Mr Elder: They're talking about coming in at Goondiwindi first, aren't they?

Mr SLACK: They are coming through the area of Goondiwindi and west of the range.

Mr Elder: That's where they're talking about coming in first and branching north from there. I know there's talk about closer areas of contact with the Darling Downs—

Mr SLACK: Whichever way, the people who produce the products would service the railway that will run through to Darwin. From there, the products will be exported to Asia via fast-cat ferries and so on. It is quite feasible. As the Minister would appreciate, the Asian economy is now picking up. If he looks at the projected figures, he will find that the growth in the demand for food in the Asian area will be quite spectacular over the next few years because of the increasing incomes of the people and their capacity to buy better products. Our environment is seen as clean and green.

Time expired.

Mr ELLIOTT (Cunningham—NPA) (12.32 a.m.): In rising to take part in the debate, I wish to support the shadow Minister's comments in relation to the ability to trade allocations throughout this State. If we are to bring our water resources and irrigation industries up to best possible practice and allow them to operate with the greatest efficiency possible, we must allow water allocations to be traded and transferred. I know that that happens in some instances. It happens on the border. Allocations are traded in the Dumaresq and Macintyre areas. People sell their allocations to others who need extra water to finish their crops.

For example, one farmer may still have 10, 15 or up to 50 megalitres of water left over from his allocation from a particular dam. Another farmer may have used up all of his allocations and is just a bit short. He may need a little extra water to finish off his crop, whether it be cotton or something else. There is a great need to trade the allocations and, for that matter, to buy allocations so that farmers who are prepared to really take the bit in their teeth and work seriously to ensure that their irrigation system is the most efficient are not stymied. They should be allowed to increase their water allocations slightly—within reason, of course. I have always believed in that practice. We need to ensure that that can happen. We ought to be working on that.

Mr Pearce interjected.

Mr ELLIOTT: It seems to have reached a market price that people agree on. There does not seem to be a lot of disagreement. It has been market driven. I think it probably really started at St George when there was the sale of farms and the water attached to them. That seemed to set some sort of price on water. Certainly a price has been set on water in the border regions. I forget what they finished up at in terms of permanent allocations. Some probably made $1,000 for the use of the water forever and a day. The temporary transfer of water certainly has not made anything like that, of course. That practice has been of great assistance to many people who were trying to finish off crops. It is very important.

The other subject that I would like to touch on tonight is the use of tailwater return systems. There are many good reasons why we should look very seriously at the reuse of water, particularly in relation to flood irrigation as happens on the Darling Downs and many other areas. Regrettably, many people waste water. If we do not have a tailwater return system, it is terribly difficult to be efficient with water.

It is ironic to read the Bill that the Government has introduced in respect of tree

clearing. I challenge anyone who wants to have a little bet for a casket ticket or something like that that the Government will run foul of people who, by law and by necessity, are going to be required to have a tailwater return system, particularly in the cotton industry, for the containment of chemicals and pesticides that are sprayed on to crops. Those substances are then caught up naturally in the water. Those people must use a tailwater system. If they do not, they run the risk of those chemicals running into streams, creeks and rivers and doing terrific damage to the fish populations.

On the one hand, the Government is saying that those farmers must use tailwater return systems. We all agree with that. However, say a farm is in an area where long ago they took far more than 30% of the trees away, so now they have 25% vegetation cover. The Government says, "No, you can't remove one single tree", yet the farmer is required to build a tailwater return system. Although in most instances building such a system would not involve removing a lot of trees, some trees would have to be removed.

Mr Pearce: I'll have a casket ticket with you on it.

Mr Sullivan: Take him on.

Mr ELLIOTT: I do not think that we should be talking like that across the Chamber. It may be frowned on. Perhaps I will talk to the member later.

We owe it to the people who have water or those who would like to use more water to ensure that we do not waste water. We all need to work on finding greater efficiencies within the systems that we use. I have found it very interesting to follow trials of drip systems and various other upmarket systems, many of which have come from Israel. Some of my colleagues who use irrigation to grow vegetables and fruit of various kinds would be well aware of the benefits of trickle and drip irrigation systems. Some of those Israeli systems have proven to be very efficient. In the longer term, we need to look at those.

The shadow Minister, the members for Toowoomba North, Toowoomba South, Warwick and Crows Nest and I have been working together as a committee to try to find solutions to the problems involved in the disposal of treated effluent from Toowoomba City. We have also been investigating the suggestion to bring water from the Brisbane area up to the Lockyer Valley and the Darling Downs to augment the lack of water in those areas.

As we project forward into the next century the supply of water is going to be a very real problem on the Darling Downs, and in Toowoomba in particular. If Toowoomba is to continue to grow—if that whole resource area is to continue to be efficient and able to support more and more people—we really need to solve the problems of water supply. Lots of people are wanting to come to the area. We are seeing a great deal of net migration from other States to Toowoomba and the surrounding areas.

One of the real problems is the disposal of the effluent because it goes firstly into Gowrie Creek, then into Oakey Creek and down into the Condamine which, of course, is part of the Murray-Darling system. The solution in my opinion is to try to get the support of the Federal Government, which has expressed some interest in this. It is not as though it has wiped its hands of the whole thing and said, "We are not interested. You go and paddle your own canoe and look after your own problems." It has expressed an interest in it.

I believe that the most practical solution is to use the whole ecology that has been developed around the disposal of effluent water from the Toowoomba sewerage area. That is so because the system is already there; a microclimate, if you like, has been created. The quality of the water at the most up-to-date sewerage treatment plant is pretty good, but at the older plant the quality of water is not as good as it should be. We need to give the Toowoomba City Council some assistance to upgrade its sewerage works and continue to use the creek for effluent disposal.

At good flow of quality water into that creek would ensure there is no detriment to the riparian rights of all of those people between Toowoomba and Condamine River. It is not just a problem for irrigation; it is a problem for the riparian holders who have a right to use water for stock and domestic purposes. In many cases the creek is, in fact, a boundary between properties. If all of the water is suddenly taken out of the creek, as was suggested by the Toowoomba City Council, and sold off, those land-holders will have to fence all of that land. That will cost them money. That would remove a whole lot of water from people who are now utilising it for profit. Quite frankly, it will have a devastating effect on the economy of the whole area.

We do need to look at this and say, "How do we best solve this problem?" I have been working here for 10 years, trying to get a thing called the D'Oliveira methane program in place. It is technology which, in fact, has been

run through the Uniquest part of the University of Queensland. Uniquest has actually done a computer model study on it and has said that it works. The Griffith University and CSIRO have done that as well. It is interesting that suddenly we have had a breakthrough in this area. D'oliveira himself has actually just gone off to America. There are some really interesting connections among the people involved in it. There is George Bush Jr and a few other fairly heavyweight people over there, together with the American Environmental Protection Agency, all of whom are going to use the NASA computers. The NASA computers are probably the most powerful computers in the world. They are the ones that control all these satellites into outer space.

Mr Sullivan: And lost them.

Mr ELLIOTT: They lost the last one. I do not think it has too much to do with the way the computer was able to control it getting there. Something went wrong with the landing, I would say.

These computers make three dimensional models. They are able to design this whole thing. It is like a refinery; it is very, very different. In most anaerobic plants around the world, the digestion and anaerobic reaction takes place naturally and how long it takes depends on the ambient temperature. The anaerobic reaction in most of these plants takes anywhere from 7 to 10 days. The D'oliveira scheme is all about super heating and using technology from both urea plants and petroleum industry refineries. This technology has been combined in a unique way which is patentable. In fact, the anaerobic reaction can be made to take place in four and a half hours. The whole thing is very, very different in respect of everyone's idea of a methane plant. The Chinese have been using methane for about as long as modern man has had any idea of technology. It is definitely a much superior scheme compared to what one normally thinks of with the use of methane.

If that scheme proves to be successful, which I believe it will, we can then use that process. The Toowoomba City Council has already expressed interest in using D'oliveira scheme. I have been in there with D'oliveira and discussed it with the council. It is interested in using the process at Toowoomba. If we were able to do that, because the whole electricity grid comes right down to the Wurtulla sewerage works, the sewage could be treated there and electricity could be taken straight into the grid while at the same time the water could be cleaned up to a high standard and directed into Gowrie Creek, Oakey Creek and into the Condamine River systems.

To me that would be a far better solution than all of the ideas of piping water here and there and using some of it on farm. Quite frankly, we want that water in the creek, which has developed a very successful ecosystem. The community has stocked fish into all of those creeks. The whole thing relies on that water. The minute that water is taken out of the creek, the watercourse will revert to what it was before white man turned up—a series of muddy waterholes like a lot of other western creeks in dry times. That would be a disaster for the area.

I do hope that the Minister will take it on board and take an interest in it. I hope that he will also give us an update on where we are—and I ask the Minister to take some interest in this—with the cross-Government task force. I think some of the other Ministers in the House are probably interested in that particular task force as well. I know that the Deputy Premier is interested. Perhaps the Leader of the House might be as well. It is very important for all of those Ministers and their departments to look at this because that relates to piping water from Brisbane up to the Gatton Valley and then up the range to Toowoomba to augment the water resources of that area.

There is some very real potential there, but there are also some problems. We have to look at them and decide whether or not they are insurmountable, whether they are too difficult and whether we can utilise that water. At the moment it is going out through Luggage Point. It is a problem for Moreton Bay. It is a problem with all of the greenies. I know that, when I was shadow Minister for Environment, I had the absolute support of a lot of the green groups, from Drew Hutton and the Surf Riders Association. They were 100% behind what we were trying to do with the D'oliveira methane process. They could see the commonsense in it. They were pushing for it as hard as I was.

I call on the Minister to look at all of those areas to try to put in place some of the various water projects that the task force identified throughout the State. A lot of the planning work has been done.

It seems a great pity that we are not continuing with many of those resource projects. We live on the driest continent on earth. As such, it is important that we do something about those projects and we do not just let them slide sideways, with people just talking about them and not doing anything. Our children and grandchildren will not forgive

us if we do not do something constructive about the water resources of this State. With those few words, I have much pleasure in supporting the Bill.

Debate, on motion of Mr Stephan, adjourned.

The House adjourned at 12.50 a.m. (Thursday)