THURSDAY, 22 JUNE 2000

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

GLOBAL CHALLENGE

Mr SPEAKER: Order! I remind all honourable members of today's launch of the seven-day global challenge in the former Legislative Council Chamber at 12.15 p.m. I join the Premier and the Leader of the Opposition in encouraging all members to support the challenge and take part in today's launch.

AUDITOR-GENERAL'S REPORT

Mr SPEAKER: Honourable members, I have to report that today I received from the Auditor-General a report titled Audit Report No. 5 1999-2000 Results of Audits Performed for 1998-99 as at 12 May 2000. I table the said report.

PETITION

Water (Allocation and Management) Bill

From **Mr Malone** (200 petitioners) requesting the House to delay passage of the Water (Allocation and Management) Bill until an assessment of the impacts that it will (a) increase the cost of water and undermine the competitiveness of the Queensland sugar industry; (b) allow for vesting of all water in the Crown through the control of overland flows; (c) introduce further fees and allowances and red tape; (d) inflate the cost of water through speculation and severely disadvantage high volume, low price commodity enterprises through providing for tradability of water entitlements which do not attach to land are investigated and not until industry is consulted as to these impacts.

Petition received.

MINISTERIAL STATEMENT

Cleaner Energy Strategy

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.33 a.m.), by leave: On 24 May, on behalf of the Cabinet, I released the Queensland Government's energy policy—the first of its type in Queensland. Indeed, it is the first energy policy in Australia to come to grips with the sensitive environmental issues that will increasingly dominate this sector. Titled A Cleaner Energy Strategy, the policy provides clear signals to industry, encouraging diversification of our energy sector towards a balanced energy mix.

The past has been coal. The future, as the policy spells out, must be coal, gas and renewables. The Government is actively pursuing the development of gas-fired power stations across the State. Cabinet will soon be in a position to consider options to develop gas-fired generation facilities in Townsville. We have also achieved good progress in negotiations with AGL/Petronas to advance construction of the Gladstone-Townsville section of the PNG gas pipeline.

I am pleased to advise the House today that our energy policy has brought another gas-fired power station to fruition. Later today, Energy Minister Tony McGrady, Treasurer David Hamill and I will announce Government approval for the construction of a $250m gas-fired power station at Swanbank near Ipswich. The 385 megawatt facility will expand the existing Swanbank Power Station and form the core of a new industrial estate directly adjacent to the site. This development will attract new industries to Ipswich and generate hundreds of new jobs while delivering a cleaner energy future for the region.

As the Deputy Premier and I keep saying, this is a can-do Government. Everyone else says that, too. CS Energy is the operator of Swanbank and will engage in a strategic alliance with Southern Energy Asia Pacific to build the new gas-fired station. Southern Energy is part of a major international energy corporation based in Atlanta, Georgia. The participation of such a large international investor in this project is a huge vote of confidence in the Queensland energy sector and the energy policy framework that this Government has developed. It is working.

Southern Energy also hold a licence for Kogan Creek Power Station, and as part of the alliance arrangements it will jointly determine with CS Energy the time framework for the development of the Kogan Creek project over the next 12 months. I am advised that demand for electricity may see the project on hold until 2007 or beyond.

MINISTERIAL STATEMENT

European Trade Mission

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (9.36 a.m.), by leave: Next week I will be leading an eight-day trade mission—excluding travelling time—to Germany, Ireland and the UK to seek further opportunities for job creation in Queensland. I

will be accompanied by Professor John Hay, the Vice-Chancellor of the University of Queensland, and joined in London by John Dawson, the CEO of the Bank of Queensland, and David Thomas, a partner in Minter Ellison. There are others who are considering joining the trade visit.

This is Queensland's year of exports, and I am determined to do everything that I can to increase exports and drive job creation. More exports, of course, means more jobs. I am confident that I will be able to make significant announcements about major opportunities for Queensland as a result of my meetings in Europe. A major focus in Germany will be to ensure that Queensland is taking full advantage of its position in the Australian pavilion of the World Expo in Hanover. Queensland has been the biggest supporter of the Australian pavilion and we are in a prime position for huge exposure to an estimated 40 million visitors. Members can appreciate the importance of this to tourism.

The Borbidge Government committed $2.5m to the pavilion. We delivered on that commitment. I acknowledge today, in my usual gracious way, the partnership between the previous Government and the current Government in delivering for Queensland. I say to the Leader of the Opposition that we cannot be any more generous than that.

Mr Borbidge: Very noble.

Mr BEATTIE: It is very noble.

Mr Elder: I reckon we got better value for money.

Mr BEATTIE: Yes, we did work hard to get better value for the $2.5m, but we accept that it was the Opposition's idea. We just made their idea work. How is that? Is that a fair compromise?

Mr Borbidge interjected.

Mr BEATTIE: I acknowledge the generous remarks by the Leader of the Opposition. I thank him for that.

Expo offers us a major shop window for our trade and tourism because the European Union is Australia's largest trading partner with combined two-way trade of more than $33 billion and Germany is the world's third-largest economy. That is why this Expo is so important to our future, with changes in the coal industry and all sorts of export opportunities for Queensland. We need to be there.

Queensland attracts more than 20,000 German tourists every year. They support well over 1,000 jobs in our tourism industry. Queensland is on display at Expo for five months from 1 June to 31 October. I want to make sure that we get it right and gain maximum benefit in terms of trade opportunities and tourist numbers.

I will also be holding meetings with Deutsche Bank and the director of the Karlsruhe Synchrotron project. I am going to Ireland as well to meet key business and Government leaders to see what we can learn from the country's economic miracle. Ireland was once the poor cousin of Europe. Now it is an economic powerhouse outpacing even Germany's growth. There are great similarities between Ireland and Queensland. Ireland and Queensland have almost identical populations. Like Queensland, Ireland depended for decades on its agriculture.

Mr Schwarten: Plus there are a lot of Irish people here.

Mr BEATTIE: That is right. A lot of Irish people have migrated to Queensland. That is reflected on both sides of this House. Mike Horan is nodding his head—he understands that—and Rob Schwarten is sitting behind me.

Irish agriculture is now dwarfed by industry, which accounts for 39% of GDP, about 80% of exports and employs 28% of the labour force. Ireland's growth has been averaging 8.5%. That is three times the European average—Germany, France, Scandinavia and the UK included. Its per capita gross domestic product has grown from almost two-thirds of the European Union average in the 1980s to above the average now.

The Irish Government puts its success down to social partnerships, openness to new ideas, an emphasis on education and training and technological innovation—exactly the same themes we are pursing here. Ireland's education system ranks second in the world in terms of how it meets the needs of a competitive economy. Six out of 10 tertiary students major in food sciences, engineering/science or business studies. The Government says the social partnerships have contributed to industrial peace, moderate wage increases, progressive tax reductions and sustained job growth. And it says that this type of agreement has contributed hugely to the cost competitiveness of the modern Irish economy. Exports now account for 75% of national output—a figure not matched anywhere else in Europe.

All of this has had a dramatic effect on the unemployment rate. At the start of 1993, it was 15.7%. These figures are extraordinary. Now it is 5.1%—despite an increase in the overall labour force of 20%. The IMD 2000 World Competitiveness rankings place Ireland

at seventh in the world and the best country in the world for: real GDP growth; real growth in industrial production; balance of trade; investment incentives; and management of public finances.

Enterprise Ireland has been created by the Government as the country's enterprise development agency. And since 1988 Ireland has had a national agency—BioResearch Ireland—commercialising biotechnology, which again is a major thrust of this Government. That is obviously why John Hay is joining us. It harnesses five research centres and is active in developing small to medium enterprise access to international collaborative research and development opportunities. Irish companies and consumers are spending more on information technology than any other country in Europe. Computer jobs are expected to more than double in the six years to 2003. These achievements mirror my Government's goals. I will spend considerable time picking the brains of some of the key players who have helped create this miracle so that we can introduce some of this Irish magic into our economy—in addition to the magic that is already here.

Finally, I will spend three days in London. The United Kingdom is a major trading partner and sends more tourists to Queensland than any other European country. As honourable members know, the British Olympic Team is training here. Among my appointments will be meetings with the following people. I will meet with the Commonwealth Secretariat to discuss arrangements for the CHOGM in Queensland. With more than 50 heads of Government visiting Queensland next year this will promote Queensland on the world stage. We are determined to take every possible advantage we can from CHOGM being held in Queensland next year. This is a unique opportunity for this State. We have to grab it with both hands and run with it to make it the great success it can and will be.

I will also be meeting with biotechnology research and financing leaders. I will meet with the UK Foreign and Commonwealth Affairs Minister, John Battle, to promote Queensland as a base for European companies moving into Asia—a partnership that is the key to moving ahead. I will be meeting with tourism leaders to promote Queensland destinations. I will meet with Rio Tinto board members to discuss Comalco's expansion plans for Gladstone. In addition, I will meet with senior UK Treasury officials regarding public/private partnership programs.

I will meet with Cabinet Office Minister Mo Mowlam regarding social policy developments. I will meet with the Queen's private secretary, Sir Robin Janvrin, regarding the Queen's visit to Queensland next year. I will meet also with senior business and financial leaders to discuss further trade opportunities.

While the overwhelming emphasis of my appointments is on trade and job opportunities, I will also attend a handful of Centenary of Federation functions during my three days in London. But as honourable members can see from the itinerary, they are not the focus of this trip. I will be making a full and detailed report to Parliament on this trade mission.

In conclusion, I mention that this weekend my Cabinet colleagues and I will head to Cairns for the sixth Community Cabinet meeting for the year. As someone who was raised in far-north Queensland, I am delighted to be leading my Cabinet to the region for another community forum. The success of these forums can be measured by the fact that we have 83 bookings for formal deputations for the Cairns Community Cabinet. People appreciate the opportunity to meet face to face with those who make the decisions. They appreciate the opportunity to present their concerns, ideas and aspirations. This will the 26th Community Cabinet meeting held since we took office two years ago—and there will be many more to come over the next few decades.

MINISTERIAL STATEMENT

Queensland/China Business Forum

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.43 a.m.), by leave: China's entry into the World Trade Organisation and the liberalisation of China's trade relations with many countries, including Australia, opens up vast markets for Queensland business. Earlier this year I visited Hong Kong, mainland China and Taiwan with the purpose of promoting and discussing information technology and biotech opportunities in this State.

My visit to mainland China was an eye-opener. The rapid change in the country, which has gone from rice fields to technology parks, is staggering. Last year, China's IT market was worth more than $19 billion. This is forecast to grow to $24.5 billion this year. The IT industry is just one example of how China is hurtling towards its destiny as a trade market leader rivalling the United States.

That is why I wish to draw the attention of the House to an important upcoming event, that is, the Queensland/China Business Forum, which will be held in Cairns this weekend and in Brisbane at the convention centre next Tuesday. More than 120 high-profile representatives from some of China's fastest growing industries have already registered to attend the forum, which follows on from two similar events held in Queensland in 1996 and in Shanghai in 1997. The participants are largely drawn from three key regions in China: Shanghai, which is Queensland's sister State and a very important economic centre in China; Jiangsu Province, which borders Shanghai and eastern China and is China's second strongest region, producing about 10% of China's national GDP; and Chongqing, the gateway to western China, which is a focal point for the major drive by China to draw economic growth and investment into the west with major infrastructure projects.

The forum priority areas will be biotechnology, education, IT, e-commerce and infrastructure. Already more than 150 Queensland delegates from business, industry, education and local government have registered to attend, and these include representatives from IT and multimedia companies, universities and private colleges. What the forum will offer Queensland business is realistic and objective information about opportunities in China. The Chinese participants are of high quality and will be able to assist Queensland firms coming to grips with opportunities and threats associated with dealing with what is undoubtedly the emerging economic superpower in the world.

MINISTERIAL STATEMENT

Local Content Policy

Hon. J. P. ELDER (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.46 a.m.), by leave: One of the priorities of this Government is to put as much work locally as possible into major projects. This was not much of an issue under the Borbidge Government, because there were not too many major projects. The only one which progressed as a result of any moves by the Borbidge Government was Callide C. We know that the majority of the millions of dollars of work that went into that project was not done locally; the majority of it was done offshore.

Not for the first time, members opposite have a record, and Queenslanders remember that record. By contrast, the policy of this Government is to work with proponents of major projects, and for the first time in this State we have a local content policy. There are two major projects that I wish to speak about today—the Tarong North Power Station and the Millmerran Power Station. One member of the consortium building the Tarong Power Station is Tarong Energy, which is a Government owned corporation. The other members are Mitsuti and Co., Pacific Power, IHI Engineering and Toshiba International Corporation.

I am pleased to tell the House that this morning the consortium building Tarong has announced that a subcontract for the civil works at the plant has been awarded to Queensland company Barclay Mowlem, and the contracts are worth in excess of $30m. Site contracts by the company will start this month, meaning that later this month people who have benefited from the State's local content policy will be starting work at Tarong.

As a direct consequence of the local industry policy, Tarong Energy has identified a total of 116 bid packages valued at $50m that should be subject to competitive local bids. These packages are currently being unbundled into smaller packages with the express purpose of providing increased opportunities for local suppliers.

In addition, we have been out in the field. My department has coordinated presentations to local business in the South Burnett to tell them of business opportunities arising and systems for doing business on the project. We had 50 people at Nanango and 60 people at Kingaroy. All of them were able to see what this Government is doing and that this Government is fair dinkum, because none of this sort of thing happened at Callide. At Millmerran, which I would remind honourable members is technically outside of the policy, being a totally private sector funded entity, we have still been able to achieve more work for local firms. Of the total power plant cost of $890m so far about $290m has been committed to Australian firms, while $350m is open to local tender. Let me be quite clear about this. There is some work which simply cannot be performed in Australia. Although we are strong supporters of local content, we are not in the business of driving investment offshore.

Mr Seeney interjected.

Mr ELDER: This is not a matter of laying down a hard and fast rule or, as the member for Callide probably would wish, bullying others into toeing the line. This is a matter of hard work, sitting down with the proponents and

seeing what can be done locally. It is this Government which is prepared to do the hard work and create more jobs for Queenslanders. In relation to Millmerran, which is a private sector project, let me repeat that of that $890m project so far $290m has been committed to Australian firms, and now a further $350m is open to local tender.

Mr Borbidge interjected.

Mr ELDER: The Opposition talks; we act.

Mr SPEAKER: Order! I call the Attorney-General.

Mr Borbidge interjected.

MINISTERIAL STATEMENT

Australia Council; The Arts

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (9.49 a.m.), by leave: "Our Glad" does not seem so glad this morning.

Yesterday the Prime Minister launched a strategy to increase involvement in the arts, and I table for the benefit of honourable members a copy of the press release from the Australia Council, together with the membership of a steering committee dedicated to promoting the value of the arts strategy. This worthy goal is one that I am sure would be welcomed by all honourable members of the House.

The Australia Council's research report Australians and the Arts: What do the arts mean to Australians? was formally unveiled by the Prime Minister, and it reflected important research undertaken on behalf of the Australia Council. The Prime Minister also announced a 23-member steering committee to respond to recommendations of the Australia Council's report. The committee is drawn from media, business, arts and sport—it includes comedian Greig Pickhaver, also known as H. G. Nelson, and sportswoman Jane Flemming—to advise the council on strategies to promote and expand the reach of the arts.

There are 23 members of that steering committee selected by the Australia Council with the aim of increasing involvement in the arts, and there is one characteristic which they all share, one characteristic which characterises the approach to the arts adopted by the Australia Council in this matter, and that is that none of the 23 members of the steering committee live in Queensland. It is a pretty extraordinary way to increase involvement in the arts to revert to the Brisbane line strategy and abandon a commitment to the involvement of Queenslanders. This is characteristic of the high-handed disregard for Queensland arts that emanates from the Sydney arts elite, which dominates the Commonwealth arts bureaucracy.

It is high time that Queensland started to get a fair go in arts funding from the Commonwealth. Queensland remains the State that receives the lowest per capita funding in arts from the Australia Council. Queensland remains the State which receives the lowest per capita funding from the Commonwealth in terms of orchestral services. This demonstrates that that is not accidental. It demonstrates that there is a systematic neglect of Queensland and of Queensland art.

There are two aspects of that which should cause all Australians deep concern. Firstly, there is the inequity of it, that is, that it is simply unfair that 3.5 million Australians should receive systematically unfair treatment in the manner that we do in relation to Commonwealth arts funding. But the other area that should cause concern to anybody genuinely interested in promoting the value of the arts is the cultural impoverishment which this sort of thinking generates. One of the great strengths of Australian culture is its regional diversity, the fact that the world does not look the same in Longreach, Cloncurry and Cairns as it does in the cafes of Double Bay.

Since raising this matter yesterday evening with the Australia Council and with the Federal Arts Minister, I am told by the general manager of the Australia Council that they are willing to have Queenslanders nominated for this council. If the Prime Minister believes that this is the way to launch a strategy to increase involvement in the arts, let him come to Queensland and do it here.

MINISTERIAL STATEMENT

Goods and Services Tax

Hon. T. McGRADY (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (9.54 a.m.), by leave: In recent times there has been a growing awareness of the severe impacts of the GST on all Australians as the deadline draws close. This new coalition tax will have an immediate impact on all facets of our lives. Services such as electricity and gas, which are essential services, are not exempt from this tax, and the electricity and gas retailers are obliged to charge the coalition Government's goods and services tax of 10% on top of electricity and gas prices.

The much-touted savings from the abolition of other taxes, such as wholesale sales tax, do not amount to much. In fact, that saving amounts to about 0.2%, which means that most services bills will rise by about 9.8% after 1 July. This means, for example, that most quarterly electricity bills will rise by about $15 to $20 every three months because of the coalition's GST. This GST is going to cost people extra from the cradle to the grave.

Increased electricity prices will affect everybody, but they will be felt particularly by battlers, who are not trying to indulge in any luxuries but who are simply trying to go about their everyday lives. Every time the kids take a shower the hot water will cost nearly 10% more. The expression "go and take a cold shower" will be on the tip of every parent's tongue. Are we going to see people installing their own timers in the bathroom with mum and dad ready to chase their teenagers out of the shower once their time is up? Cold baked beans for lunch and cold fish and chips for dinner could become part of the Australian staple diet. In a cold snap it will cost 10% more to turn the heater on. Are we going to see the return of the old copper in the backyard—and that is no reflection on the police officers of this State. It will be costing nearly 10% more for people just to live. There are still unknowns involved in relation to these compulsory price rises on industry and business because of downstream effects. I find it astonishing that those opposite would support this impost on the community.

A few weeks ago we announced the first increase to the State's uniform tariffs in six years. It was a reasonable, responsible adjustment of just 3%—an adjustment that ensures that our Statewide uniform tariff is maintained so that people are not disadvantaged by having to pay higher electricity prices simply because they happen to live in Cloncurry, Cairns or indeed have the privilege of living in Mount Isa rather than in Brisbane. There had been no increase for six years. During those years there had been a total increase in the CPI of nearly 15%. In effect, there was a 15% reduction in electricity prices in real terms over that period. Even after the tariff adjustment, our Queensland electricity tariff prices remain among the cheapest in the country.

Those opposite tried to paint this 3% tariff adjustment as a massive impost on Queenslanders. In reality it was about $1.60 a month. That is why I am amazed at the outcry from those opposite. This GST is a disaster, and this State coalition stands condemned in the eyes of all Queenslanders for its support of it.

MINISTERIAL STATEMENT

Road Safety Advertisement

Hon. S. D. BREDHAUER (Cook—ALP) (Minister for Transport and Minister for Main Roads) (9.58 a.m.), by leave: Today I will be launching a new television road safety advertisement that focuses on the dangers of speeding. Excessive speed is a major contributing factor in about 20% of fatal crashes, or approximately 70 fatalities per year, in Queensland. Speeding also contributes to numerous crashes involving serious injury and increases the severity of crashes caused by other factors.

The new advertisement shows the tragic consequences of speeding by just 10 or 15 kilometres over the limit. The message is, "That's too fast for the unexpected". Too many motorists think that it is safe to drive just a little above the speed limit. They may not even see it as speeding. They believe—falsely—that their superior driving skills allow them to drive fast without risking their own life or the lives of their passengers. Sadly, this simply is not true. There is no such thing as safe speeding.

The New South Wales Roads and Traffic Authority has allowed Queensland to use the advertisement, resulting in substantial savings in production costs. The RTA says that this commercial resulted in 96% awareness levels amongst the target audience of 17 to 24 year old male drivers. In NSW, the percentage of speeding drivers under 26 who were involved in fatal speed-related crashes dropped from more than 61% in 1995 to below 38% in 1999. Therefore, we hope to gain significant results here in Queensland. The ad is part of a $400,000 television campaign which will appear from 25 June until 20 August. This is part of our overall Speed Management Strategy. Some key success factors in the strategy which members will be familiar with include the introduction of speed cameras in 1997 and the adoption of a 50 km/h speed limit in local streets in south-east Queensland in March 1999.

Estimates indicate that the Speed Management Strategy could save as many as 100 lives per year. Independent research shows that reductions in the Queensland road toll in 1997 and 1998 flowed from the introduction of speed cameras in 1997. In 1998 alone, there were 81 fewer fatalities and 439 fewer people hospitalised as a result of the Speed Management Strategy. Most recently, Queensland Transport and the Queensland Police Service have aimed to reduce speed-related crashes in Queensland by expanding speed camera sites onto local

government roads to make these roads safer as well. We are using a wider variety of vehicles to house speed camera units. These initiatives will ensure the continued success of the "anywhere, anytime" approach to speed enforcement.

The recent year 2000 Queensland Road Safety Summit, which involved local government, community and the Queensland Government, also recommended that we investigate roll-out of the 50 km/h lower local speed limit in regional areas based on its success in south-east Queensland. This will be a project for Queensland Transport in the forthcoming 12 months. Through these strategies, active enforcement and public education, we aim to reduce the number of people who die on our roads as a result of speed.

MINISTERIAL STATEMENT

Impact of GST on Building Industry

Hon. J. C. SPENCE (Mount Gravatt—ALP) (Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading) (10.01 a.m.), by leave: During the last sitting of Parliament I informed the House of the collapse of Designer Steel Homes, a Queensland-based building company. The building and construction industry has made a tremendous contribution to the State's economy and is one of Queensland's leading market indicators and the State's fifth largest employer. The collapse of companies such as Designer Steel Homes should in no way instil a lack of confidence in the building industry.

As part of the Queensland Government's Better Building Reforms introduced in October 1999, measures are now in place to reduce the risk of builders falling over because they grew too big too soon and perhaps did not have a sufficient financial base from which to manage that growth. As a result of our reforms, reforms which significantly strengthened the financial requirements for licensing, Queensland builders must now link their turnover to their net tangible assets at each annual renewal date. There are of course other safeguards that will go some way towards offering protection to Queensland builders, subcontractors and consumers in the wake of further building collapses.

While it would be reckless to destabilise confidence in the State's building industry, there are indications that Designer Steel Homes will not be the last company to fold in this State. Leading industry forecaster BIS Schrapnel predicts a 20% drop in building activity post GST. If the New Zealand experience is any guide, we can expect this to translate into a number of business failures. The hike in interest rates will also be a big determinant. There have been four rate rises in the last six months. This means that home owners with the average Australian home loan of $139,000 are now paying an extra $116 a month in repayments. Home lending continues to plunge and has dropped nearly 20% over the seven months from October 1999 to April 2000. Industry experts are claiming the rate hikes are themselves GST related. The rate hikes are having a dual negative effect on investor confidence and are killing off the last days of the pre-GST boom for industry players.

Building delays brought about by a shortage of materials and skilled labour have driven up prices and have stopped the flow of vital progress payments to many cash-strapped companies. The mass exodus of key tradespersons to Sydney to cash in on Olympic projects has compounded the problem. For example, Sydney bricklayers are getting $1 a brick while in Brisbane the going rate is 65c. Another major factor facing the industry is oversupply of new houses. Some of the larger builders in Queensland are reported to have suffered sales reductions of 40%. Because everyone has, naturally enough, been obsessed with beating the GST, we have witnessed an artificial boom as people brought projects forward.

For the industry, this GST is a glut supply trauma. After 1 July we will see a downtown with the new homes market oversupplied. It will take considerable time before the market and interstate migration rates absorb this glut. As well, pre-existing homes will become more attractive to investors because there will not be any GST attached. The new Federal first home owners grants will only compound the woes of the building industry. These grants are likely to be taken up by people buying pre-existing houses, as the market for these will take some time to catch up to the GST-induced sudden price hike in the new house market.

Cash flow management will be another problem, particularly for subcontractors and also for those facing long construction delays who have failed to place BSA approved cost-escalation clauses in contracts that span pre and post GST. Many clients are refusing to honour GST payments, again posing a further strain on the home building sector, which is already threatened by a significant downturn in activity. There is general agreement that the wider building industry is not well equipped to deal with the GST and some sectors of the accounting profession fear that the first few

months of the 2001 calender year will see many companies in financial strife.

I have painted a bleak picture, but at the end of the day when companies do start falling over due to GST and other tax measures—interest rate hikes, material and labour shortages, a glut of new buildings, inflation and the fall of the Australian dollar—the BSA, with its statutory insurance fund, unlike other State schemes, will provide affected home buyers with 100% protection against builder failure. This was evidenced again last year when $11.6m was paid out and 98% of claimants were fully compensated against loss. Also, the Queensland scheme offers rental assistance to consumers forced to rent while their house is being completed. Last but not least, any GST blow-out price increases over and above the original contract price will be fully reimbursed under the BSA scheme.

MINISTERIAL STATEMENT

Telecommunications Inquiry

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (10.07 a.m.), by leave: Today I want to address the issue of telecommunication services in rural and remote areas of this State. This week, the Federal Government's telecommunications service inquiry is in Queensland. This is our chance to register the woefully inadequate level of services experienced west of the Great Divide. Today and tomorrow at Mount Isa the inquiry will hear the concerns of our Queensland Rural Ministerial Advisory Council.

There has been a lot of talk about e-commerce and the world wide web, but this means nothing if potential users do not have the level of service required to access these tools. The speed of transfer of data is a crucial issue. It is also one that is not addressed by Telstra's Customer Service Guarantee. It has been estimated by the Australian Communications Authority that 30% of rural subscribers, compared with 5% of urban subscribers, have only basic data transfer rates of 9.6 kilobits per second. This means a third of rural users are excluded from any meaningful Internet access because the best they can do is send and receive short text-based email messages. On the next step up in service to 14.4 kilobits per second, 55% of rural subscribers, compared with 15% of urban subscribers, still do not have enough speed to access the world wide web.

Put another way and based on current services, more than half of our rural subscribers cannot attempt to reap the potential rewards of e-commerce. Users cannot even run a web browser with anything less than 28.8 kilobits per second. This is not good enough.

Mr Stephan: What does that mean?

Mr PALASZCZUK: Fancy the member asking that question! The telecommunications service inquiry cannot pretend that these services are adequate for those wanting to tap into the information age. The Queensland Government believes that, within the next couple of years, the standard of service people will need is broadband. This is the service level required to run interactive video and, in technical terms, requires 200 kilobits per second. Contrast this to the fact that 55%, that is, more than half of rural Queensland, has only 14.4 kilobits per second. Members can see how much of an upgrade is required. Telstra's Customer Service Guarantee is simply not being met. We must get the message across to the telecommunications service inquiry that a major infrastructure upgrade is necessary to enable people in rural and remote areas to join the information age.

MINISTERIAL STATEMENT

Tourism

Hon. M. ROSE (Currumbin—ALP) (Minister for Tourism and Racing) (10.10 a.m.), by leave: Four Queensland destinations are among Australia's top 10 for domestic visitor expenditure, according to the latest Bureau of Tourism Research statistics. The Tourism Expenditure by Domestic Visitors in Regional Areas Survey for 1998 found Brisbane, the Gold and Sunshine Coasts and tropical north Queensland were ranked in the top 10 regions in terms of expenditure by Australians travelling within their own country.

In 1998 Australians spent $43 billion on travel within Australia, comprising $10.2 billion on day trips and $32.8 billion on overnight trips. Of this amount, $10.3 billion, or 24% of all expenditure, was spent in Queensland, placing our State ahead of all but New South Wales. This proves that the marketing strategies and product development initiatives Queensland's tourism industry is employing are hitting the mark and that we remain Australia's number one holiday destination.

The research is broken into two sections: daytrippers, that is, those who travelled in a round trip of at least 50 kilometres and were away from home for at least four hours but not overnight; and overnight visitors, that is, those who stayed away from home for at least one

night at a place at least 40 kilometres from home.

Daytrippers spent an average of $67 per day on items such as shopping, gifts and souvenirs, fuel and food. During 1998, 7.8 million daytrippers visited Brisbane and spent $582m, 5 million visitors travelled to the Gold Coast and spent $290m and 3.8 million visitors travelled to the Sunshine Coast and spent $240m. The Darling Downs was also one of the most popular daytrip destinations, with 2.2 million visitors spending $136m.

Fifteen million overnight visitors spent 70 million nights in Queensland during 1998. Visitors also stayed longer in Queensland than in any other region in Australia, with the exception of the Northern Territory. Domestic visitors stayed an average of five nights in Queensland during 1998 and spent around $124 per night—$12 more than the national average. Visitors to the Great Barrier Reef area, however, spent an average $304 per night, which is one of the highest amounts in Australia and is great news for that region's economy. This can be attributed to the region's resort-style atmosphere, with high accommodation and airfare costs. Visitors to Queensland spent an average of $584 during their stay—well above the amount spent by visitors to New South Wales, who spent $349 per visit, and to Victoria, who spent $330 per visit.

The statistics indicate that more visitors to Queensland spent time in regional areas compared with other States. Only 22% of the tourism dollar spent by domestic visitors in Queensland was spent in Brisbane, compared with 42% of New South Wales spending occurring in Sydney, 58% of Victoria's spending occurring in Melbourne and 65% of South Australia's spending occurring in Adelaide. This proves that regional tourism is extremely important to this State, with most domestic visitors spending both more time and more money in regional areas than is the case for almost anywhere else in Australia.

It is important that we continue to encourage the development of regional tourism initiatives, something Tourism Queensland and the State's 14 regional tourist organisations are constantly working towards.

CHILDREN SERVICES TRIBUNAL BILL
COMMISSION FOR CHILDREN AND YOUNG PEOPLE BILL

Cognate Debate

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (10.13 a.m.), by leave, without notice: I move—

"That so much of the Standing and Sessional Orders be suspended as to enable the Children Services Tribunal Bill and the Commission For Children and Young People Bill to be introduced and passed as cognate Bills for all of their stages:

(a) one question being put that leave be granted to bring in the Bills;

(b) one question being put in regard to the first readings;

(c) one question being put in regard to the printing of the Bills;

(d) one question being put in regard to the second readings;

(e) the consideration of the Bills together in Committee of the Whole House;

(f) one question being put for the Committee's report stage; and

(g) one question being put for the third readings and titles."

Motion agreed to.

BUDGET ESTIMATES 2000-01

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (10.14 a.m.), by leave, without notice: I move—

"That the proposed Sessional Orders for the appointment and conduct of Estimates Committees, as circulated in the Chamber, be agreed to: viz:

ESTIMATES COMMITTEE PROCESS 2000

Appropriation (Parliament) Bill and Appropriation Bill

1. That notwithstanding anything contained in the Standing Rules and Orders and Sessional Orders—

(1) the Budget Estimates for the 2000-2001 financial year for the purpose of debate in the Legislative Assembly shall be in the form of an Appropriation Bill and an Appropriation (Parliament) Bill;

(2) the Appropriation Bills be introduced on Tuesday, 18 July 2000 and, following the Minister's second reading speech on each Bill, the second reading debate on the Appropriation Bills be resumed on Thursday, 20 July 2000; and

(3) the Appropriation Bills be treated as cognate Bills for their following stages—

(a) one question being put in regard to the second reading;

(b) the consideration of the Bills together in Committee of the Whole House;

(c) one question being put for the Committee's report stage; and

(d) one question being put for the third reading and titles.

Appointment of Committees

2.The following estimates committees are appointed—

- Estimates Committee A
- Estimates Committee B
- Estimates Committee C
- Estimates Committee D
- Estimates Committee E
- Estimates Committee F
- Estimates Committee G

Role of Committees

3.(1) The proposed expenditures stated in the Appropriation Bill and Appropriation (Parliament) Bill are referred to the estimates committees immediately after each of the Bills has been read a second time.

(2) Estimates Committees A to D are to examine and report by no later than Monday 21 August 2000 on the proposed expenditures for the organisational units allocated to them.

(3) Estimates Committees E to G are to examine and report by no later than Tuesday 22 August 2000 on the proposed expenditures for the organisational units allocated to them.

Estimates Committee A

4. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee A—

- Minister for Primary Industries and Rural Communities
- Minister for Families, Youth and Community Care and Minister for Disability Services
- Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading

Estimates Committee B

5. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee B—

- Attorney-General and Minister for Justice and Minister for The Arts
- Minister for Police and Corrective Services
- Minister for Emergency Services

Estimates Committee C

6. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee C—

- Minister for Public Works and Minister for Housing
- Minister for Transport and Minister for Main Roads

Estimates Committee D

7. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee D—

- Minister for Health
- Minister for Education

Estimates Committee E

8. The following organisational units are allocated to Estimates Committee E—

- Office of the Governor
- Legislative Assembly
- Queensland Audit Office
- Parliamentary Commissioner for Administrative Investigations
- Criminal Justice Commission
- Department of the Premier and Cabinet
- Department of State Development
- Treasury Department
- Any other organisational units within the portfolios of the Premier, the Deputy Premier and Minister for State Development and Minister for Trade and the Treasurer

Estimates Committee F

9. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee F—

- Minister for Employment, Training and Industrial Relations
- Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development

Estimates Committee G

10. Organisational units within the portfolios of the following Ministers are allocated to Estimates Committee G—

- Minister for Communication and Information, Local Government and Planning and Minister for Sport
- Minister for Tourism and Racing

- Minister for Environment and Heritage and Minister for Natural Resources

Government Owned Corporations

11.(1) A reference to the organisational units within the portfolio of a Minister is deemed to include Government Owned Corporations reporting to the Minister.

(2) In respect of Government Owned Corporations, a member of a committee may ask any question which the committee determines will assist it in its examination of the relevant Appropriation Bill or otherwise assist the committee determine whether public funds are being efficiently spent or appropriate public guarantees are being provided.

Membership of Committees

12.(1) Each estimates committee consists of six Members of whom three are to be nominated by the Leader of the House and three by the Leader of the Opposition. For the purpose of these Sessional Orders, those Members nominated by the Leader of the House are called Government Members and those Members nominated by the Leader of the Opposition are called Non-Government Members.

(2) The chair of each committee is to be a Government Member nominated by the Leader of the House.

(3) The committee is to elect a deputy chair, who is a Non-Government Member.

Dates for Hearings

13. The estimates committees are to meet to hear evidence in accordance with the following schedule—

- Estimates Committee A—Tuesday 1 August 2000
- Estimates Committee B—Wednesday 2 August 2000
- Estimates Committee C—Thursday 3 August 2000
- Estimates Committee D—Friday 4 August 2000
- Estimates Committee E—Tuesday 8 August 2000
- Estimates Committee F—Wednesday 9 August 2000
- Estimates Committee G—Thursday 10 August 2000

Committee Membership

14. Members be appointed to estimates committees as follows—

- Estimates Committee A—

  Ms Nelson-Carr (Chair), Messrs Beanland, Goss, Musgrove, Rowell and Wellington
- Estimates Committee B—

  Mr Purcell (Chair), Mr Horan, Mrs Lavarch, Mr Malone, Mrs Miller, and Mr Springborg
- Estimates Committee C—

  Mrs Attwood (Chair), Messrs Dalgleish, Johnson, Laming, Lucas and Mickel
- Estimates Committee D—

  Ms Struthers (Chair), Messrs Feldman, Fenlon and Quinn, Miss Simpson and Mr Sullivan
- Estimates Committee E—

  Ms Boyle (Chair), Hon. R Borbidge, Mrs J Cunningham, Messrs Kaiser and Slack and Dr Watson
- Estimates Committee F—

  Mr Mulherin (Chair), Mrs E Cunningham, Messrs Roberts and Seeney, Mrs Sheldon and Mr Wilson
- Estimates Committee G—

  Mr Reeves(Chair), Messrs Healy and Hobbs, Hon. V Lester, Messrs Pearce and Pitt

Illness or inability to attend

15.(1) In the case of illness or inability to attend by a member of an estimates committee, where the member is a Government Member, the Leader of the House may appoint another Member to attend that committee and where the member is a Non-Government Member, the Leader of the Opposition may appoint another Member to attend that committee.

(2) Where a Member is appointed in accordance with (1) above, that Member has all the rights of the Member replaced.

(3) Where the member of the committee who is replaced is the chair, the Leader of the House may appoint another Member to be chair.

When committees may meet

16.(1) Estimates committees may meet whether the House is sitting or adjourned.

(2) Where a committee meets whilst the House is sitting, the meeting of the committee must take place within the parliamentary precinct.

Open hearings

17. Hearings of an estimates committee are open to the public unless the committee otherwise orders.

Presiding Member

18.(1) The chair of an estimates committee presides at all committee proceedings at which the chair is present.

(2) If the chair is not present at a committee proceeding and the Leader of the House has not appointed another person to be chair, the committee's deputy chair presides.

(3) If both the chair and deputy chair of a committee are not present at a committee proceeding, the committee member chosen by the committee members present at the proceeding presides.

Quorum and voting at proceedings

19. At a proceeding of an estimates committee—

(a) four committee members form a quorum;

(b) a question is decided by a majority of the votes of the committee members present and voting; and

(c) each committee member present has a vote on each question to be decided and, if the votes are equal, the presiding member also has a casting vote.

Sub-committees

20. Estimates committees may not delegate any of their powers to sub-committees.

Opening hearing procedure

21.(1) In an estimates committee hearing about proposed expenditure—

(a) the presiding member is to call over the estimates about the proposed expenditure and declare the proposed expenditure open for examination; and

(b) the presiding member is to put the question 'That the proposed expenditure be agreed to'.

(2) Unless the committee determines otherwise, the Minister or Mr Speaker may make an opening statement lasting up to five minutes. This may be extended with the committee's leave.

General hearing procedure—organisational unit other than Legislative Assembly

22. In an estimates committee hearing about proposed expenditure for an organisational unit other than the Legislative Assembly—

(a) the responsible Minister is to be present at all times and may have advisers present to assist;

(b) a committee member may ask the Minister questions;

(c) a Member who is not a member of the estimates committee may, with the committee's leave, ask the Minister questions;

(d) advisers may answer questions referred to them by the Minister; and

(e) subject to the above provisions, a Member may ask any question which the committee determines will assist it in its examination of the Appropriation Bill .

General hearing procedure—Legislative Assembly

23. In an estimates committee hearing about proposed expenditure for the Legislative Assembly—

(a) Mr Speaker is to be present at all times and may have advisers present to assist him; and

(b) a committee member may ask Mr Speaker questions; and

(c) a Member who is not a committee member may, with the committee's leave, ask Mr Speaker questions; and

(d) advisers may answer questions referred them by Mr Speaker; and

(e) subject to the above provisions, a Member may ask any question which the committee determines will assist it in its examination of the Appropriation (Parliament) Bill.

Notice of examination in detail

24.(1) A committee may advise a Minister or Mr Speaker prior to the hearing of its intention to examine a proposed expenditure in detail.

(2) In response to notice of the type expressed in (1) above, the Minister or Mr Speaker should ensure that appropriate advisers are available to assist the Minister or Mr Speaker to answer committee questions.

(3) It is a matter for the Minister or Mr Speaker as to which advisers attend the hearing.

Time for questions and answers in a hearing

25. In an estimates committee hearing—

(a) questions must be no longer than one minute;

(b) unless the member asking the question otherwise agrees, answers must be no longer than three minutes;

(c) where a member agrees to an extension of time for an answer in accordance with (b) above, further extensions of time must be agreed to by the presiding member after every interval of two minutes has elapsed;

(d) the presiding member is to ensure the fair allocation of time available for questions and answers and ensure that at least half the time available for questions and answers in respect of each organisational unit is allocated to Non-Government members; and

(e) any time expended when committees deliberate in private is to be equally apportioned between Government and Non-Government Members.

Questions on notice prior to the hearings

26.(1) Members of an estimates committee may, at a reasonable time prior to public hearings, put a combined total of twenty questions on notice to each Minister and to Mr Speaker; and

(2) Of the questions referred to in (1) above, at least ten questions are to be allocated to non-Government members.

(3) The Minister or Mr Speaker shall provide answers to the questions referred to in (1) above, at least twenty-four hours prior to the hearing.

(4) The chair shall ensure that the questions referred to in (1) above, do not place unreasonably onerous research requirements on an organisational unit and are not unnecessarily complex.

(5) Each question referred to in (1) above, is not to contain sub-parts or to in effect ask more than one question.

(6) The Minister or Mr Speaker may refuse to answer questions which place unreasonable research requirements on their portfolios or are unnecessarily complex.

(7) All answers to questions on notice shall be in writing unless the committee otherwise allows.

Questions taken on notice at the hearing and additional information

27.(1) A Minister or Mr Speaker may, at their discretion, tell an estimates committee at the hearing that an answer to a question, or part of a question, asked of them will be provided later to the committee.

(2) A Minister or Mr Speaker, at their discretion, may also give the committee additional information about an answer given by them or on their behalf.

(3) The answer or additional information—

(a) is to be written;

(b) is to be given by a time decided by the committee;

(c) is taken to be part of the proceedings of the Parliament;

(d) may be included in a volume of additional information to be laid on the Table of the House by the committee; and

(e) may be authorised for publication by the committee prior to the material being tabled in the House.

(4) A Minister or Mr Speaker may decline to answer a question in which case the committee may report that fact in its report.

Availability of Hansard and tabled documents

28.(1) The Chief Hansard Reporter is authorised to release the Hansard of a committee hearing as it becomes available, subject to any other express direction of the committee.

(2) Any document tabled at the hearing, by the leave of the committee, is deemed to be authorised for release by the committee unless the committee expressly orders otherwise.

Power of the chair to order withdrawal of a disorderly Member

29.(1) At an estimates committee hearing, the chair may, after a warning, order any Member whose conduct in their opinion continues to be grossly disorderly or disruptive to withdraw for a stated period.

(2) A Member ordered to withdraw in accordance with (1) above shall immediately withdraw for the stated period.

Committee hearing—sitting times

30. Estimates committee hearings are to be held within the times 8.30am and

7.30pm on the day or days allocated. However, a committee shall hold no more than a total of nine hours of hearings.

Estimates committee must report

31.(1) An estimates committee must make a report at the end of its deliberations.

(2) However, Estimates Committee E must make two reports, that is, one for the Legislative Assembly and another for the other organisational units allocated to it.

(3) Reports by all estimates committees may be bound and published in one or more volumes.

Content of report

32.(1) An estimates committee's report must state whether the proposed expenditures referred to it are agreed to.

(2) A reservation or dissenting report by a committee member may be added to the committee's report after it is adopted by the committee.

Effect of failure to report

33. If an estimates committee does not report on all of the proposed expenditures referred to it, the committee is taken to have made a report agreeing to the proposed expenditures that it does not report on.

Tabling and consideration of reports—Appropriation Bill

34.(1) The chair of each estimates committee must lay their committee's report on the proposed expenditures stated in the Appropriation Bill on the Table of the House together with the minutes of their committee's meetings and any other additional information which the committee agrees to table.

(2) To remove any doubt, it is declared that the chair of each estimates committee is deemed to have satisfied the requirements of (1) if they present the committee's report, minutes and any other additional information with The Clerk when the House is not sitting in accordance with Standing Order 201 and the report is deemed to have been tabled on the date it is presented to The Clerk.

(3) The report is to be received by the Legislative Assembly without debate and its consideration deferred until the consideration of the Bill in Committee of the Whole House.

(4) One whole sitting day must elapse between the committee's report being tabled and its consideration in Committee of the Whole House.

(5) The Committee of the Whole House must complete the consideration of the reports by no later than Thursday, 24 August 2000.

Tabling and consideration of report—Appropriation (Parliament) Bill

35.(1) The chair of Estimates Committee E must lay the committee's report on the proposed expenditures stated in the Appropriation (Parliament) Bill on the Table of the House.

(2) To remove any doubt, it is declared that the chair of Estimates Committee E is deemed to have satisfied the requirements of (1) if the chair presents the committee's report, minutes and any other additional information with The Clerk when the House is not sitting in accordance with Standing Order 201 and the report is deemed to have been tabled on the date it is presented to The Clerk.

(3) The report is to be received by the Legislative Assembly without debate and its consideration deferred until the consideration of the Bill in Committee of the Whole House.

(4) One whole sitting day must elapse between the committee's report being tabled and its consideration in Committee of the Whole House.

(5) The Committee of the Whole House must complete the consideration of the report by no later than Thursday, 24 August 2000.

Effect of consideration in Committee of the Whole House

36. Consideration of an estimates committee's report in Committee of the Whole House is taken to be consideration of the provisions of the Appropriation Bill or Appropriation (Parliament) Bill so far as the provisions authorise the proposed expenditures referred to the estimates committee.

Procedure in Committee of the Whole House

37. In Committee of the Whole House, for each estimates committee—

(a) the Chairman of Committees must put the question 'That the report of <name of committee> be adopted';

(b) a Member may speak for no longer than five minutes on the question;

(c) in reply to the debate each responsible Minister may speak for no longer than five minutes; and

(d) the debate is to continue for no longer than sixty minutes.

Receipt of material by nominated officers of the Leader of the House and Leader of the Opposition

38. Unless a committee otherwise expressly orders, or a Minister or Mr Speaker has requested confidentiality, its research director is authorised to release copies of the following documents as they become available to an officer from the offices of the Leader of the House and Leader of the Opposition—

- the committee's pre-hearing questions on notice;
- questions taken on notice by Ministers or Mr Speaker during its hearing;
- responses from Ministers or Mr Speaker to the committee's pre-hearing questions on notice and questions taken on notice during its hearing; and
- additional information provided by Ministers or Mr Speaker to supplement answers given by them, or on their behalf, at the committee's hearing.

Application of Standing Rules and Orders and practice

39.(1) The Standing Rules and Orders, Sessional Orders, other orders and practice of the Legislative Assembly also apply to estimates committees and to Committee of the Whole House acting under these orders.

(2) However, if there is an inconsistency on some matter, these orders prevail."

Motion agreed to.

NOTICE OF MOTION

Sugar Industry

Mr KNUTH (Burdekin—CCAQ) (10.15 a.m.): I give notice that I will move—

"That this Parliament instructs the Minister for Primary Industries to revoke the ministerial direction implementing export parity pricing in the Queensland sugar industry."

Mr MACKENROTH: That Bill is before the House, I believe.

Mr SPEAKER: Order! We do have a Bill before the House that will be debated.

Mr MACKENROTH: Can I ask that that a check be made as to whether it is appropriate to debate that motion with that Bill before the House? I think we need to check that. If it is not appropriate, we will not have a motion for tonight.

Mr KNUTH: The motion has no relevance to the Bill.

Mr SPEAKER: Order! I will get the Clerk to have a look at it and we will come back to you.

Mr BORBIDGE: Just in case that motion falls over, I give notice that—

Mr MACKENROTH: If it does, we will give the opportunity to give notice of a motion.

Mr BORBIDGE: Fine.

PRIVATE MEMBERS' STATEMENTS

Hospital Waste

Miss SIMPSON (Maroochydore—NPA) (10.16 a.m.): I am seeking answers from the Health Minister about a serious and disgusting situation in the Fraser Coast area caused by Queensland Health penny pinching. Health Minister Wendy Edmond needs to explain whether she is aware of the problem of a significant portion of untreated theatre waste from the Maryborough and Hervey Bay Hospitals continuing to be dumped at local council tips as landfill, rather than being autoclaved or incinerated.

This potentially infectious theatre waste has been collected and transported through Hervey Bay in normal garbage trucks, which may leak, rather than in medical waste disposal vehicles. I will not outline the full array of materials this involves, but it does include blood-soaked dressings and some discarded internal organs. I understand that the material is dumped at local tips and, while soil may eventually be placed on top, I note with concern that wildlife, be they rats or seagulls, are obviously frequent visitors with potential to spread contagion.

I do not think these Fraser Coast communities would find such hygiene standards acceptable when most other regional and metropolitan hospitals have theatre waste material properly disposed of. Indeed, Queenslanders want to know that the department charged with improving public health is not in fact threatening public health when it looks for ways to come in on budget.

This matter needs to be investigated and the practice of inappropriately dumping theatre waste stopped. However, there must be

rigorous scrutiny of the waste disposal contracts that Queensland Health has signed, the standards it has or has not specified and the monitoring of these contracts. I am calling on the Health Minister to investigate the matter and to explain how the Health Department could allow public health to be threatened.

Member for Clayfield

Mr KAISER (Woodridge—ALP) (10.18 a.m.): The public's cynicism about politics and politicians is a concern to us all. This cynicism is driven in part by the public's perception that we take opposing views for the sake of it. For that reason it is important for us to look for opportunities to offer bipartisan support whenever possible. To my despair, since my election I have found little opportunity to do so.

Recently the Leader of the Liberal Party said something which I thought I might be able to agree with. He described the member for Clayfield as an "ego-driven prima donna". But I was not going to offer my support lightly, without researching the topic further. Figuring that the real test would be to see how the member for Clayfield handled praise of others, I turned to the Hansard debate regarding the nomination of George Brandis to the Senate. I was shocked by what I found.

In a speech supposedly about someone else that took up eight columns of Hansard, one column quoted Brandis verbatim and five columns were about the member for Clayfield—this speech was supposedly about someone else—leaving only two columns about his friend George.

Not satisfied with a superficial study, I decided to look deeper. On further analysis of the speech, which was supposedly about someone else, I found that the member for Clayfield used the personal pronoun "I" no fewer than 62 times. That is an average of one "I" every 19 seconds. At last I have an issue on which I can agree with my opponents. In the spirit of bipartisanship, let the record show that on this issue I agree with the Leader of the Liberal Party.

Caboolture Oral Health Clinic

Mr FELDMAN (Caboolture—CCAQ) (10.19 a.m.): I rise in the House today to inform the Minister for Health of a growing crisis at the Redcliffe and Caboolture Health Service, in particular the Caboolture Oral Health Clinic. I wish to inform the Minister that it is not irregular for Caboolture and Bribie Island residents attending the clinic to have to arrive at the clinic between 5 a.m. and 6 a.m. to get a prominent position in the queue that is forming outside the clinic at that time. The queue quite regularly extends to some 30 to 40 people, and in one letter that I have received a resident stated that the queue was some 70 people in length when he arrived some 15 minutes prior to the suggested opening time of the clinic at 7.45 a.m.

I have had requests for a toilet facility to be made available outside the clinic for those elderly and incontinent patients who attend to have emergency treatment performed at the clinic and know that they have to arrive sometimes at 6 a.m. or miss the call for their treatment.

I wish I could say that I am joking but, tragically, I am not. I have with me a sample of many letters of complaint that I have received with respect to this service, and I will table those letters with the permission of the House. I seek that permission now.

Leave granted.

Mr FELDMAN: These letters indicate queues of up to 70 people having to attend at 6 a.m. or earlier to get a prominent spot in the queue. They speak of being told of 33-month waiting lists, of 1,668 people being on the waiting list ahead of them, being told that rotting teeth are not a priority, and only if they are in agony with toothache—and very much in agony—is it regarded as an emergency.

I am asking the Minister what she can do to improve this facility, to increase the staffing, to cut the waiting lists and to help these poor battlers who are queuing at the service. One letter states—

> "I have one special complaint, there are no toilet facilities open in the area prior to 7.45 a.m. This causes me at least no doubt some others some difficulty, due to a problem I have, which causes severe (incontinence). The failure to retain water for any great period of time is an embarrassment. Especially when you have to queue for several hours. It then comes down to having to seek toilet facilities"——

Time expired.

Reconciliation

Mr REEVES (Mansfield—ALP) (10.21 a.m.): As a person who was born and bred in Brisbane, never have I been prouder to be from this city than on 4 June. To have over 50,000 Queenslanders marching as one for reconciliation in central Brisbane was something that I and many others will never

forget. It was truly the day in our history that we as a city and State demonstrated that we have grown up. What many others have thought of our State in the past will be exactly that: their past view of Queensland.

The Saturday before, Dr Evelyn Scott in Sydney had a simple message: will you take our hand? Will you share our dream? More than 50,000 Queenslanders overwhelmingly said, "Yes, yes." The majority of marchers were ordinary Australians with children in tow, babies in strollers, the family dog, people from all ethnic origins, each marching for different reasons but a common goal: to have a nation which is unified and is big enough to say sorry for our past wrongs.

The next day the Courier-Mail ran a story on the front page regarding the great event, and I was proud to read a quote from a retired bank manager and his wife from my electorate. Lex Hutton, 74, and his wife Jean, 72, of Mansfield said they and their family marched because it was time for equality for Aborigines. They said, "It is time everybody was treated equally."

This march and the one the week before in Sydney marked the turning point in the reconciliation process. It is when the people of our nation took over the process from our leaders. Why? Because our leaders, particularly our Federal leaders, have demonstrated their lack of heart and general desire for reconciliation. The only disappointment for me and for many other Queenslanders was that not all of our State leaders were present. Why? As the Courier-Mail article said, David Watson said that he did not march because he never takes part in marches. The article stated—

> "Thus, it appears that he has let a rather minor principle hide a far more important principle. One suspects the perception remains that while the Libs are busy squabbling over three-cornered contests, Senate vacancies and preselections, they are AWOL on the big-ticket issues."

4 June will be forever remembered by me, and it is something that I will be able to tell many people about in the future. It was the day that our city and State grew up. We took our indigenous friends' hands and showed that we want to share their dreams.

Time expired.

Condamine/Balonne Basin WAMP

Mr HOBBS (Warrego—NPA) (10.23 a.m.): I carry a message from the people of the Condamine/Balonne basin who have attended water allocation management plan meetings that have been held throughout the basin over the past three days. The language used to describe the Minister's plan is unparliamentary, but suffice to say to Mr Welford and Mr Beattie: thanks for the kick in the guts. They have delivered a water allocation management plan that will reduce the viability of the towns, the businesses, the farms and the regions, and this Government's catchcry of "jobs, jobs, jobs" is now referred to as "lies, lies and more lies". What the Premier and the Minister have not done is reduce the ability of those people to fight back, and they are and they will.

I attended two meetings at St George and Dirranbandi, both standing room only, and they unanimously rejected the Government's deceitful document. The WAMP proposes to reduce some existing licences by 70%. Millions of dollars worth of contracts have been put on hold, and some have been cancelled. The work force faces uncertainty. The WAMP was released without the essential component of a social and economic study being completed, a requirement of the COAG water reform process. The Minister has thrown four years of planning down the drain because he tried to manipulate the outcome to suit his environmental aims.

I will read a resolution that was carried at a meeting in St George—

> "Due to the total lack of integrity and accuracy of all phases of the current WAMP process, including:
>
> The deficiencies of the Technical Advisory Panel's environmental report,
>
> The non-existence of accompanying social and economic impact assessments,
>
> The inappropriate consultative process through the community and the Community Reference Panel,
>
> That the severity of the impacts on St George's community and future have been inexcusably underestimated,
>
> That we totally and unequivocally reject the Draft Water Allocation Management Plan."

The Minister is more interested in increasing the environmental flow for the Greens over the New South Wales border—which, I might add, is already at high levels—than looking after Queenslanders. He is incompetent, he is anti-rural, he is anti-Queensland.

Time expired.

Families, Youth and Community Care Department

Ms BOYLE (Cairns—ALP) (10.25 a.m.): I was amazed to hear the member for Indooroopilly, Denver Beanland, in a speech to this House on Tuesday night, criticise the Minister for Families, Youth and Community Care, Anna Bligh, for creating a new position of regional director for the Cairns area in the Department of Families, Youth and Community Care.

While it may have been appropriate 15 or 20 years ago, when Cairns was a much smaller town, for Government departments to have their north Queensland headquarters in Townsville and for Cairns Government offices to be subordinate to Townsville, this is no longer so, and the people of Cairns know that. Through rapid growth, through an increasingly obviously different socioeconomic profile between the Townsville region and the Cairns region, these offices now, quite appropriately, should report direct to Brisbane, not as subordinate offices to Townsville.

I am so pleased to say that, since this Government was elected, at least five Government departments that previously had their reporting arrangements via Townsville have changed, and there are now regional directors based in the Cairns area. My compliments, therefore, to Anna Bligh for the recent creation of the position of regional director for the Department of Families, Youth and Community Care in Cairns.

The member for Indooroopilly's criticism of the creation of this position, however, is the more breathtaking if members care to recall that under the Borbidge Government there was an office of that department established in Cairns—not for the department, not for a regional director, not in fact for any services to be delivered, but for the Parliamentary Secretary to the Minister for Families, Youth and Community Care, who was at that time Naomi Wilson. That office cost over $2,000 in rent per month in the City of Cairns.

Time expired.

Mrs B. Harwood

Mr DAVIDSON (Noosa—LP) (10.27 a.m.): I wish to bring to the attention of the House yet another cowardly attack on a member of the general public by the Minister for Public Works and Minister for Housing. In yet another demonstration of his thuggery, Minister Schwarten has come out and publicly attacked the Rockhampton Queenslander of the Year. In response to the announcement of Mrs Barbara Harwood of the Rockhampton and District Promotion and Development Association as Rockhampton's Queenslander of the Year, the Minister criticised this recognition of her hard work.

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

Mr DAVIDSON: I will withdraw whatever the Minister finds offensive. As for Mrs Harwood——

Mr SCHWARTEN: Just to explain to the honourable member, what I find offensive is his remark that I attacked Barbara Harwood. That is untrue.

Mr DAVIDSON: As for Mrs Harwood, whom I got to know through my time as the Minister for Tourism, she can only be described as an extremely hardworking and dedicated member of the Rockhampton community who continues to work over and above any remuneration which she receives. This is a belief also supported by Ms Andrea O'Connor, who nominated Mrs Harwood for the award and commented that Mrs Harwood works seven days a week, puts in 500% for Rockhampton all the time and never does anything by halves, a statement which I wholeheartedly support. Yet Minister Schwarten said that the award should have gone to someone in recognition of their community service rather than someone who, in his words, got paid to do a job. If one were to apply this very same logic of this bitter and twisted Minister——

Mr SCHWARTEN: I rise to a point of order. I congratulated Barbara Harwood on her appointment. I talked about awards generally.

Mr SPEAKER: There is no point of order.

Mr DAVIDSON:—one would have to question why he has presented various awards to the hardworking staff of his department during his turbulent time as Minister.

I have known Barbara Harwood for some time. When I was Minister for Tourism, she came to Brisbane many times to see me and have meetings with me. Every time I went to Rockhampton, she requested meetings with me. She has been the champion of the tourism industry in Rockhampton for many, many years. She is well regarded and well respected as a tourism representative from Rockhampton. I cannot believe that Mr Schwarten, as a Minister of the Government, would criticise Mrs Harwood's——

Time expired.

Mr SPEAKER: Before commencing question time, I wish to extend the sympathy of all honourable members of this House to the honourable member for Keppel and his family on the passing of his mother last evening.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Vegetation Management Act

Mr BORBIDGE (10.30 a.m.): I refer the Premier to a promise that he made 108 days ago to over 2,000 landholders at the Roma Cabinet meeting to amend the Vegetation Management Act to remove the "of concern" category on freehold land. As this is now the fifth sitting of Parliament at which the Premier has had the opportunity to introduce those amendments and fulfil his commitment, I ask: when does he intend to do so?

Mr BEATTIE: In terms of the vegetation management legislation, the position is simply this: in relation to the leasehold land in Queensland, which covers roughly 75% of the State, those measures already apply—not by virtue of legislation but by virtue of Executive Council decision. Everyone knew that.

I indicated at Roma that the Government would pursue a proclamation of areas that are endangered—which we will—but I indicated that areas "of concern" would be dealt with differently.

Mr Borbidge interjected.

Mr BEATTIE: Hang on, don't get excited. You will get the answer you want. That legislation has not been proclaimed. The areas "of concern" have not been proclaimed.

Mr Hobbs interjected.

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

Mr BEATTIE: Could you just grab hold of your tongue, wrap it around your neck and hang on for a second, because I am about to give you a serious answer. If honourable members want this matter to be treated properly, I will give them a serious answer, because I am as concerned about this matter as is anyone else.

The position is basically this: as honourable members know, I met with the Prime Minister and as a result of that meeting a process was put in place whereby we would have ongoing discussions. Those discussions have been ongoing for some time. They cover a range of issues including funding and so on. The Minister and I have had meetings with various stakeholders, including Agforce. Where is the member for Burnett? I attended an informal Agforce reception and I had informal discussions with the organisation on that occasion. Those discussions are continuing.

To take up the Leader of the Opposition's question, this Government is seeking to use local committees and get local people involved in the planning process so that we can have a bridge between leasehold and freehold land. We are going to protect endangered areas and we will end up with an arrangement covering "of concern". It is in the planning process and would involve local committees and we would also have some form of involvement from the Commonwealth.

I understand that Warren Truss and Senator Hill met on this matter recently and that the Federal Government is finally trying to make a determination. I indicated to the Prime Minister when we met—and I am hazy about the actual date, but I think it was in February—that we would work on this matter over the following six months. That period of six months has not yet expired.

Mr Borbidge: The amendment will still come in?

Mr BEATTIE: What I said will stand. As I said, with regard to leasehold land the position is clear and the measures will apply. I would have simply preferred to have proclaimed "endangered" on freehold land and moved on. There are some legal issues which we are currently examining. The key thing is that discussions between the Commonwealth and the State are taking place at this time. Those discussions deal with a whole range of issues, including funding, and will cover the areas "of concern".

My bona fides in this matter are demonstrated by the fact that the Government has not proceeded to proclaim the Bill.

Mr Hobbs: How will it work?

Mr BEATTIE: If we were going to go ahead with the areas "of concern" we would have proclaimed the Bill. The Government's bona fides are demonstrated by the fact that we are having ongoing discussions and we are trying to solve this problem. We will continue to deal with the stakeholders and the Federal Government.

South Johnstone Sugar Mill

Mr BORBIDGE: I refer the Minister for Primary Industries to his Government's failure to offer any meaningful assistance towards the reopening of the South Johnstone sugarmill. I also refer to the joint industry submission from

Canegrowers, the Australian Sugarmilling Council and the Australian Cane Farmers Association for Government assistance to help struggling canefarmers survive the prolonged market downturn and the extended period of inclement weather. I ask: what contribution will your Government offer in response to that submission?

Mr PALASZCZUK: In response to the honourable member's question, may I make a few observations? The Government's position in relation to the issue at South Johnstone is this: it was purely a commercial situation and it was to be resolved in a commercial manner—and it has been.

Secondly, the Government has been working with the sugar industry in north Queensland to ensure that that industry remains viable. I will not go through the raft of measures that the Government has implemented over the past two years because I have made those issues known to the House over the past two years.

The State Government has supported the submission to the Federal Government that has been prepared by the industry. The submission has been put before the Federal Government. My understanding is that the Federal Government is very shortly going to make an announcement on the submission. The State Government will look at the Federal Government's response before making any further decisions.

Liberal Party Leadership

Mr SULLIVAN: I refer the Premier to the less than scintillating performance of the Opposition front bench over the past two years, and I ask: is he aware of any other unbiased assessment of the Liberal Party front bench?

Mr BEATTIE: I am, and I think it is important that the House is aware of it. Let me tell honourable members that I have no better source than the Leader of the Liberal Party himself, Dr David Watson. I want to make it clear that, on these matters, David Watson and I are as one. I agree totally with his assessment.

On ABC Radio Dr Watson said this—

> "I mean, the people who seem to be concerned about the proposal being put forward"—

and he was referring to three-cornered contests—

> "are precisely the same people that climbed into bed with One Nation before the last election. They are the people that are apparently seeming to be raising concerns."

David Watson also said—

> "And I don't believe they have a lot of political credibility or acumen."

Dr Watson was talking about Santo Santoro when he said that. So, what did the Leader of the Liberal Party say about Santo Santoro? He said that Santo Santoro does not have any credibility. In Webster's Dictionary the definition of "credibility" is "capacity for belief". In other words, what the Leader of the Liberal Party said is that his party cannot believe Santo Santoro. The Liberal Party says that Santo Santoro is unbelievable. I have to tell honourable members that members on this side of the House always thought that he was unbelievable, particularly when he goes on and on for hours and hours. Point 1 is that the Leader of the Liberal Party says that Santo cannot be believed.

However, let us look at what the word "acumen" means. The dictionary definition is "keenness and depth of perception, discernment, or discrimination especially in practical matters". So, the second point made by the Leader of the Liberal Party is that the member for Clayfield has no practical understanding. In the light of what the Leader of the Liberal Party has said about Santo Santoro, why did he let him run the recent debate on the training Bill?

However, we are not finished. What about Santo? The member for Woodridge made some reference to Santo this morning. Last week, on ABC Radio the member for Clayfield said this—

> "Also, I understand that he"—

and he was referring to the member for Moggill—

> "made some, you know, relatively personal remarks at his media conference about prima donnas and egos which clearly indicated that his regard for at least one of his parliamentary colleagues doesn't go beyond the superficial."

Don't they love one another! If there is a love-in around, it is not in the Liberal Party. But that is not all.

Yesterday, the Deputy Premier referred to Graham Young, who was the vice-president of the Liberals between 1994 and 1997. On his web site Mr Young states that Howard is backing Watson because Santoro has dumped him in favour of Costello and that Howard now sees the whole Queensland Liberal apparatus as potentially conspiring to

dispose of him. Further, the web site states that Santoro has dumped Howard for Costello and will tell anyone he meets in Queen Street, whether they have five minutes or not. Further, Mr Santoro's latest protege, Senator George Brandis, is a long-time Howard enemy and a Costello booster. That is further proof that there is a conspiracy against the Prime Minister.

Dr B. Head; Mr I. McGaw

Dr WATSON: I refer the Premier to the CJC report received by his director-general on 22 May regarding the serious allegations of sexual harassment and an attempted cover-up involving Public Service Commissioner Dr Brian Head and his deputy Ian McGaw, and I ask: given that it is now a full month to the day since the Premier's Department received this report, how much longer is he going to drag the chain? How much longer are Dr Head and Mr McGaw going to enjoy their gardening leave on full pay, jointly at about $6,000 a week, at taxpayers' expense before he makes up his mind?

Mr BEATTIE: I thank the Liberal Party Leader for his question. I have to say that it is obviously a question that lacks political credibility or acumen. It also seems to be one of those questions that comes out of the great think-tank that they have, which does not seem to be going anywhere.

Dr Watson: Why don't you make up your mind?

Mr BEATTIE: I will give the member the answer. The bottom line is that, if the member knew anything about appropriate behaviour, he would know that when the CJC report came down I had to afford Brian Head—and I have said this publicly—due opportunity under the natural justice laws to respond. I wrote to him and asked him to show cause in relation to the material raised in the CJC report. His lawyers responded to me—and I do not recall the exact detail—but asked for more detail and asked for more time. I gave them more time.

Why did I give Brian Head's lawyers more time? Because that is the fair and appropriate thing to do. I have now received—and I indicated this to the media yesterday—from Dr Head's lawyers a response to the material I sought. I will study that over the next few days and I will make an appropriate decision. I have just received it. I became aware of the material I think over the weekend. It may have been Friday night. I do not recall now because, as members would know, I was engaged in another matter about petrol. The member may recall that there has been a bit of a debate, or he may have missed it. However, there was a bit of a debate about a petrol subsidy.

A Government member interjected.

Mr BEATTIE: Yes, they missed the boat. I just wanted to make sure that the member was with me. A lot of things go on. The Leader of the Liberal Party has a backbencher running his tactical debate in this place. He is leading the debate on Bills, yet the Leader of the Liberal Party has fired him. I just wanted to make sure that the member was up with current events.

Dr Watson interjected.

Mr SPEAKER: The member for Moggill! Order!

Mr BEATTIE: Mr Speaker, the member is with me. He has caught up with the debate about the petrol subsidy.

The bottom line is that I have now received a response, as is required by law, and as part of my responsibility as Premier I will give the material provided to me by Dr Head's lawyers detailed and thorough consideration. When I believe that I have carried out my responsibilities properly and exercised my discretion in the way that it should be exercised, then I will make a decision.

It may well be that when I read this material—Parliament has been in session this week—I may need more information or I may need more detail. I do not know that. However, let me assure the member that I will make a decision as soon as I can, but it will be done properly.

In terms of the other persons to whom the member has referred—I have said publicly, if not to the member, that it is appropriate for the acting Public Service Commissioner, Dr Glyn Davis, to make those decisions in relation to that officer. They are not a matter for me; they are a matter for the acting Public Service Commissioner, Dr Glyn Davis.

However, let me assure the member that this will be done as fast as it can be done within the appropriate laws governing natural justice. I do not believe that the Leader of the Liberal Party would want me to throw out the principles of natural justice. I know that, like me, deep down in the member's heart he believes that people should be given a fair go and that they should be given natural justice. Because we are such an open and accountable Government, these people will be given natural justice, as they should be.

Goods and Services Tax

Mr PURCELL: I refer the Premier to the Federal Government's GST, and I ask: is the GST a tax just for toffs?

Mr BEATTIE: We all know that, even though the member for Bulimba is a supporter of the ballet and other things sensitive, he looks after the battling Queensland and Australian families. I thank him for that question.

I will let the people make a determination about whether the GST is a tax for toffs. The following items are GST free: antipasto platter, bagels, bottled still drinking water, focaccia, Lavish bread, Italian bread, Turkish bread, cold calamari—not the cooked calamari; if it is hot, then people pay GST and if it is not, it is without GST—crabmeat, live crabs, duck eggs, smoked eels, goose eggs—and we have a few of those opposite—turkey eggs, quail, quail eggs, frogs' legs, snails, rollmops, bottled salsa, herring, oysters, smoked salmon and sun-dried tomatoes. Although one would think that those items would attract the GST, they are all exempt from attracting the GST.

However, I turn now to the food that the average family puts in their shopping trolley. I think that it is worth while outlining very carefully where the GST is going to the average family. The following items will attract the GST: cordial, containing less than 90% by volume of fruit juice—and that is most cordial—fruit drink, fruit juice containing less than 90% by volume of fruit juice, flavoured milk—kids love flavoured milk—biscuits, breads and buns with a sweet filling or coating, and Christmas puddings. They are even taxing Christmas puddings. Nothing is sacred anymore under the GST.

Mr Mackenroth: What about the Lions Christmas cakes?

Mr BEATTIE: And the Lions Christmas cakes. The following further items will attract the GST: iced buns, snack packs with biscuits, coconut milk, cookies, crackers, frozen dinners, dry biscuits, energy bars, iceblocks, frozen yoghurt, hot cooked chicken, lamingtons and scones. We do not get anything more sacred than scones. Other items that will attract the GST are prepared or frozen lasagne and the good old Australian meat pie. Soft-serve ice-cream, ice-cream cones and ice-cream will attract the GST. Our kids cannot even get an ice-cream without getting whacked over the head by Peter Costello and John Howard's GST. The list goes on. It includes muffins, muesli bars, fruit pies and pikelets. Pikelets! What are we doing in this country? The list includes these further items: pizzas, potato chips, sausage rolls, steamed puddings and even vitamins. People cannot even be healthy under a GST. I think we should go out and tell everyone about that.

The list of items that I have just read out is hardly the food of toffs. As I said, scones are being taxed, as are roasted nuts and salted nuts. The list goes on and on.

This GST strikes at the heart of the Australian family. It is anti-family, it is anti-Australian and it is anti-Queensland.

Mackay Ambulance Service

Mr MALONE: I again refer the Minister for Emergency Services to claims that an ambulance officer, who was working alone at the time, was found semiconscious in the Queensland Ambulance Service communications centre at Mackay. I ask: has the Minister been able to verify the type of drug that the officer was taking at the time for recurring back pain, as we are told, and whether it was obtained by prescription? Is the Minister also aware of allegations of pornographic Internet sites being accessed by some communications centre staff in Mackay? What action has the Minister taken to ensure that this does not recur?

Mr ROBERTSON: I thank the honourable member for the question. As I indicated a fortnight ago when the member first raised this matter, I was aware of the incident and had requested a full report on it. I can confirm that one morning a communications officer in Mackay was found in a distressed state and it later came to the fore that he had been taking some drugs to manage back pain.

The member's original question went to whether that caused some problems with respect to coverage of ambulance communications during the time that the person was unconscious. The simple answer is no, because every communications centre has a redundancy built into the system. If an emergency call comes in and it is not answered within a particular number of rings, it is immediately redirected to another communications centre.

I am informed that during the time that that officer was in distress only one call came in and it was not an emergency call. At no time were the people of Mackay affected by some diminution of service during the incident. Since that incident, I have further been informed about a matter with respect to access to various pornographic sites on the Internet. That matter is being investigated as well. I will be expecting a full report from the Ambulance Service Commissioner in relation to all of the matters raised by the honourable member.

Goods and Services Tax

Mrs LAVARCH: I ask the Minister for State Development and Minister for Trade: can he outline the views of small business on the Liberal Party's goods and services tax?

Mr ELDER: I certainly can. I will tell honourable members what is obvious about the Liberal Party and the National Party: they are all nervous. With a few more days left in the countdown to the introduction of the GST, they are all nervous Nellie's over their own massive tax shake-up.

The National Party was rolled on caravan parks. The Prime Minister has been trying to intervene in fights between his backbenchers and his frontbenchers. The only one trying to defend the tax in Queensland is the ever courageous Dr Watson. And I use the word "courageous" in the sense that Sir Humphrey Appleby did. Right across the State small business has been telling them that they do not want the changes. In a small business survey 54% responded that they believed it would hurt their business' bottom line. I heard some interjections from members opposite when the Premier was speaking, but not one of them stood up and said, "We are supporting it out there. We are selling it." None of them is selling it. They have all gone to ground.

As I said, it has created splits within the National and Liberal Parties. The fact of the matter is that no-one on the other side of the House wants to defend the GST. They have not publicly defended the GST since the $400m failed campaign was put in place.

Mr Beattie: But it is their GST.

Mr ELDER: Yes, it is their GST.

The reason behind it is that they have been too involved in concerns within their own parties in Queensland. We are all well aware of the activities of the member for Clayfield, who, as Graham Young puts it, is running a party within a party. In fact, he has a party on this weekend—a pre-GST function—at the Allan Border Field. John Howard has told all of his Liberal Ministers, "Do not attend these functions for Santo. Santo supports Costello." Good old Senator George Brandis will be there. Interestingly, John Herron will be there. John Herron must be going along to report on George Brandis and Santo so that Howard knows what is happening. But better than that, I have heard through the Liberal Party that only 50 people will be turning up. Only the family members will be turning up! We can take a couple of tables, if they really want us to.

Mr Braddy: A football field for a family.

Mr ELDER: Yes, a football field for a family. I reckon that, of those 50 people, at least 25 of them would be the food tasters for the three of them. It is one of those BYO—"bring your own food taster"—barbies. This morning I read the on-line opinion from Graham Young, as I always do. I looked at the Liberal Party's web site and found out that all of the references to the shadow portfolios held by members of the Liberal Party had been removed. Obviously, they change on a daily basis and are not able to be kept current, so they have been removed. The site shows us who is in the Liberal Party, but it does not show us who is a frontbencher.

Burdekin Bypass

Mr KNUTH: I ask the Minister for Transport and Minister for Main Roads: in light of the Burdekin community demonstrating overwhelming opposition to the proposed bypass, is he confident that the community reference group is truly representative of the wishes of the community or has it been selected to achieve a contrived outcome? Is this the reason I have been excluded from these meetings by Main Roads?

Mr BREDHAUER: The short answer to the honourable member's question is: no. The community reference group was chosen to represent key stakeholders in the Ayr and Burdekin community in relation to the investigations being undertaken in respect of the bypass. In giving the honourable member for Burdekin a bit of a history lesson, I point out that the origin of the study into a bypass for the Burdekin area was a public announcement by the member for Dawson, De-Anne Kelly. Senator Grant Tambling, who was the then parliamentary secretary to the then Transport Minister, Mark Vaile, and Ms De-Anne Kelly announced that the Commonwealth Government was proposing to fund a new bridge over the Burdekin River.

Up until that point, the Department of Main Roads had considered that the issue of upgrading the national highway through the Burdekin area was a medium to long-term initiative. But given the comments by the member for Dawson and the Commonwealth parliamentary secretary, we undertook that we would commence a study on behalf of the Commonwealth, because it is a national highway project, to identify an appropriate place for a new crossing. They subsequently announced that the area would not only get a new bridge but also a big bypass project. The Department of Main Roads took that on board

to try to work through with the community an acceptable alternative route, because there are congestion problems particularly in the area of Brandon. There are also issues with heavy traffic travelling through the centre of Ayr and in the longer term there will be issues in relation to the town of Home Hill also.

We have been trying to work through these issues for some time. As I said, the community reference group was established to provide information and advice to us from the key stakeholders in the area, including the canefarming community, the local council and others. At all times, the Department of Main Roads has been open and honest in its consultations with the local community.

Mr Knuth: Why am I excluded from the meetings?

Mr BREDHAUER: This happened before the honourable member was even elected to Parliament. The propensity the member has shown to politicise this issue over recent months is a good reason why he should not be on a community reference group that is trying to reach an objective decision—one that is not politically motivated by De-Anne Kelly, the honourable member, me or anyone else. We are trying to get the Department of Main Roads to reach an objective decision on an issue raised in the first instance by the member for Dawson. We are about to go to public consultation on the final route options and will indicate which are the preferred of those options progressively as we go through that process of community consultation. For the member to slang off at the Main Roads Department is not helping.

Swanbank E Power Station

Mrs MILLER: I refer the Treasurer to this morning's announcement that the $250m Swanbank E gas fired power station will go ahead at Ipswich, and I ask: how will this decision benefit the local region?

Mr HAMILL: I am sure the member for Bundamba joins with me in expressing delight at this announcement. The Swanbank E Power Station is in the Bundamba electorate. What it means is a significant extension of the life of the Swanbank complex and job security at the complex. It also means up to 200 additional jobs in the construction phase for the Swanbank E Power Station. It is also a clear demonstration of the success of the Government's energy policy announced by the Premier but a few weeks ago.

Not only will this project be of great benefit to the Ipswich region; it will also see the renewal of the area surrounding the Swanbank complex. As the member for Bundamba well knows, that area has seen a significant amount of underground mining activity in the past. What is on the drawing board is the establishment of an industrial precinct on the doorstep of the power station. We will see a regeneration of industrial activity in that region, and that has been very consistent with another project that has taken place in the electorate of the honourable member—the Westfalen project. The mining precinct in Collingwood Park is generating significant new training and employment opportunities.

It really is great news for the Ipswich region, because this opportunity to produce gas fired power does, in fact, provide the opportunity to act as a catalyst for new industries and more jobs in the region. I might remind honourable members that, prior to the last State election, one of the key commitments that was given by the then Leader of the Opposition to the people of the Ipswich region was the development of a new industrial estate in the area. We were looking at a range of sites at that time. One of the areas being considered was an area at Willowbank. The key and critical part of the proposal was the availability of cheap power.

So what we see through the Swanbank E project going ahead is the fulfilment of that key commitment given by the Leader of the Opposition, as he then was, that his Government would see the development of new industrial capacity in the region. The Swanbank E proposal, which is now going to come to fruition, will also see that key commitment of new industrial capacity delivered to the people of Ipswich and West Moreton. As well as that, it also means a breakthrough in terms of the provision of cleaner energy to not only the people of Ipswich, but the whole of the Brisbane airshed. It is a great project.

Designer Steel Homes

Mr LAMING: I refer the Minister for Public Works and Minister for Housing to the non-payment of subcontractors who worked on a St George public housing project contracted to Designer Steel Homes, and I ask: as the houses are now nearing completion, tenants are waiting to move in and subcontractors, many of whom are local St George residents, are still owed over $100,000, will he make arrangements to redirect rental payments made by the tenants to the subcontractors, who have not been fully paid for their labour and their materials, as an act of good faith?

Mr SCHWARTEN: No, I will not. I have never heard such an absurd suggestion in all my days. What is the member suggesting? He is saying that those tenants should pay the subcontractors. What an extraordinary comment! What an extraordinary suggestion! It shows in spades how little understanding he has about the portfolio that he shadows. No wonder he is widely known as a joke out there in the industry if he makes those sorts of suggestions.

Mr Laming: They pay you and you pay the subcontractors.

Mr SCHWARTEN: I implore him to get help, to get some understanding of what is going on out there in the industry. If he translated what he is suggesting into the private market, not one person in this State would build a house.

Mr Bredhauer: Maybe the people who ride in taxis should buy the cab.

Mr SCHWARTEN: Who knows what goes through his mind.

The fact of the matter is that this is an issue that has been canvassed—

Mr Laming: You won't even pick up a vote in St George.

Mr SCHWARTEN: The member opposite continues to squawk his irrelevance.

The fact of the matter is that this Designer Steel Homes issue has been around for a good while. The point I have made before is that the local member and I became aware of it after the problems developed. I can never understand why it is that people who have not been paid—for months, in some cases—do not put their hands up and complain about it. I have never been able to work that out.

Mr Mackenroth: I was told by a builder that he didn't complain about not being paid because he said, "I needed the work."

Mr SCHWARTEN: That is the fact of the matter. I have never stated in this place or anywhere else that I can implement a system that provides that on 100% of occasions 100% of people will be paid. Nobody can do that. My local garage bloke said to me, "If you can ever invent a system that does that, put it in for me, too, because I am owed $15,000 by people who won't pay me." That is the grim reality in all of this.

We have bent over backwards to help these subcontractors. We have legislation which allows them to down tools when these sorts of problems arise. Also, as soon as we became aware of it, we knocked Designer Steel Homes out of the prequalification bin. We have given these people—

Mr Laming: Why didn't you give them some of the retention? You had $65,000 but you wouldn't give it to them. You're not fair dinkum.

Mr SCHWARTEN: Will the member shut up for a minute? The fact is that we have tried and tried and tried to assist these people by putting work their way.

Mr Laming interjected.

Mr SPEAKER: Order! The member for Mooloolah!

Mr SCHWARTEN: Thank God for that! The fact of the matter is that those subcontractors were offered work to try to help them out. They now have claims in under Subcontractors' Charges Act, but I doubt that the member would understand that.

Impact of GST on Private Rents

Mr ROBERTS: I refer the Minister for Public Works and Minister for Housing to reports that the flow-on effects of the GST on private rents have been grossly underestimated, and I ask: what will be the impact on the public housing sector of significant rises in the level of private rents?

Mr SCHWARTEN: I thank the honourable member for his question and for again voicing his concern about something that I have been raising for many months, that is, that we have now found that what I have been saying about the effect of the GST on private rents is in fact the case. The Howard Government has been caught out fudging the figures in this regard and it is now widely accepted that rents in the private sector will go up as a result of the GST.

What does that mean? Very simply it means that increasingly people will be forced out of the private rental market. That is the end result. I could never understand why members opposite could not grasp the point that I was trying to make, which was that, as housing costs increase, of course rents are going to go up. People in the business of investing in rental housing are entitled to get a return on their money. They are not philanthropists; that is for certain. That increase in rent is simply going to put the private rental market that much further out of the reach of the battlers of this State.

As I reported to the Parliament the other day, 93,000 homes were built in Queensland between 1986 and 1996, and 80,000 of those now rent for more than $150 a week, which puts them out of the grasp of the battlers.

Shortly, even more houses will rent for more than $150 a week. That means that fewer rental houses are available at the lower end of the market. What is the response of the Howard Government to that? To cut back money from public housing, $90m over the next three years—doing more with less! I do not know what members of the Federal Government are thinking, but the fact of the matter is that we know that in Queensland 250,000 families live in after-rent poverty. That situation is going to worsen under the GST. If ever we needed proof of that, here it is—private rentals will go up. About one third of the household income is spent on rent. It is a primary cost to a family.

Our response is limited by what the Federal Government has done in this regard. We have copped a double whammy. Private rents are going to go up, which will push more people out on the street. In response to that, when they come knocking on the door of public housing, they will find plenty of closed doors. It is a disgrace that the lot opposite sit over there mute and absurd on this issue. They have never—not once—taken it to Canberra. They have never—not once—tried to do anything about building jobs in this State. They have never—not once—come to grips with what the building industry will suffer after 1 July this year. They stand condemned for it. Whenever they start yelling out "jobs, jobs, jobs", they should remember that the GST is going to take jobs, jobs, jobs out of the building industry. The fact of the matter is that they sit there and continue to condone this behaviour. I have never heard one of them raise the issue of rents in the private market—not one.

Hope Vale and Wujal Wujal Community Centres

Mr LESTER: Thank you, Mr Speaker, for your kind comments this morning and to all members of the House.

I ask the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading: can she advise the House whether, given her busy schedule, she has been able to visit the Hope Vale and Wujal Wujal community centres? As Minister responsible for such communities and in particular those two places, what progress has she made with the appropriate Ministers and departments in relation to the provision of police stations in both locations, a new health clinic at Hope Vale, improving roads leading from Cooktown to Wujal Wujal and Hope Vale, the provision of buses to both centres so that community residents can travel to various locations for sporting fixtures and so on, and a centre of training in health needs and behaviour needs for men at Hope Vale? What progress has she been able to make on these important issues?

Ms SPENCE: I thank the honourable member for his question and pass on my condolences for his recent loss.

There are 32 Aboriginal and Torres Strait Islander communities in Queensland. In the two years that I have been the Minister I have probably managed to get to about 28 of them on at least one occasion, sometimes more. I have certainly visited Wujal Wujal, but I have not made it to Hope Vale.

As the Minister for Aboriginal and Torres Strait Islander Policy, I cannot be responsible for providing all the infrastructure and facilities to fix all the social and economic problems within my portfolio responsibility. However, I do see the Department of Aboriginal and Torres Strait Islander Policy and Development as the lead agency. We have the responsibility of a whole-of-Government coordinating role to ensure that departments such as Health, Main Roads, Transport and Housing provide the correct facilities to those communities. That is my job as Minister. I continue to make representations on a daily basis on behalf of Aboriginal and Islander communities to other ministerial portfolios.

My department is currently working on a 10-year partnership which we intend to release soon for public consultation across Queensland which clearly sets out the role of my department as the lead agency in Aboriginal and Torres Strait Islander policy. In future we will be proposing to cut the red tape that community people face in their contact with bureaucracy. In order to get a simple task performed, some communities have to deal with many Government agencies as well as local councils. We believe we can do that better by offering the Department of Aboriginal and Torres Strait Islander Policy and Development as the lead agency to help them get through that red tape and bureaucracy. Certainly, if the member has particular issues with respect to Hope Vale and the services provided there, I am happy to get the information and come back to the member.

Termites; Queensland Building Services Authority

Mrs ATTWOOD: I ask the Minister for Fair Trading: will she outline to the House the purpose and intent of today's meeting of stakeholders concerning termite infestation in

Queensland homes? What is the role of the Building Services Authority in protecting consumers' homes from termite damage?

Ms SPENCE: The Courier-Mail ran a fairly sensational story today suggesting that 275,000 Queensland homes have been sprayed with ineffective chemicals. Today, many Queenslanders must be worried about the effectiveness of their chemical barriers and the potential for their homes to be eaten away by termites. However, I think that some facts need to be explained.

The total number of new housing approvals since 1995—and that includes units and duplexes and so on—is 275,000. All of these houses and units should have been treated with termite infestation chemicals according to the Building Code. If the approved chemicals have been correctly applied and the barrier is not broken, there is no reason to suspect that homes are likely to be threatened by termite infestation.

Certainly, the BSA has had a number of increases in complaints over the past five years regarding termites. To put this in perspective, in the past year the BSA received 5,200 dispute notifications. Some 200 of those were about termites. The year before, termite-related complaints numbered 132. The year before that there were 64. Undoubtedly, there has been an increase in the number of termite-related complaints to the authority, but it is nowhere near epidemic proportions.

The BSA has been very active in prosecuting shoddy operators. In fact, in the past year, the authority has successfully prosecuted three pest controllers. Most recently, Terry Termite Pest Control was prosecuted and received a record fine of $27,000. There are five prosecutions pending. I notice that the article this morning suggested that the BSA was not being tough enough on builders. In the past year, the BSA has given 74 directions against builders to rectify. If builders do not abide by those directions to rectify, they will be taken to the courts as well.

Besides that, the BSA has been very active in establishing this working party, which, as members know, is meeting today. It is made up of industry and consumer representatives. This working party will look at the general issue of the effectiveness of the chemical barriers that are currently required under the Building Code. There is some suggestion that the chemical barriers themselves are not the most effective way of treating termites.

Police Resources

Mr HORAN: My question is to the Minister for Police and Corrective Services. I refer to the highly successful police recruitment and training program put in place by the coalition Government in 1996-98 which has delivered a net increase in police numbers of 325 per year for the past two years. I ask: with the 650 extra police at the Minister's disposal, why are there five vacancies at Logan Police Station, three vacancies at Slacks Creek, six vacancies at Browns Plains and six vacancies at Beenleigh? Also, why is there no specialist drug squad in Mackay?

Mr BARTON: I am pleased to see that at least the member acknowledges that we are delivering that large increase in police numbers. When the coalition was in Government we saw a lot of promises for large increases in police numbers but very pathetic delivery. The shadow Minister should know that the reality is that we do not have the capacity in the modern era to simply say to police, "You will go to there." We advertise vacancies. We allow people to apply for those vacancies. We allow for the decision to be appealed if someone gets the vacancy that someone else believes they should have got.

Mr Elder: It's not like the old Russ Hinze days, is it?

Mr BARTON: No, it is not like the old Russ Hinze days of pulling out a map from the back of the car and saying, "Where would you like to go, Constable?"

The reality is that we have delivered a large increase in police numbers. As the shadow Minister knows, there are also a further 25 police known as retreads. These experienced police, who were recruited from interstate and overseas, were sworn in last Friday. There will be another big graduation parade in early August to further boost these numbers. The reality is that police numbers have been very substantially boosted and spread around the State.

All of the police stations referred to by the shadow Minister are in the South Eastern Region. I take a particular interest in that region because that is where my electorate is located. Since the Beattie Government came to power, the Police Service in the South Eastern Region has had an increase of 95 officers to 1 June. Even though the member says that there are a couple of vacancies at the moment, which have been advertised and which are in the process of being filled, there are 95 additional officers in that region alone.

I turn now to the Gold Coast, which is also in the South Eastern Region. We have heard

a fair bit about this region by a few people on the other side of the House in the past couple of weeks. There are 43 additional officers on the Gold Coast alone. These are the official police statistics. As the shadow Minister should know, this Government and I as Minister do not interfere with where and how those police are allocated, because the Police Service itself is the best determinant of where the priorities lie in terms of allocating its resources. We have provided these huge increases in police numbers as a Government. The Commissioner and his senior staff determine where those police go in the particular regions. The regional assistant commissioner and his staff make the decisions as to which police stations they are allocated to.

I repeat: the South Eastern region, which contains all of the stations referred to by the member, has had an increase of 95 police officers since this Government came to power.

Mining Exploration

Mr PEARCE: My question is directed to the Minister for Mines and Energy. In this age of technology and computerisation, can the Minister inform the House what his department is doing to enable the mining industry to easily access exploration reports?

Mr McGRADY: I thank the member for the question. As everybody in the House understands and appreciates, the member for Fitzroy comes from the mining industry and has a great knowledge of it. I am delighted to inform the House that exploration of Queensland's mineral resources will be made easier with the impending computerisation of the reports submitted by exploration companies to the Department of Mines and Energy.

In recent times I have set up a group from private enterprise consisting of people in the industry, or indeed consultants, who meet on a monthly basis with the senior people in my department at a meeting chaired by me. We discuss what we can do to help with exploration in this State. When people see a mine open they think the decision has been taken a couple of months previously. People in the industry understand that before a mine gets to the production stage years of work have been done. Of course, it all starts with exploration.

The Beattie Labor Government has a program, costing some $8m, through which we are assisting private enterprise to explore. I often hear people complain about the lack of exploration in Queensland. I have mentioned in this Parliament before that a couple of months ago I was in Canada at a meeting of world mining Ministers. If I closed my eyes while I was listening to their contributions I could swear that I was back in Queensland, because every single mining state or country in the world has the same problem with the lack of exploration. There is no particular problem here in Queensland.

Mr Seeney: How can you say that?

Mr McGRADY: I am saying it and I have said it. It is a pity that the angry member for Callide did not do some homework. What I am saying is true. There is an $8m program which is currently in place in this State, financed by the Queensland Government. The department's digital company reports program is part of that $8m. The reports, which are submitted by holders of exploration permits, form one of the most valuable sources of information for these exploration companies. At the present time the department holds some 31,000 of these reports. Some 1,200 new reports are submitted every year. They are available to the industry. Members of the industry can come along and get that information. The original reports are held by the department.

Time expired.

Goods and Services Tax

Mrs LIZ CUNNINGHAM: My question without notice is directed to the Treasurer. On Tuesday this Parliament passed the GST and Related Matters Bill. In relation to questions about the benefit or detriment of passing this Bill the Treasurer stated—

> "If we did not make provision for the GST in relation to our various charges we would be in breach of the laws."

Is the intergovernmental agreement the law the Treasurer refers to? Can he clarify whether prior to the Federal Government's GST legislation being proclaimed it was necessary for all States to pass GST related laws and whether, without each State putting in place its own GST legislation, the new Federal tax could not be enacted?

Mr HAMILL: Let there be no doubt that a goods and services tax can only be enacted by the Commonwealth Government. We have not enacted a goods and services tax in Queensland; the Commonwealth Parliament has.

The honourable member must understand that under the Australian Constitution a goods and services tax can only be enacted by a Federal Government. The significance of the High Court decision in 1997

in relation to Ha and Lim was that a tax on goods would be deemed to be an excise. Taxes and excise can only be levied by the Commonwealth under the Constitution.

In answer to the honourable member, the goods and services tax has been enacted by the Federal Parliament. What we needed to do, and what every other jurisdiction in the country has had to do, is make certain changes to our legislation to accommodate that Federal law which governs us. So the legislation which the House unanimously adopted on Tuesday merely ensures that we comply with the Federal law which governs all of us. It did not of itself impose a goods and services tax in Queensland. The Federal Government had already done that, effective from 1 July.

The honourable member raised some matters in the debate on Tuesday. In respect of the issues I canvassed at that time, I said that if we did not take the measures we had—particularly with respect to the grants that we make available to community organisations, the Government's commitment to grossing up grants to charities and for not-for-profit organisations—community organisations would be captured by the Federal law. The grants that we made to those organisations would be subject to GST—not because of anything we did but because of the Federal law—and those organisations would have to pay one-eleventh of the grant they received directly to the Australian Taxation Office.

It is timely to reiterate the call I made the other day. I urge community organisations—charities and not-for-profit organisations—to register for the GST and obtain an ABN. If they are not registered for the GST we cannot protect them in the way I have outlined with respect to the grants they receive. If they do not have an ABN we face the other prong of this Federal tax regime: we will have to withhold from those organisations 48.5% of the grants we want to make available because the Federal law requires it.

Mr Seeney: Time!

Mr HAMILL: I am surprised that the member for Callide does not care about the welfare of community organisations in Queensland.

Time expired.

Mr SPEAKER: Order! Before calling the member for Ferny Grove, I acknowledge the presence in the public gallery of parents, teachers and students from two Ipswich schools—Central State School and St Mary's.

Olympics, Student Participation

Mr WILSON: What is the Minister for Education doing in a practical sense to encourage participation by State school students in the events surrounding this year's Olympics?

Mr WELLS: The honourable member has himself done a lot in a practical sense to encourage interest in sport. I had the pleasure of being introduced by the honourable member to members of the school community of Mitchelton State High School, who are involved in cricketing excellence and who were about to go touring to the United Kingdom.

The honourable member would be pleased to know that 16 State high schools have received funding to aid their participation in the events surrounding the Sydney Olympic Games. This means that 62 Years 10, 11 and 12 State high school students can participate in the opening ceremony marching band activities or provide catering in Sydney's Olympic Village. It is costing around $2,000 for each student to take part in these Olympic activities, with the bulk of costs being met by the parents in each case.

State Government grants totalling $24,800 will be forwarded to participating schools to assist with the transportation and accommodation costs of the students, helping to ease this financial burden. Many schools and their communities have been involved in extensive fundraising, with tremendous help from local communities. The entire community has gotten behind their schools by running fundraising activities, which have included anything from sausage sizzles to talent quests.

I will tell honourable members which are the participating schools, because they are all over the State. They are Caloundra State High School, Dalby State High School, Gympie State High School, Helensvale State High School, Kenmore State High School, Kepnock State High School, Kilcoy State High School, Mackay North State High School, MacGregor State High School, Maroochydore State High School, Nashville State High School, Nerang State High School, Redbank Plains State High School, Springwood State High School, Woree State High School and Bundaberg State High School.

All of the participating schools have a student or students participating in the marching bands in the opening ceremony. Twenty certificate in hospitality students will represent Bundaberg State High School at the Olympic Village as kitchen staff. They will be responsible for serving, along with others, up to 50,000 meals per day. Students and

teachers involved in the project are most excited to be working in the largest temporary kitchen in the world. I am told that the students are very honoured to be chosen, not only because it is the Olympics but also because Bundaberg High is the only school outside of Sydney to be invited to provide any catering expertise.

Through their involvement, these students will obtain a greater understanding of the work ethic and help stimulate other students to achieve high standards. Feedback from students who have participated in the Olympic torch relay and other activities associated with the Olympics has been extremely positive. Students who are involved in any of the Olympic activities get the chance to experience first-hand an event of a lifetime. The Beattie Labor Government is proud to support our talented students, both on and off the sporting field.

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

Mr SEENEY: Mr Speaker——

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

Mr SEENEY: I take a point of order. When the member for Ashgrove was in the chair he allowed a question——

Mr SPEAKER: The member will resume his seat.

Mr SEENEY: It is one rule for them and another rule for us.

NOTICE OF MOTION

Mr SPEAKER: I refer to the notice of motion given by the member for Burdekin this morning. I understand that the ministerial direction——

Mr Seeney interjected.

Mr SPEAKER: Order! The member for Callide! That is my final warning. I understand that the ministerial direction the subject of the motion will lapse if the Sugar Industry Amendment Bill is passed. Therefore, I consider that the motion is anticipating debate on that Bill, and accordingly I rule that that motion is out of order. I now call the honourable member for Maroochydore to give notice of a motion.

NOTICE OF MOTION

Drug Injecting Rooms

Miss SIMPSON (Maroochydore—NPA) (11.31 a.m.): I give notice that I will move—

> "That this House opposes the introduction of injecting rooms for administering illicit drugs in Queensland."

WITNESS PROTECTION BILL

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (11.31 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act about witness protection in Queensland and for other purposes."

Motion agreed to.

First Reading

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

Second Reading

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (11.32 a.m.): I move—

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

The role of witnesses in providing assistance to law enforcement agencies and courts is essential. The need for Government protection of certain witnesses is recognised worldwide, particularly in relation to witnesses giving information and testimony concerning major and organised crime. Protection of witnesses and often their families has a twofold purpose—

> it recognises the responsibility of Governments to provide protection to persons who put themselves at great risk to their personal safety; and
>
> it provides security and incentive to give assistance, in the absence of which such assistance may not be forthcoming.

In Queensland the responsibility for witness protection lies with the Witness Protection Division of the Criminal Justice Commission in accordance with the Criminal Justice Act 1989.

For some years both the Criminal Justice Commission and the Parliamentary Criminal Justice Committee have called for the need to overhaul current witness protection legislation. The previous Government did not accede to this request. In addition, the Commonwealth Government passed the Witness Protection Act 1994 to establish the National Witness Protection Program, which was supported by the Goss Labor Government at the time. This program is intended to be part of a national scheme of witness protection that draws together all Australian jurisdictions. Legislative

implementation to meet the vision of this national scheme has already taken place in all jurisdictions other than Tasmania and the Northern Territory.

The current scheme of witness protection in Queensland, whilst regarded as effective, can be criticised as lacking in three areas. The Witness Protection Bill addresses these deficiencies—

firstly, it implements the vision of the national coordinated witness protection scheme;

secondly, it provides the complementary State law required before Federal Government agencies will provide important Commonwealth identity documents, such as passports and tax file numbers, to State protected witnesses. The ability of the Witness Protection Division to protect witnesses is hampered because of this omission; and

thirdly, it augments the current inadequate witness protection provisions in the Criminal Justice Act 1989 to provide detail, certainty and legislative backing to the existing witness protection scheme.

As the Witness Protection Bill is part of a national witness protection scheme, it largely mirrors witness protection legislation in other jurisdictions. It will repeal those sections of the Criminal Justice Act 1989 that currently deal with witness protection and will provide a comprehensive statutory basis for what is a distinct role of the commission.

In summary, witness protection will remain the responsibility of the Witness Protection Division within the Criminal Justice Commission. This is in accordance with the Fitzgerald inquiry recommendation that a Witness Protection Division be established as separate from the Queensland Police Service. The functions of the Witness Protection Division will be extended in two ways—

1. The Bill allows for the provision of protection to persons other than those who have actually assisted a law enforcement agency, for example, the family of a witness.

2. The Bill allows for the provision of services by arrangement to witness protection agencies in other jurisdictions, and the reciprocal provision of services by those agencies to the Queensland Witness Protection Division.

Applicants for witness protection will be required to disclose to the commission certain information about their personal, domestic, financial and legal obligations, including details of their criminal history and medical, psychiatric and psychological information. In addition to providing this information to assist in the determination of an application for protection, such information will also limit any opportunity for a protected witness to evade their obligations to third parties. The chairperson of the commission will be required to have regard to certain criteria when exercising his or her discretion to offer protection to a person.

In addition, this Bill will enable the chairperson to offer interim protection in urgent circumstances whilst an assessment for full protection is being carried out. Protected witnesses will be required to enter into a protection agreement with the chairperson. This formal agreement will outline the conditions of protection and will include a mandatory condition that, in the event of the witness breaching a termination condition of the agreement, the chairperson may decide to end the protection.

The current legislation does not expressly provide for termination of the protection. The Criminal Justice Act 1989 states only that the commission is to provide protection to those "in need of it". This means that currently the chairperson may end protection pursuant to this provision. This Bill expressly provides a discretion for the chairperson to end protection upon the occurrence of certain events, including: a breach of a termination condition of the protection agreement; the withdrawal of assistance by the protected witness; or where the chairperson considers protection is no longer required. The Bill also provides for suspension of protection for a stated period in certain circumstances.

The Bill establishes a procedure for the creation of new birth certificates to assist in the re-identification of protected witnesses where necessary. This process is currently not available to the commission. A birth certificate is arguably the most important identity document that can be obtained for a protected witness as part of their protection, as it, in fact, gives that protected witness a new identity. The process for authorising the creation of a new birth certificate will be upon application by the chairperson to the independent member of the Controlled Operations Committee established under the Police Powers and Responsibilities Act 2000. This procedure will also be open to an application from a chief executive officer of a law enforcement agency from another jurisdiction under the complementary witness protection scheme.

However, I wish to make it clear to the House that only certain officers of the

Queensland Witness Protection Division will be authorised by the independent member to create the birth certificates, regardless of who has made the application. This will ensure the integrity of the Queensland Registry of Births, Deaths and Marriages. The effect of issuing a new birth certificate will be that for all purposes the new identity is taken to be the person's actual identity unless their former identity is otherwise restored by the chairperson under the legislation. This means that in some instances a protected witness and their family may be given a new identity for the rest of their lives.

In practice, protected witnesses in Queensland will be giving the evidence that has created the need for their protection under their true name, as this is the name under which the accused person, or those who present a threat to the witness, would identify the witness. After this assistance has been given in court it may be necessary to establish a new identity for the witness. It is foreseeable that circumstances may arise some time after the witness is given a new identity where the witness is again giving evidence in proceedings. These proceedings may be in either the criminal or civil jurisdiction, and unrelated to the original matter (for instance, if the protected witness is a witness to a motor vehicle accident). In these latter proceedings, if the witness were required to reveal his or her former name, the witness security would be compromised. Alternatively, if some type of witness anonymity was available, the witness could give evidence in his or her assumed name.

In developing the Bill, my department has liaised with police and policy officers in Victoria, New South Wales, South Australia and Western Australia who carry the responsibility for witness protection in those States. Discussions have highlighted some inadequacy in the provisions relating to witness anonymity in those jurisdictions. This Bill is intended to address these ambiguities rather than simply mirror ambiguous provisions from other jurisdictions.

This Bill provides a regime for witness anonymity not dissimilar to the South Australian regime in that the commission chairperson must give to the court a non-disclosure certificate in all cases where a person, who has been re-identified, is or may be required to give evidence. It is then up to the court to determine if and when it may disclose the certificate to each of the parties. If there is a subsequent application by a party to hear evidence about the re-identified witness that may disclose their former identity, the court has the discretion to grant leave after giving consideration to a number of factors.

This regime provides greater certainty to a protected witness that their security will not be compromised in a situation where they are required to give evidence. As we know, in many cases in organised crime we are dealing with very ugly people and the consequences can be that a witness can end up dead. At the same time, it represents a real attempt at balancing the interests of the protected person against those of the parties in a proceeding who may or may not, depending upon the circumstances of the case, have a legitimate interest in knowing the actual identity of that person.

The Bill also accounts for the seriousness of the information that could be used to compromise the security of a protected witness or the integrity of the witness protection program itself in that it creates various offences including an offence for a person to disclose information about the program or a witness. The Bill does, however, authorise the chairperson to disclose a witness's former identity and personal details in circumstances where the interests of justice require this.

This Bill exempts decisions taken in respect of witness protection. This is consistent with the approach taken in the Federal Act. The sensitive nature of witness protection decisions is currently recognised in the Judicial Review Act 1991, which provides in Schedule 2 that decisions made under section 62 of the Criminal Justice Act 1999 are decisions for which reasons are not required to be given. However, a person aggrieved by such a decision may still seek judicial review.

There are legitimate safety concerns with the external review of witness protection decisions. These concerns relate to the evidence that may be required in the course of external review. This evidence may prejudice the safety of witnesses and witness protection officers and may indirectly disclose witness protection methods. In a similar vein, this Bill proposes that the Freedom of Information Act 1992 should not apply to the witness protection function of the commission. These are, after all, matters of life and death.

If witnesses are to be truly protected and the integrity of the witness protection program is to be truly safeguarded, the usual administrative law review procedures cannot apply. Having said that, internal levels of assessment within the commission are strict and numerous. In addition, the Parliamentary Criminal Justice Committee and the Parliamentary Commissioner both have

powers to review and investigate decisions or procedures undertaken by the commission with respect to witness protection.

This Bill provides a sound and comprehensive statutory basis for what is acknowledged internationally as a vital resource requirement of law enforcement. It must be remembered that witnesses are protected not just in their own interests but in the interests of the community at large. This Bill is a significant attack on organised crime and its provisions are essential if we are to tackle organised crime head-on. I commend the Bill to the House.

Debate, on motion of Mr Beanland, adjourned.

JUSTICE AND OTHER LEGISLATION (MISCELLANEOUS PROVISIONS) BILL

Hon. M. J. FOLEY (Yeronga—ALP) (Attorney-General and Minister for Justice and Minister for The Arts) (11.45 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to make various amendments to legislation administered by the Attorney-General and Minister for Justice and Minister for the Arts, 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) (11.46 a.m.): I move—

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

The proposed Bill contains minor amendments to a number of statutes directed at curing anomalies, correcting minor errors, repealing obsolete provisions and undertaking some discrete law revision.

The Department of Justice and Attorney-General is responsible for the administration of over 100 statutes and, as a result, there is a necessity for a large number of minor amendments to be made to various legislative provisions to ensure that the statutes continue to operate in the manner intended. Generally, there are two departmental miscellaneous provisions Bills each year.

This Bill makes amendments to 24 Acts within my portfolio and one Act falling within the portfolio of the Honourable the Premier. I shall outline some of the more significant amendments to the Acts in this Bill which are the amendments to the Acts Interpretation Act 1954, the Criminal Code, the Property Law Act 1974 and the State Penalties Enforcement Act 1999.

One of the amendments to the Acts Interpretation Act 1954 fulfils a recommendation in the Members' Ethics and Parliamentary Privileges Committee's report in relation to the powers, rights and immunities of the Legislative Assembly, its committees and members. It does this by inserting a new provision providing a legal presumption that, in the absence of an express provision to the contrary, a provision in an Act is not inconsistent with the powers, rights and immunities of the Legislative Assembly. This amendment to the Acts Interpretation Act 1954 fulfils the second part of recommendation 6.2 of the committee's report—Report No. 26.

Members should note that the committee in part 6 of the report discussed the abrogation of parliamentary privilege. In particular, the committee stated—

> "It is well established by high authority that statutes which limit or extend common law rights must be clearly expressed and unambiguous. More specifically, it is generally accepted that the common law provides that when interpreting statutes, they must be construed in a manner that is favourable to parliamentary privilege. If a statute purports to remove, or impinge on, parliamentary privilege in any way, it has been held that clear and express words will be required."

The committee further stated that—

> "... statutory confidentiality provisions exist in legislation which, it is submitted, incorrectly create the view that such provisions also oust the powers of Parliament and its committees to investigate matters and call for persons, documents and other things. These matters clearly demonstrate the necessity for the common law presumption that express words are required to abrogate the powers, rights and immunities of the Assembly to be specified in statute.
>
> The situation is exacerbated by the terminology of s.40A of the Constitution Act 1867 itself which provides that the powers, privileges and immunities are only

to apply so far as they are 'not inconsistent with this Act or any other Act'."

Members should note that the Honourable the Premier introduced the Constitution Amendment Bill into Parliament on 10 November 1999 for the purpose of implementing the committee's report No. 34 and thereby amending substantially section 40A of the Constitution Act 1867. Coincidentally, such an amendment also implements the first part of recommendation 6.2 of the committee's report No. 26.

The Premier said in his second-reading speech that this Constitution Amendment Bill "is about protecting the powers, rights and immunities of the Queensland Legislative Assembly and will ensure that any changes to those powers will be made by this House".

Another significant amendment in the Bill relates to the removal of the offence of pretending to exercise witchcraft or tell fortunes under section 432 of the Criminal Code. This provision appears to be the relic of a more superstitious age and is now archaic and outmoded. If the relevant conduct being targeted in this offence is essentially fraud, then it should be appropriately and sufficiently covered by the fraud provisions in the Criminal Code.

I turn now to the proposed amendment to the Property Law Act 1974. This amendment emanates from a legal article written by Professor Bill Duncan and Sharon Christensen, a professor and senior lecturer respectively in the Queensland University of Technology law school, entitled "Overcoming the problems of showing and making cyber title". This article is very informative and exemplifies the important role that legal academics play in developing legal policy in this State.

In their article, Professor Duncan and Ms Christensen suggest that there be an amendment to the Property Law Act 1974 with a view to clarifying a conveyancing situation where a purchaser without title on their own part cannot verify title of a vendor because computers in the Land Titles Office within the Department of Natural Resources are inoperative for any reason.

The existence of this cyber problem was at the centre of the decision of the Supreme Court of Queensland, Court of Appeal in Imperial Brothers Pty Ltd v Ronim Pty Ltd (1999) 2 Qd R 172. In that case, the contract for sale, so far as is relevant, obliged the vendor to hand over at completion, in exchange for the balance of the purchase price, a properly executed transfer for the land in favour of the purchaser capable of immediate registration—after stamping—in the appropriate office free from encumbrances other than those set out in the transfer form. However, the contract was silent in relation to whether the vendor had to prove title at completion and, if so, how that was to be done. The purchaser claimed that, at the time of completion, the vendor was unable to demonstrate that it had good title. The purchaser argued that the only method of search and verification of that title was by accessing the electronic records in the Land Titles Office. This could not occur as the Land Titles Office computers were not operating on the day for completion. This raised the quite significant question as to how a vendor, with an electronic title only, might show and make good title on a date for completion.

In the end, the Court of Appeal found that the vendor could not prove title at the relevant time. The Court of Appeal implied a term in words, not dissimilar to those used in the proposed amendment, into the contract. It is expected that this amendment shall provide stability to all contracting parties undertaking a real property conveyance by overcoming this cyber problem. Hence the purpose of the proposed amendment.

This Bill makes amendments to the State Penalties Enforcement Act 1999, which was introduced into Parliament on 11 June 1999 and passed by Parliament on 25 November 1999. The State Penalties Enforcement Act 1999 introduces new payment options prior to default, expands the available methods of enforcement, shortens the time between default and enforcement and eliminates a major source of looping in the system by not allowing fine option orders once a warrant has been issued. The Bill contains over 30 technical amendments to the State Penalties Enforcement Act 1999 in order to rectify process design activities which did not occur until after the statute had been passed.

As legislators, all members would agree that it is important to rectify governing legislation before the new regime becomes operational. Honourable members will recall that this new regime will replace the current SETONS registry and it will be responsible for the collection and civil enforcement of most penalty amounts due and owing to the State including court ordered fines; infringement notice penalties and charges; compensation or restitution; and amounts forfeited under undertakings and recognisances.

I draw members' attention to my second-reading speech to the State Penalties

Enforcement Act 1999, which compares the new State penalties enforcement registry model with the Opposition's once proposed FINDER model, which would have been less cost and outcome efficient. After the passing of this Bill and the finalisation of some significant operational resource issues, such as the installation of a new computer system, it is planned to commence the State Penalties Enforcement Act 1999 in November 2000. I commend the Bill to the House.

Debate, on motion of Mr Springborg, adjourned.

CHILDREN SERVICES TRIBUNAL BILL
COMMISSION FOR CHILDREN AND YOUNG PEOPLE BILL

Cognate Debate

Hon. A. M. BLIGH (South Brisbane—ALP) (Minister for Families, Youth and Community Care and Minister for Disability Services) (11.52 a.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to establish the Children Services Tribunal, to provide for the review by the tribunal of certain decisions about services for children, and for other purposes, and a Bill for an Act to establish a Commission for Children and Young People to promote and protect the rights, interests and wellbeing of children in Queensland."

Motion agreed to.

First Reading

Bills and Explanatory Notes presented and Bills, on motion of Ms Bligh, read a first time.

Second Reading

Hon. A. M. BLIGH (South Brisbane—ALP) (Minister for Families, Youth and Community Care and Minister for Disability Services) (11.52 a.m.): I move—

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

I am pleased to introduce the Commission for Children and Young People Bill—the commission Bill—and the Children Services Tribunal Bill, which I will refer to as the tribunal Bill, which represent the next phase of reform of the child protection system in this State. These Bills complement the Child Protection Act 1999 and are further evidence of this Government's strong commitment to the protection of Queensland's children and young people.

When I was appointed to the Family Services portfolio, I asked John Briton to review the Children's Commission and Children's Services Appeals Tribunals Act 1996 to identify and make recommendations to overcome the shortcomings of that Act. These Bills implement the recommendations of that review as well as the relevant recommendations of the Forde inquiry into abuse of children in Queensland institutions.

The current Children's Commission was established in 1996. However, the Briton review and the Forde inquiry highlighted numerous deficiencies in the current legislation. These include—

> the commission's limited scope which only extends to services provided by Families, Youth and Community Care Queensland;
>
> the omission of investigative powers to allow the commission to undertake its function in relation to complaints;
>
> the omission of a role for the commission to advocate on behalf of children;
>
> the commission's lack of perceived independence through its attachment to Families, Youth and Community Care Queensland for administrative support;
>
> the limited scope of the commission's official visitors; and
>
> the lack of clear procedures and powers to assist the tribunal in hearing reviews.

The commission Bill and the tribunal Bill rectify these deficiencies and much more. I am proud to introduce today's Bills which set a new benchmark for best practice in legislation seeking to promote and protect the rights, interests and wellbeing of children and young people. The commission Bill provides Queensland's children and young people with a powerful and independent advocate—a proactive one-stop shop designed to meet the needs of all children and young people with particular emphasis on those who are considered most vulnerable.

The commission will be transferred to the Premier's portfolio to strengthen its independence. While I have a particular responsibility for the promotion of the interests of children and young people, this Government recognises that their rights, interests and wellbeing are matters which should be considered by all departments and non-Government organisations that deliver services to them in one form or another. The arm's length independence afforded by the Premier's portfolio will also ensure that the

voice of our younger citizens will be heard at the highest level of Government.

The commission Bill places strong emphasis on accountability in the exercise of authority through adherence to natural justice principles and the establishment of review mechanisms. It further recognises that children have a right to information and to participate in planning and decision making about their lives. The commission Bill provides the commission with a number of ways to meet the needs of children and young people in Queensland, with particular emphasis on children and young people who are vulnerable or at risk. These include—

advocacy;

a statewide community visitor program;

a formal complaints mechanism;

a requirement for the commission to work with service providers to enhance children and young people's participation in decision making;

an educative role in ensuring children and young people are aware of support services; and

a comprehensive research function.

The commission will have the ability to advocate for all children and young people in Queensland. In carrying out this function, the commission will be able to seek assistance from advocacy organisations, service providers and other organisations that may be appropriate to meet the needs of a particular child or young person.

In carrying out its advocacy and other functions, the commissioner must give priority to the needs and interests of the most vulnerable children in our society, that is, those children—

who are in, or may enter, out-of-home care or detention;

for whom there is no appropriate person to act on their behalf;

who are not able to protect their rights, interests or wellbeing; or

who are disadvantaged because of a disability, geographic isolation, homelessness or poverty.

Any child or young person is entitled to express their concerns or grievances to the commission. The Bill expressly states that the commissioner must—

consult with children and young people in a way that promotes their participation in decision making by the commissioner, for example, by the establishment of youth advisory committees;

listen to, and seriously consider, the concerns, views and wishes of children and young people;

adopt work practices that ensure the commission is accessible to children and young people; and

be sensitive to the ethnic or cultural identity and values of children and young people, including, in particular, Aboriginal and Torres Strait Islander children.

In accordance with recommendations of the Forde inquiry, the commission's community visitor program has expanded and will include visits to children and young people residing in—

authorised mental health services;

Government and non-Government funded residential facilities including those for children and young people with a disability; and

youth detention centres.

Community visitors will be required to provide support to children and young people at these facilities and advocate on their behalf by giving voice to and facilitating the resolution of their concerns and grievances.

The commission Bill will allow community visitors to enter and inspect the facility, talk to a child or young person who wishes to speak to the visitor and access documents held at the facility which relate to the residents or the operations of the facility. The Forde inquiry recommended that the Children's Commission be given authority to investigate and resolve complaints about the provision of services to children and young people.

Under the commission Bill, the commission will be able to receive formal complaints about services provided to children and young people who are under certain orders of, or subject to intervention by, the Department of Families, Youth and Community Care. This will include complaints about services provided to these children by State Government departments, local government, as well as non-Government organisations in receipt of Government funding. The complaint handling function proposed for the commission seeks to establish a non-adversarial and collaborative means of resolving complaints about the delivery of services to vulnerable categories of children and young people who are clients of the Department of Families, Youth and Community Care. In seeking to resolve a complaint, the Commission for Children and Young People will have a number of mechanisms for dealing with the complaint

available to it, including advocacy, mediation and formal investigation. The complaint handling provisions of the Bill are designed to facilitate a child or young person's access to existing resources as well as provide timely and appropriate services where no other appropriate entity is available to deal with the complaint.

The provisions of the Bill rectify a significant flaw in the current Act by putting beyond doubt the capacity of the commissioner to access necessary documents and records when investigating complaints. The new role for the commission, which has attracted a good deal of public interest, is that of employment screening for child-related employment. Queensland's children and young people are entitled to be cared for in a way that protects them from harm or the likely risk of harm. In addition, parents are entitled to expect that persons who provide services to, and activities for, their children in child-related employment are persons suitable for working with children. Employment screening assists in ensuring the suitability of persons working in child-related employment.

In December last year, I held a meeting with peak youth recreational and sporting bodies to discuss the issue of employment screening in relation to child-related employment. Following from that meeting, the Children's Commissioner chaired a working party comprised of industry representatives to assist in the development of an appropriate model for inclusion in the commission Bill. The feedback from the working party and the public during the public consultation on the Bills has substantially informed the employment screening function in the commission Bill.

The Bill provides for employment screening of persons working in certain child-related employment as well as persons carrying on certain child-related businesses. Paid employees, self-employed individuals and volunteers are regulated under the Bill. The Bill provides for persons who propose to employ another person, on a paid or voluntary basis, in child-related employment to apply to the commissioner for a suitability notice stating whether the person is suitable for child-related employment. A person who proposes to carry on or continue carrying on a regulated business is also required to apply to the commissioner for a suitability notice. The Bill sets out how the commissioner is to decide the application in accordance with principles of natural justice and provides opportunities for the person to make submissions about their criminal history or their suitability for child-related employment. The commission Bill includes review rights for persons issued with negative notices, including a right of review to the Children Services Tribunal.

The Bill also provides protection for the privacy of people who have been screened through heavy penalties for breaches of confidentiality or providing false information. In addition, the commission will develop protocols about access to, and storage and destruction of, confidential information.

A positive notice is valid for two years from the date of issue unless it is cancelled earlier, for example, following the reconsideration of a person's suitability due to a change in the person's criminal history. A current positive notice is portable across child-related employment.

The Bill prescribes penalties for employers who do not obtain suitability notices for their employees. The Bill does not require persons working in child-related employment on a one-off or sporadic and infrequent basis to undergo a criminal history check. However, an employer may still apply to the commissioner for a suitability notice for these people.

The penalty provisions only apply if the employer proposes to continue to employ a person who does not have a current suitability notice and who has carried out work at least—

once a week over the course of one month; or

once a fortnight over the course of two months; or

once a month over the course of six months.

Persons already employed or engaged in child-related employment prior to the commencement of the screening laws will not be required to undergo a criminal history check. The Bill, however, allows an employer to apply for a suitability notice where the employer knows or reasonably suspects that a current employee has a criminal history that may make the employee unsuitable for child-related employment.

There are significant penalties for persons deemed unsuitable by the commission who subsequently apply for or start or continue in child-related employment. The Bill creates offences for anyone deemed not suitable for child-related employment by the commissioner to seek or accept a position in child-related employment. Penalties increase to a maximum of five years' imprisonment where the person has been convicted of a physical or sexual offence against a child.

This Government supports the right of parents to take an active interest in their

children's activities. To this end, parents who are volunteers assisting with school-based services and activities will be exempt from the screening requirements. In addition, parent volunteers with children involved in activities and services provided by churches, clubs or associations will also be exempt from screening if their child is involved in the activity or receiving the service.

The Children Services Tribunal Bill 2000 will establish a tribunal to replace the Children's Services Appeals Tribunals which currently operate under the Children's Commissioner and Children's Services Appeals Tribunals Act 1996. Like the Commission for Children and Young People Bill 2000, this Bill was developed following relevant recommendations of the Forde inquiry and the Briton review and public consultation on an exposure draft of the Bill. In accordance with the recommendations of the Forde inquiry and the Briton review, the Bill establishes the tribunal as a separate entity to the commission to provide it with complete independence.

The current jurisdiction of the Children's Services Appeals Tribunal is retained under this Bill. The tribunal will continue to have jurisdiction to review on the merits the same administrative decisions which are currently appealable to the existing tribunals. These decisions are—

certain case plan decisions in relation to children in care, and licensing and approval decisions about residential care services and foster carers made under the Child Protection Act 1999;

decisions about the fitness of persons to adopt children under the Adoption of Children Act 1964; and

decisions about the licensing of child-care centres under the Child Care Act 1991.

In addition, the commission Bill will authorise the tribunal to hear applications for a review of a decision of the Commissioner for Children and Young People to issue a notice that a person is not suitable for child-related employment.

The current Act does not detail the principles underlying the exercise of the tribunals' jurisdiction or the powers or procedures the tribunal may use in informing itself of relevant matters. In practice, this has led to an overreliance on an adversarial approach that has tended to lock the parties into conflict rather than ensuring a focus on making the best possible decision and in the best interests of the child about whom the decision was made.

The tribunal Bill clearly states that in reviews involving a child, the best interests of that child is the paramount consideration. It details a range of powers and procedures which the tribunal may use in ensuring it has all relevant material before it without being required to rely solely on the evidence produced by the parties at a hearing. These "inquisitorial" powers are balanced in the Bill by requirements that the tribunal adhere to the rules of procedural fairness and ensure that the parties have reasonable opportunities to present their cases and be heard. The Bill requires the tribunal to ensure the parties understand the procedures and rulings of the tribunal and to ensure its proceedings are conducted in a manner which is culturally sensitive and is responsive to the needs of the parties.

The current Act makes no reference to children and young people, who are frequently the subject of decisions appealed to the tribunals and does not provide any mechanisms to enable them to participate in appeals or to protect their interests during proceedings. This is not consistent with the principles of involvement of children and young people in decision making about their care established in the Child Protection Act 1999.

The tribunal Bill addresses this failure. It sets out principles which require the tribunal to take into account the child's views and wishes and to give children and young people the information and assistance necessary for them to exercise their entitlement to participate. It also provides a number of specific means by which children and young people may participate in the decision-making processes of the tribunal. These provisions—

require the tribunal to give notice of a review application to all persons entitled to apply for review of a decision, including children;

require the tribunal to give notices, serve documents and explain procedures and decisions to children and young people in a manner appropriate to their age and maturity;

enable legal representation of young people who have the capacity to give instructions;

enable the tribunal to appoint a separate representative to act in the best interests of a child whether or not the child is a party;

enable access to review by children and young people who cannot act for themselves by enabling persons to apply for review on the child or young person's

behalf with the permission of the president;

empower the tribunal to make confidentiality orders protecting the disclosure of documents or evidence to a party if the release of the information is likely to cause harm to a child or young person;

provide special procedures for the taking of evidence from children and young people which recognises their vulnerability and protects them from further harm; and

enables the tribunal to appoint an independent inquirer to inquire into matters relating to the child's or young person's interests and welfare.

The inclusion of clearly articulated principles, powers and procedures will ensure an independent merits review process which is fair to the parties, expeditious and responsive to the needs of children and young people about whom the decisions are made.

Over 26% of Queensland's citizens are children and young people. The more individuals, organisations and Governments support children, young people and their families, the greater each child's potential to achieve a fulfilling and responsible adulthood and the more prosperous and healthier communities we build.

I am very proud to introduce these Bills. They will enhance, promote and protect the rights, interests and wellbeing of all children and young people in Queensland. The comprehensive new powers mean Queensland once again leads the nation in child protection reform. I commend the Bills to the House.

Debate, on motion of Mr Beanland, adjourned.

NATURE CONSERVATION AND OTHER LEGISLATION AMENDMENT BILL

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (12.09 p.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill for an Act to amend the Nature Conservation Act 1992, and for other purposes."

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) (12.10 p.m.): I move—

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

The Nature Conservation and Other Legislation Amendment Bill 2000 represents a major step forward in this Government's commitment to the protection of Queensland's outstanding natural estate. Achieving security for the forest industry and protecting our outstanding natural heritage has been an important process, which started as the regional forest agreement and is now being completed as the South East Queensland Forest Agreement—SEQFA—process.

As part of the RFA process, all aspects of State forest and timber reserve land in south-east Queensland were assessed. The primary outcome was an assured timber yield over the next 25 years. At the same time, there was comprehensive consultation with stakeholders on other important elements, such as nature conservation, cultural heritage—both indigenous and non-indigenous—tourism and recreational uses, social and aesthetic values, grazing interests and foliage harvesting. The end result was an agreement welcomed by all stakeholders, an agreement that protects jobs, regional communities and south-east Queensland's precious native forests.

Unfortunately, the Federal Government has consistently refused to accept the historic outcomes contained in this South East Queensland Forest Agreement and has not contributed one cent towards its implementation. This is despite the enormous goodwill amongst stakeholders in working towards the positive outcomes in the agreement. Despite the Commonwealth's attitude, the introduction of this legislation is an important part of that goodwill with stakeholders and provides further certainty about protection of the native forests identified for conservation in the SEQFA.

This Bill provides the legislative framework to set aside around 425,000 hectares of State forest and timber reserve land as protected areas under the Nature Conservation Act 1992. It is a significant step for nature conservation and nature-based recreation in Queensland. The Bill provides for the transfer of this land into a "holding tenure" of forest reserve, to give effect to the SEQFA and provide certainty. The current uses of these areas can still occur, including the spectrum of current recreational use. Within the SEQFA

region, the protected area estate currently stands at 448,000 hectares. It consists of 53 national parks and 89 conservation parks, including important World Heritage areas. Our Government plans to almost double that figure and, in time, produce other important icons for the region.

The process of transferring the land from State forest and timber reserve to protected area will occur in two stages. Stage 1 will involve land identified as conservation reserve in the SEQFA being dedicated to a new interim holding tenure to be known as "forest reserve". The Bill provides for this tenure by inserting a new Part 4A in the Nature Conservation Act 1992. A forest reserve will not be a protected area for the purposes of the Act and is therefore not subject to any particular requirement to prepare a management plan. It merely acts as a "holding" area for the land until other actions are undertaken, including conservation assessments, detailed negotiations with all stakeholders, indigenous land use agreements, analysis of existing uses and arrangements made for handling the extensive number of leases, licences, permits and other authorities that have been issued under the Forestry Act 1959 or Land Act 1994.

These steps constitute the tenure allocation process—a process which will determine the most appropriate classes for these protected areas, whether that be national park (scientific), national park, national park (recovery), conservation park or resources reserve. The forest reserve tenure is subject to a five-year sunset clause, which clearly establishes its interim status and allows sufficient time for the allocation of tenures to be completed.

The Bill states that the purpose of Part 4A is "to assist the dedication of areas within State forests, timber reserves and Land Act reserves as protected areas". Further, it states that it is Parliament's intention that "each area of land dedicated as forest reserve will become a protected area as soon as practicable after its dedication" subject to any revocation. A forest reserve will be dedicated by the Governor in Council under a regulation, and I would propose to seek the dedication of all the land as soon as practicable after the Bill has been proclaimed. While there is a clear intention that all forest reserve land will be dedicated as protected area, the Bill provides a revocation process for land that is not suitable. The regulation for revocation can only be made after the Legislative Assembly has passed a resolution requesting the Governor in Council to make the revocation.

The management principles of forest reserves reflect the future protected area status of the land. These management principles also provide for the continuation of any lawful existing use of the land, such as apiculture, foliage harvesting, recreation, grazing and mining. Commercial logging is not permitted as this use has been catered for on other land identified in the SEQFA process. However, there is one exception to the exclusion of commercial logging. Some areas of plantation timber will be transferred to forest reserve either because of the need to provide manageable boundaries or because they are surplus to requirements. If it is found necessary to remove these plantation trees to assist in restoring the land's conservation values, commercial logging can be undertaken for that purpose on a forest reserve.

The management principles also establish a capacity for all or part of a forest reserve to be designated as a proposed protected area. The effect of such a designation will require any lease, permit or other authority issued after the land is so designated to be consistent with the management principles for that class of protected area which the land is proposed to become. This provision recognises that some land may remain as forest reserve for a considerable time before it can be dedicated as a protected area.

By designating it a protected area—for example, a proposed national park—a capacity is available to prevent the issue of any authority that could compromise its ultimate dedication as a national park. However, the designation cannot occur unless the area of forest reserve has been reviewed and a public consultation process, as prescribed in the Bill, has been undertaken. Anyone with a concern that their interests may be affected by the proposed designation will have ample opportunity to state those concerns, and they must be considered by the chief executive. In order to remove any doubt, the Bill states that the dedication of land as a forest reserve, or the designation of any area of forest reserve as a proposed protected area, does not extinguish or affect native title or native title rights and interests in relation to the land.

In order to ensure negligible disruption to existing users, the Bill provides for the area of forest reserve that was previously State forest or timber reserve to continue to be administered under the provisions of the Forestry Act 1959 as if the land were still State forest or timber reserve. This means that all leases, permits and other authorities will continue unchanged on a forest reserve and

the same management regime will prevail, except for the fact that commercial logging will cease other than for the purpose mentioned earlier.

Under administrative arrangements, the Government agencies presently responsible for day-to-day management of State forests and timber reserves—the Department of Natural Resources and the Department of Primary Industries—will continue their roles. In a similar fashion, the small area of Land Act reserves, primarily camping and water reserves, will continue to be administered under the Land Act 1994 as if they were still reserves. Any trustees appointed to those reserves will continue in that role. In this way, the forest reserve holding tenure does not disrupt existing users. A realistic period of time is available for the Government's commitment to the development of indigenous land use agreements and for extensive negotiations with stakeholders to take place in preparation for final tenure allocation from forest reserve to various types of protected area.

The movement to protected area is Stage 2 and will occur progressively as resolution is reached in relation to parcels of forest reserve land. The tenure allocation process has already commenced, with initial discussions having taken place with certain stakeholders and indigenous groups. Many of the issues raised in the consultation phase provided for by the Bill, particularly by recreational groups, are matters for negotiation as part of the tenure allocation process. In concert with recreational stakeholder representatives, the Queensland Parks and Wildlife Service and its officers are seeking to identify the range of recreational uses and the places where they occur. This will be the basis for more in-depth discussions to determine future tenure allocations.

While virtually all existing recreational activities presently taking place on the land can be accommodated on one or more classes of protected areas, the final distribution of certain uses will need to be carefully assessed. In order to provide a wider range of protected area options for tenure allocation, the Bill provides for a new class of protected area, to be known as national park (recovery). This is established to cater for land that is destined for national park status but will require significant management of natural resources such as removal of plantation trees and subsequent regeneration to restore conservation values before it can be upgraded to a full national park category. This includes the capacity to remove, by commercial logging if appropriate, plantation timber located on the park and to regenerate the cleared area. Any such action must, however, be done under the terms of an approved regeneration plan.

The Bill specifies the preparation and approval procedures for such a regeneration plan. Those procedures include a public consultation process for the draft plan. This will provide all interested parties with an opportunity to scrutinise the proposed recovery action and respond accordingly. Resulting comments must be considered by the chief executive before making the plan final. If immediately before an area is dedicated as a national park (recovery) the land was being used in a way that is inconsistent with the management principles, the Bill in section 36 provides the chief executive with a capacity to authorise certain specified uses for the unexpired term of the permit under the Forestry Act or lease under the Land Act. However, that authority cannot be renewed. This relates particularly to apiary permits, stock grazing permits, occupation permits for service facilities, sales permits for foliage harvesting and leases under the Land Act. In this way, existing rights can be honoured for the full term of their original issue.

I should make special mention of one industry that this provision particularly caters for. Cut plants provide significant export earnings for the State. Cedar Hill Orchids is a prominent company in this industry. Cedar Hill Orchids has indicated that, within a specified period of time, it would not need to harvest plant parts from the land destined for protected area. The Bill provides for this activity to continue on a national park (recovery) for a period established in a sales permit issued while the land is State forest or forest reserve.

I should also point out that, while the authorities referred to above cannot be renewed, one category in particular could be considered for a new authority under a different section of the Act. Section 35 was designed particularly to cater for service facilities such as communication facilities, navigation aids, electricity transmission grids and public water supply facilities. It is in the public interest that such facilities be permitted to continue. The chief executive has the capacity to consider authorising those uses on a national park or national park (recovery) even though they are contrary to the management principles for both classes of protected area.

The Bill also allows the chief executive to require an environmental impact statement for an interest on a protected area that is sought under sections 34, 35 and 38 of the Act. These are the sections likely to be used for

granting a substantial interest that may have an impact on the land. The EIS provisions do not apply to uses that are already in place immediately before the protected area is dedicated and authorised to continue after dedication. I have referred to examples of such uses earlier in relation to section 36 authorities.

The Queensland Indigenous Working Group in its response to the consultation draft of the Bill raised the issue of social impact assessments. Depending on the circumstances, I would see no impediment to requiring such an assessment to be part of an EIS. A process for approving codes of practice for protected areas, forest reserves and protected wildlife is provided for in the Bill. While the contents of these codes are not matters for subordinate legislation, they have been made subject to the tabling and disallowance provisions of the Statutory Instruments Act 1992 as if they were subordinate legislation. In this way, the codes can be scrutinised by Parliament to ensure they do not contain matters of a legislative nature.

Codes of practice being developed at the moment will address a number of management practices and procedures that will have a bearing on the smooth transition from State forest and timber reserve to forest park and thence to protected area. The Bill contains amendments to a number of sections of the Act, including sections 62, 88, 89, 90, 91 and 97, to place beyond any doubt that the chief executive, a conservation officer, Public Service officer or other employee of the department acting under the chief executive's authority do not require permits under these sections in order to carry out their normal duties under the Act. For example, a ranger constructing a walking track or a picnic area on a national park is interfering with natural resources, a matter that is covered by section 62 of the Act.

The proposed amendment clarifies that a permit or other authority would not need to be issued for such work. Similar amendments are included for sections dealing with taking, keeping or using protected animals, protected plants, threatened or rare plants, international wildlife and wildlife in areas of major interest and critical habitat. At present, such activities by Queensland Parks and Wildlife Service officers rely on the immunity provisions of section 143 of the Act. Recent interpretations of similar clauses in other places suggest a need to place the matter beyond doubt.

Another matter clarified in the Bill relates to authorities granted under sections 33 and 35 of the repealed National Parks and Wildlife Act 1975. These were the subject of a transitional clause, section 165, in the Nature Conservation Act 1992. However, being a transitional clause, it expired one year after it came into force and was not included in the current reprint of the Act. Despite its expiry, section 165 continued to apply to any authority granted under those sections of the repealed Act which had not expired or been terminated. Its application was preserved under the terms of section 20 of the Acts Interpretation Act 1954. One such authority will not expire until 2049.

The absence of section 165 has led to some confusion in certain legal matters. As a result, the Bill reinserts the terms of section 165 in a new section 183. In addition, that new section establishes that any reference to the Director of National Parks and Wildlife, the responsible officer for the repealed Act, in relation to those authorities is taken to be a reference to the chief executive.

In summary, the Bill provides the legislative foundation for achieving the substantial conservation objectives arising out of the SEQFA. It establishes a new interim holding tenure, forest reserve, to which all the land identified as conservation reserve will be transferred. It provides the framework for managing forest reserves in a way that provides negligible disruption to existing users. It provides a realistic period for negotiations with stakeholders and indigenous groups leading up to the final tenure allocation as appropriate categories of protected area.

It is during that tenure allocation process that the issue of no net loss of recreational opportunities will seek to be resolved and addressed. The Bill itself does not transfer any land to forest reserve. That will take place by regulation as soon as practicable after the Bill is proclaimed. Proclamation will occur on assent, though section 70R, the sunset clause, will not be proclaimed before a regulation dedicates some or all of the forest reserve land.

The Bill proposes a new class of protected area, national park (recovery), which particularly caters for some SEQFA issues and provides another valuable option in the tenure allocation process. Finally, the Bill addresses codes of practice, environmental impact statements and certain powers of the chief executive, all of which have relevance to achieving the historic conservation outcomes

of the SEQFA. I commend the Bill to the House.

Debate, on motion of Mr Lester, adjourned.

WATER BILL

Hon. R. J. WELFORD (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (12.28 p.m.), by leave, without notice: I move—

> "That leave be granted to bring in a Bill for an Act to provide for the sustainable management of water and other resources, a regulatory framework for providing water and sewerage services and the establishment and operation of water authorities, and for other purposes."

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) (12.28 p.m.): I move—

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

The Water Bill 2000 represents a significant milestone in water law in Queensland. This Bill ensures our laws reflect modern-day practices. It is the first overhaul of our water laws for 90 years and the first time in our State's history that the principle of sustainable management of water has been enshrined in statute. Throughout our history, water has been our most valuable natural resource, contributing to our economic, social and environmental growth and prosperity. After 100 years of development in Queensland, it is time to take stock of our water resources and ensure their sustainable management for this and future generations.

This legislation provides a much-needed overhaul of our water laws. Under current legislation there is no explicit requirement to ensure that sufficient water is available for the health of watercourses. In addition, water allocations can continue to be granted to the point where there is insufficient water to satisfy the needs of existing licensees. As our population and industries expand, there is more and more demand for water. Water allocation decisions have become more complex and the community is demanding a smarter, more responsible and more transparent way of sharing water fairly in a sustainable way.

There is already evidence that a number of river systems across the State have limited or no capacity to provide further allocations of water over and above the level of current use. But, unlike other States, Queensland has an opportunity to put its primary industries on a sustainable footing and avoid the huge costs of repairing degraded rivers.

The Water Bill seeks to establish a planning framework for making decisions about water allocation and use. It provides a framework for the regulation of water service providers and establishes new governance arrangements for water authorities. In this respect, the Water Bill repeals the Water Resources Act 1989 and creates a new legislative framework for the Queensland water industry.

The Bill amalgamates three exposure draft Bills which have undergone comprehensive consultation throughout the State. These exposure draft Bills were—

> the Water (Allocation and Management) Bill, now Chapter 2 of the Water Bill;
>
> the Water and Sewerage (Infrastructure and Services) Bill, now Chapter 3 of the Water Bill; and
>
> the Water (Statutory Authorities) Bill, now Chapter 4 of the Water Bill.

In recent years the Government has initiated a number of water allocation and management plans (WAMPs) and water management plans in major river catchments across the State. These plans tell us how much water we have and how much water is currently being used and identify the water needs of the environment and how much water may be available for future development.

The Water Bill also fulfils Queensland's responsibilities under the 1994 water resources policy of the Council of Australian Governments (COAG). The COAG water framework has required all States to implement a comprehensive system for water allocation and management.

This is only the sixth time in more than 100 years that we have sat in this place to discuss in detail the future of our water. Parliament first discussed water in 1891 when it passed the Water Authorities Act and the Irrigation Act. Since then we have debated the future of our water another four times—in 1910, 1922, 1926 and, more recently, 1989. It

is appropriate to dwell briefly on aspects of previous water legislation.

The House's first attempt to conserve water was the introduction of the Rights in Water and Water Conservation and Utilisation Bill in November 1910. In effect, that Bill sought to vest control of underground water and water in watercourses in the State and to facilitate its development for the benefit of all Queenslanders. While the 1910 Bill was aimed at development, there was some foresight in its approach. An expert's report attached to that Bill concluded—

> "Nothing will contribute more to the industrial development of Queensland—or to the social wellbeing of the people of the State—than a law which will establish effective public control over water, and provide for its orderly and just distribution."

Those words ring true to this day. An "orderly and just distribution" of water is the key concept in Chapter 2 of the Water Bill. In his second-reading speech on the Water Bill of August 1926, the Lands Minister of the day, the Honourable Thomas Dunstan, said—

> "All water users, public and private alike, must recognise that the economic use and conservation of our natural water are paramount."

Again, those words ring true in today's situation.

After the 1926 Bill there was no major water law passed for more than 60 years until the introduction of the Water Resources Act in September 1989. That Act amalgamated four Acts relating mainly to water supply and irrigation. It came at a time in our State's history that coincided with the Fitzgerald report, with the State's third Premier in 18 months and with a State election just around the corner. It was such a calamitous time that the Water Resources Act 1989 hardly rated a mention in the House. The Minister, the Honourable Don Neal, plus seven other speakers took less than two hours to read, adjourn, resume, debate and pass that Bill. Yet that Bill foreshadowed some issues which are now major considerations for the Water Bill 2000.

For the first time, the Parliament approved the notion of licensing overland flow works in declared areas on floodplains. This is a similar concept to the Water Bill's concept of community-led solutions for the fair sharing of overland flow as outlined in Chapter 2. The 1989 Bill also dealt with hazardous waste/dams, introduced the new irrigation terms of nominal and announced allocations, and initiated temporary transfers of irrigation water. That debate also marked the first time a member uttered concern about a reported soil salinity outbreak and its impact on agriculture. The Minister responded—

> "The salinity problems at Emerald are being addressed and the reclamation of what is really a very small area is well in hand."

Since then the Murray-Darling degradation has exploded as one of Australia's great disasters—one for which all Australians will ultimately pay a heavy price. Salinity in Queensland is no longer just a "very small area". Salinity affects more than 10,000 hectares across the State, with a further 73,000 hectares considered at risk.

The Water Bill 2000 is the most comprehensive overhaul of water legislation since the early 1900s. In those times there was little competition for water, little impact on the environment and no way to measure river flows to ensure that there was sufficient water for the environment. Unfortunately, some of our existing policies and regulations still reflect the laws from 1910. They do not address the problems that our water industry faces in the 21st century. The challenge has been to develop a modern water law aimed at improving the security of supply for future users and ensuring that future water developments are sustainable while also protecting the health of our rivers and catchments.

This has been one of the most comprehensive consultation processes ever undertaken in Queensland to support the introduction of new legislation. This Water Bill is the culmination of 18 months' consultation with key stakeholders and the community on water industry issues. Draft policy papers and draft exposure Bills have formed the basis of feedback from various interests across the State, and I wish to thank people, particularly in regional Queensland, who attended our many information and workshop sessions during the development of the legislation. In particular, I thank the Water Industry Peak Consultation Committee, which consisted of representatives from the Queensland Farmers Federation, the Local Government Association of Queensland, the Queensland Conservation Council, the Environmental Defenders Office, the Queensland Irrigators Council and the Brisbane City Council. This group has met every month since late 1998 in respect of this legislation. The contribution of these industry leaders has been invaluable in the development of this Water Bill.

I now turn to specific aspects of the Water Bill. Part 2 of the Water Bill promotes a new

planning framework for the sustainable management of water throughout the State. There is a need to balance the interests of sustainable development on the one hand and long-term environmental protection on the other.

Central to this planning framework is the undertaking of water resource plans on a catchment by catchment basis. The legislation envisages that these planning processes, as much as possible, are community driven and supported by the best available scientific information. The Water Bill envisages that local governments in particular will play a key role in the consultation process for the development of these plans.

As I recently informed honourable members, these water resource planning processes will result in significant benefits to the State. The health of the State's surface water and ground water resources will be maintained and, where necessary, improved for current and future generations. The introduction of more secure and better specified water entitlements and opportunities for trading will provide greater certainty for all water users. This will also assist business and industry to create secure and sustainable jobs and increase the incentive for investment in water reliant industries.

The Water Bill includes transitional provisions to underpin a number of water resource planning processes, in the form of WAMPS and water management plans, already under way. In some catchments, regulation of overland flow will be fundamental to the effective sustainable management of water. This is linked in to the transitional provisions.

In this respect, a key aspect of the legislation is the vesting of control of overland flows in the State. There has been a wide diversity of views as to how such control should be exercised. However, it has been widely acknowledged that the State needs to have the ability to regulate overland flows in areas where potential problems could arise. To enable such controls to be exercised where there is a community concern, the vesting of overland flow in the State has been necessary. This vesting does not, in itself, mean that overland flow control will be implemented. Rather, the legislation proposes that decisions regarding controls of overland flow can only be made as part of a local planning process.

The Water Bill includes triggers to guide decisions as to whether a plan should be commenced. After considerable consultation with industry peak groups on this issue, there is now industry support for the overland flow process outlined in the legislation.

To complement water resource planning, the Water Bill provides for the chief executive of my department to undertake ongoing monitoring and, on a regular basis, make relevant information available to the public. This is intended to provide users and all stakeholders with information regarding the status of the resource and environmental impacts.

Another key aspect of Chapter 2 of the Water Bill is the separation of the ownership of water from land that allows for water licences to be translated into transferable water allocations. These allocations will be secure for the 10-year life of a water resource plan, unlike current arrangements, where a licence is issued between three and seven years and can be changed or cancelled at any time. These transferable water allocations can be bought and sold—or mortgaged—as an asset separate to the land title. Owners can sell water or, alternatively, they can buy more water to expand or diversify an enterprise without having to buy more land. Where water in a catchment becomes fully allocated, new enterprises will still need to obtain water. This can now be achieved through a market system, subject to the necessary public interest safeguards. This is the most efficient and ecologically sustainable way of sharing a limited resource.

The Water Bill will continue the water licensing and permit arrangements that are covered in the Water Resources Act 1989. In particular, these arrangements will occur in areas of the State where there is no demand for water trading or where, for resource management reasons, trading should not occur.

To address community concerns about potential adverse socioeconomic impacts from water trading, the Water Bill provides for trading rules. These rules could provide, for example, limits to the volume of water that may be traded. Any extension of those limits would require a public process. In this respect the Water Bill does not seek to unduly restrict water trading but, rather, responds to perceptions amongst regional communities that potential for adverse impacts from large trades may exist. Indeed, in response to advocacy from the Local Government Association of Queensland, the Government has undertaken to review the socioeconomic impacts of water resource planning under this legislation midway through the first phase of

the water resource plans, which is during 2004–05.

The Water Bill also responds to strong advocacy from users that temporary trading should be encouraged by enabling it, as much as possible, to occur on a decentralised basis. The concept of seasonal water assignments in the Water Bill promotes this outcome.

The Water Bill also provides a range of new enforcement measures for the industry. The Water Resources Act 1989 does not provide for community involvement in enforcement. This Water Bill seeks to modernise the enforcement provisions by giving legal standing to any member of the community to obtain from the court an enforcement order to stop an illegal activity committed against Chapter 2, which deals with allocation and management, riverine protection and other matters. Whilst it is my intention that the courts generally order each side to pay their own legal costs, the court will have the power to award costs where a case is brought merely for obstruction or delay or is frivolous or vexatious. These community standing legal provisions are a major step forward for public accountability in the enforcement of Queensland's natural resources law. They are similar to those that have successfully operated in the Queensland planning legislation.

I will now turn to Chapter 3 of the Water Bill, which deals with infrastructure and service provision. This section of the legislation introduces a consistent regulatory framework for water service providers across the State. Fundamentally, the provision of water is an essential service undertaken as a natural monopoly activity. With enhanced commercialisation within the industry, there is a need to ensure that consumer interests are protected. Accordingly, Chapter 3 of the Water Bill proposes a regulatory framework which requires service providers to suitably maintain their assets and to establish customer service standards. The regulatory regime recognises the autonomy of local government by enabling councils to establish their own service standards, provided these are publicly reported. The regime provides for the exemption of smaller service providers with less than 1,000 connections, or an irrigation supplier with up to 100 users and less than 20,000 megalitres annual throughput.

Essentially, the Water Bill seeks to ensure that monopoly service providers adopt long-term maintenance programs for their assets and have customer service standards in place. The framework is primarily outcomes focused and does not prescribe how providers should manage their assets or deal with their customers. Rather, the Water Bill seeks to ensure that proper processes are in place for the management of long-lived assets and to ensure that customers—who do not have a choice of provider—are informed about the levels of service which they are entitled to receive.

It is recognised that considerable work needs to be undertaken to develop the detailed implementation arrangements in respect of Chapter 3 of the regulatory framework. The Government intends to ensure that reporting processes are streamlined and that the new regulatory regime does not impose an undue financial burden on councils and other service providers, which may have limited resources available to them. To this extent, guidelines will be developed in consultation with the Local Government Association of Queensland to be in place by the end of this year.

The Government also appreciates that service providers will need time to comply with the new framework. As a result, the Water Bill includes transitional provisions, which set out a staged process for implementing the changes that are based on whether a service provider is large, medium or small. The earliest requirement would be 1 July 2002. Some other major elements of the new framework are—

service providers must be registered;

relevant provisions of the Sewerage and Water Supply Act 1949 will be integrated;

owners of hazardous dams must comply with dam safety requirements; and

owners of dams built for flood mitigation purposes must comply with flood mitigation requirements.

The Sewerage and Water Supply Act 1949 provisions included in this Water Bill generally relate to matters which are currently administered by local governments. These matters are dealt with in Part 4 of Chapter 3 of the Water Bill. To ensure that local governments have sufficient time to deal with transitional arrangements for the provision of water supply and sewerage services in their areas, Part 4 of Chapter 3 of the Water Bill will only commence on proclamation, at a date which will be no earlier than 31 December 2000.

With the passage of this Water Bill, the Department of Natural Resources will become the regulator of the framework pertaining to water service providers. There is a view,

suggested by the Local Government Association of Queensland, that such regulation should be independent of my department. Accordingly, I have undertaken to review the effectiveness of my department in carrying out this role after two years.

Chapter 4 of the Water Bill is based on the Exposure Draft Water (Statutory Authorities) Bill and covers the establishment and operation of public sector water authorities. It seeks to establish a governance and accountability framework that will apply consistent and appropriate accountability mechanisms and governance operations across existing and future water authorities. The key elements of this part of the Water Bill include—

a process for categorising boards so they meet specific accountability requirements depending on size (Category 1 or 2);

clear roles and responsibilities for board members;

the establishment of a negotiated performance plan between board members and the Minister for Natural Resources (Category 1 boards only);

greater flexibility in appointing board members;

clarification of ministerial powers;

streamlining of administrative procedures; and

a means for boards to shift to alternative institutional structures if desired.

The Water Bill also tidies up some old problems in existing legislation, for example—

the confused accountabilities of board members (that is, do they act in the interests of the board or those who elected them);

the lack of clarity regarding the accountabilities and responsibilities of board staff and the chief executive officer;

cumbersome and inefficient establishment processes; and

conflicts of interest for departmental staff sitting on boards.

The Water Bill also provides for the continuation of the powers of the Co-ordinator General under the State Development and Public Works Organisation Act 1971. It is intended that this power will work in conjunction with the principles underpinning the Water Bill as a reserve power for the State to allocate water for development. The State Development and Public Works Organisation Act 1971 is amended by this Bill to require that, where a decision is made to allocate water under that Act, it will be made in a transparent way by tabling of reasons in the House.

The Water Bill also includes transitional provisions for the proposed corporatisation of State Water Projects, which is currently a commercialised business unit within my department. Further, the Water Bill includes consequential amendments to the Integrated Planning Act 1997 to ensure that works constructed for the taking of water or quarry material are considered development in the framework of the Integrated Planning Act 1997. The opportunity has also been taken to amend the Integrated Planning Act 1997 and the Local Government Act 1993 to correct certain unintentional effects on local government planning schemes resulting from recent changes to the Commonwealth telecommunication laws.

In closing, while there are many different views about water across this State, there is a general acceptance of the inadequacy of the current law and the need for change. Some want the changes to be more drastic. Others want them softened. As always, striking the right balance is the key to good legislation.

Through widespread consultation, I believe the Government has gone as close as humanly possible to gaining a broad consensus of opinion across the community as to how our water needs to be managed for the benefit of this and future generations. We have achieved this broad acceptance as a result of intense consultation with stakeholders over the past 18 months.

It was not until 1998 that the Queensland Government began the process of instigating a review of existing water legislation. Although we started well behind a number of other States in the modernisation of our water law, we gained valuable experience from watching other States grapple with their own water reforms. We have learnt from that experience and the hindsight of others. This Bill delivers on Queensland's obligations under the COAG water policy. The National Competition Council has been consulted during the drafting of the legislation, and this legislation will deliver on all fronts. I commend the Bill to the House.

Debate, on motion of Mr Lester, adjourned.

DANGEROUS GOODS SAFETY MANAGEMENT BILL

Hon. S. ROBERTSON (Sunnybank—ALP) (Minister for Emergency Services) (12.50 p.m.), by leave, without notice: I move—

"That leave be granted to bring in a Bill for an Act about the safe management in Queensland of the storage and handling of hazardous materials, particularly dangerous goods and combustible liquids, and the management of major hazard facilities and emergencies involving hazardous materials, and for other purposes."

Motion agreed to.

Mr DEPUTY SPEAKER read a message from His Excellency the Governor recommending the necessary appropriation.

First Reading

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

Second Reading

Hon. S. ROBERTSON (Sunnybank—ALP) (Minister for Emergency Services) (12.51 p.m.): I move—

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

I rise to speak to the Dangerous Goods Safety Management Bill. The mismanagement of hazardous materials can have devastating consequences. In May this year, an explosion at a fireworks depot in the Netherlands killed 20 people, injured another 540 and severely damaged most buildings in the neighbourhood. In Australia, an explosion at the Esso gas facility at Longford, Victoria, in September 1998 resulted in two fatalities, injuries to eight people and an economic loss of more than $2 billion.

The Dangerous Goods Safety Management Bill aims to prevent these sorts of tragic incidents happening here in Queensland. The Bill is the result of years of extensive consultation across Government to ensure a coordinated, integrated approach to hazardous materials management. It is not an easy task, given that Queensland's existing system for regulating the storage of hazardous materials involves more than 30 relevant Acts and regulations, administered by 10 State Government departments.

The level of consultation involved in developing the Dangerous Goods Safety Management Bill is unprecedented in this State. It has been developed by my department in conjunction with the dangerous goods working group, which includes representatives of relevant State Government agencies, the Local Government Association, the Plastics and Chemical Industries Association, the Queensland Chamber of Commerce and Industry, the Australian Institute of Petroleum, the Australian Chemical Specialties Manufacturers' Association, the Australian Industry Group, the Queensland Council of Unions and the Queensland Conservation Council.

The Bill is based on two national standards developed by the National Occupational Health and Safety Commission—the National Standard for the Control of Major Hazard Facilities and the National Standard for the Storage and Handling of Dangerous Goods. The purpose of the Bill is to protect people, property and the environment from harm from hazardous materials. It will be an offence to fail to control and store hazardous materials safely.

"Hazardous materials" is a broad term that includes dangerous goods such as petrol, many agricultural chemicals that are not classified as dangerous goods and combustible liquids, such as diesel. However, the main focus of the Bill is dangerous goods. In general terms, the Bill is concerned with: major hazard facilities; smaller premises storing and handling dangerous goods and combustible liquids known as "dangerous goods locations"; and the provision of an advisory service by scientific/technical advisers, known as "HAZMAT advisers", for the Emergency Services and police at emergencies involving hazardous materials.

The Bill provides the grounds for classifying a facility as a major hazard facility. Two factors will generally be taken into account: firstly, if the quantities of hazardous materials stored or handled or likely to be stored or handled at the facility exceed a threshold, which will be stated in a regulation; and, secondly, if an emergency might cause harm to people, property and the environment off-site.

The risk to people, property or the environment is a key factor in the classification of major hazard facilities. For this reason, the legislation also enables a facility with below-threshold quantities of hazardous materials to be classified as a major hazard facility, if the potential for an emergency and the risk posed by an emergency warrant such a classification.

At this stage, there are estimated to be between 30 and 40 major hazard facilities in Queensland, with about 12 of these in the Brisbane metropolitan area. A dangerous goods location is defined as a place where dangerous goods and combustible liquids stored or handled or likely to be stored or

handled exceed the minimum quantities prescribed in a regulation. The thresholds for both dangerous goods locations and major hazard facilities will be aligned with the national standards.

As well as providing greater protection for communities near hazardous industry, the legislation will ensure that these communities are better informed and more actively involved in emergency management. The occupiers of major hazard facilities must consult with their neighbouring community when they are developing emergency plans and procedures. They must also provide information to the community about hazards at the facility and the safety measures to be taken in the event of an emergency. It is the first time major hazard facility occupiers have been required to consult with their local communities to this degree.

The legislation also provides for the creation of a buffer zone, which enables the area around a major hazard facility to be designated a major hazard facility consultation zone if the risk to people, property or the environment needs to be taken into account in assessing development applications. A map of the area will be provided to local government, and development applications for major hazard facilities and dangerous goods locations in areas of sensitive land use, such as child care centres or disabled care facilities in the zone, will be referred to the Department of Emergency Services. Employees at major hazard facilities or dangerous goods locations will also be better informed about the hazards associated with their workplace and will be more actively involved in emergency management.

Under the legislation, the occupier of a major hazard facility or dangerous goods location must provide employees with appropriate information, training and education so that they can carry out their responsibilities safely. They must also consult with employees in developing, reviewing and updating emergency plans.

The legislation will also benefit industry by streamlining existing requirements for the storage and handling of dangerous goods and by reducing compliance costs for industry in the long term. Because the legislation is based on national standards, it will help to reduce the costs of compliance for companies operating in more than one State.

The occupiers of major hazard facilities and dangerous goods locations will be required to: reduce hazards and minimise the potential for major accidents and limit their consequences; ensure the safety of the occupier and employees; record or be able to demonstrate measures taken to reduce hazards and ensure safety; establish, maintain and document emergency plans and procedures; review and update emergency plans and procedures before modifications; provide appropriate information, training and education to all people at major hazard facilities or dangerous goods locations; and develop, implement and maintain a safety management system.

Major hazard facility occupiers will also be required to: conduct a systematic risk assessment; provide information to, and consult with, the neighbouring community about the hazards of the facility and safety measures; and prepare a safety report that demonstrates that they have satisfied their safety obligations. They are also required to notify of major accidents and record near misses.

The Bill imposes a high level of penalties, particularly for offences with serious consequences. The maximum penalty of three years' imprisonment may be imposed for a contravention causing multiple deaths and serious harm to property or the environment. The maximum fine for a corporation will be $1.125m.

In addition to covering major hazard facilities and dangerous goods locations, the Bill gives authorisation for an advisory service at emergencies involving hazardous materials. This HAZMAT advisory service is provided on a 24-hour basis throughout Queensland. In Brisbane and surrounding metropolitan areas, HAZMAT advisers are full-time officers of the Chemical Hazards and Emergency Management Unit, DES and Queensland Health Scientific Services. In regional areas, the service is provided by a network of volunteers employed in local government and the private sector. The volunteer emergency response is supported by Brisbane-based HAZMAT advisers.

The Bill gives authorised officers the power to enter a place without consent or a warrant if the authorised officer reasonably believes a dangerous situation exists and it is urgent that the authorised officer enter it to prevent, remove or minimise the danger, or if the entry is urgently required to investigate the circumstances of a major accident or near miss at the place.

Dangerous goods are used everywhere. There is ample evidence that, if not handled properly, they can cause death or severe injury, as well as damage to property and the

environment. This legislation emerges from identified community needs relating to public safety, including the need to regulate hazardous industry and the need for uniformity in chemical safety legislation. It guards against tragic incidents involving hazardous materials such as the Netherlands fireworks explosion or the Longford gas explosion happening here in Queensland.

The Bill will help to provide a more integrated approach to the regulation of hazardous materials. It recognises the expertise that has developed across Government in this area and draws on that expertise in administering the legislation. Systems will be developed to share information and to minimise the duplication of paperwork and services. Given the collaborative whole-of-Government approach of the Bill, its focus on safety, and the proposed simplification of existing legislation, the Bill demonstrates this Government's commitment to safer communities and the creation of a Smart State. I commend the Bill to the House.

Debate, on motion of Mr Malone, adjourned.

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

SUGAR INDUSTRY AMENDMENT BILL

Second Reading

Resumed from 30 May (see p. 1372)

Hon. K. W. HAYWARD (Kallangur—ALP) (2.30 p.m.): The aim of the Sugar Industry Amendment Bill 2000 is to enhance the efficiency and international competitiveness of Queensland's sugar industry. Certainly, this Bill demonstrates the ability of this Government to deliver on outcomes that will benefit the sugar industry in the long term. This debate follows the introduction of the Water Bill. Both this Bill and the Water Bill will be exciting for primary industries in Queensland.

I want to take this opportunity to speak about bulk sugar terminals. The transfer of the bulk sugar terminals was a concept devised originally by Mr Ed Casey, who we all know was a Primary Industries Minister in Queensland during the terms of the Goss Labor Government.

Mr Kaiser: Pretty excitable.

Mr HAYWARD: I take that interjection from the member for Woodridge, who made the comment that Ed Casey was a very excitable person. He had the vision of transferring ownership back to the industry which, after all, over a period had paid for those assets. It has taken many years for that concept to become a reality. I am pleased to note that consultation has occurred with the port authorities on this issue.

I draw members' attention to proposed section 228C of the legislation, which makes it clear that the land in the ports is not to be transferred to the industry, but rather just the improvements to that land will be transferred. That proposed section removes any doubts—and there certainly were some doubts—that ports will continue to have control over their own strategic port land. That was an important issue that had to be dealt with in consultation with the various affected port authorities.

I want to address briefly the issue of shares in Sugar Terminals Limited, which is the new holding company of terminals. Now that the Government has rightly said that it will abide by the industry's determination on the process of how shares are to be distributed, it is not for the Government to tell the industry who should get what shares in their own assets. I understand—and no doubt the Minister will address this issue later—that a lot of work has been undertaken by the industry in developing this process and it takes into account a range of special circumstances.

After the consultation period, the Minister provided an appeal mechanism for growers or millers who feel that, in their case, the process had not been applied properly. That is entirely appropriate and something that I am sure will be welcomed by growers and millers. That means that, if it should happen that there is a mistake made in the issue of shares to a shareholder, that shareholder will then have some recourse to action. I do not believe that anyone would have accepted a situation in which shares would be distributed but that there would be no way of questioning the application of the process.

I am pleased to have had the opportunity this afternoon to say a few words in support of the Sugar Industry Amendment Bill. As I said, I think that it presents an exciting opportunity for the industry. The Government is to be congratulated on its decision to transfer the sugar terminals back to the industry.

Dr PRENZLER (Lockyer—CCAQ) (2.35 p.m.): The CCA will be supporting this Bill. However, this afternoon I would like to take a little of the time of the House to discuss proposed section 28F, which relates to ministerial directions.

The canegrowers and millers of this State have been exploited by the Government's

adherence to a ministerial direction to maintain parity between the selling price of raw sugar destined for domestic consumption and the export price. Export parity pricing arrangements are preventing Queensland Sugar from carrying out its charter under the new sugar legislation, which states in clause 111 that the principal objectives of the corporation are to act commercially in the marketing of raw sugar and in the discharge of its functions generally, to act competitively in the pricing of sugar or its raw sugar equivalent sold to Australian customers, to enhance the efficiency, competitiveness and access to markets of the Queensland sugar industry, and to enhance the long-term economy of the Queensland sugar industry and the benefits flowing from it to canegrowers and mill owners.

Owing to the removal of tariffs, there is no danger of savage price hikes to domestic sugar consumers. The potential for the importation of cheaper sugar from overseas is always going to maintain downward pressure on domestic prices. All that export parity pricing achieves is to ensure that there is no opportunity for Queensland Sugar Limited to obtain even a small premium for sugar that is destined for domestic consumption which, at the moment, is approximately 800,000 tonnes annually and is our biggest single market. Even a small premium in this market would deliver significant benefits to our battling cane industry.

I turn now to who benefits from this artificial interruption to the free market forces which are so revered by the economic rationalists. Is it the Australian housewife? No, I doubt that very much. A cent or two price rise per kilo of sugar is not going to add very much to the average weekly household budget. In any event, with raw sugar at $250 per tonne and retail refined sugar at $1,100 per tonne there is little relevance between the two, and there is certainly plenty of margin to allow the refiners to absorb a small increase in the raw sugar price. The big winners are the multinational soft drink and confectionary manufacturers that make enormous gains from an artificially depressed sugar price. It seems that the economic rationalists like free markets only when it suits them.

It is ludicrous to be maintaining price control at the growing and milling level when the industry is in such a precarious financial position. Honourable members would be aware that currently farmers are selling sugar below their cost of production, which has obvious implications for their long-term viability. That raises the prospect of mill closures—and that is happening now—and the disposal of infrastructure. It is for that reason that the raw sugar industry is seeking financial assistance.

In August 1999 the recently formed SIDAC noted the following points in relation to the domestic pricing of raw sugar: firstly, both State and Federal Governments agreed to accept the Sugar Industry Review Working Party's recommendation as a package; secondly, acceptance of the report was based on a public benefits test; thirdly, no further reviews will be undertaken for 10 years except in exceptional circumstances; fourthly, any major changes to the recommendations will require another public benefits test as a mandatory process; and, fifthly, it is unlikely that such a review would be limited to domestic pricing alone without revisiting the whole issue of the single desk and contractual arrangements on which the public benefits test was based. This situation will be reviewed in 2000-01.

I believe that the current plight of the industry certainly meets the criteria of "exceptional circumstances" as set out in point 3 of SIDAC's recommendations. I repeat: no further review is to be undertaken for 10 years except in exceptional circumstances. This would provide a trigger for the immediate implementation of a review. I further believe that in such a review a public benefit test would surely demonstrate that there is absolutely no need for a linkage between parity pricing and single desk selling. The loss of the tariff combined with the implementation of parity pricing has resulted in a cost to the raw sugar industry of almost $30m annually. On the other hand, the refining sector has benefited not only by this amount but also by a windfall profit on domestic sales of possibly $160m due to their cheaper input costs as a result of the decline in world sugar prices.

At the same time, there has been no appreciable benefit to Australian consumers of sugar or sugar products. In fact, it is somewhat ironic that, whilst sugar growers are at the point of bankruptcy, the price of soft drinks is dearer than the price of milk. If sugar growers are forced to accept peasant wages the customers should be enjoying cheap sugar and sugar products. That certainly is not happening. One of the main reasons for this inequity is the distortion caused by the export parity pricing mechanism.

The Australian Sugar Digest carried the following article under the heading "Refined Sugar $500 plus per tonne"—

> "... current price for refined sugar in Brisbane (in 50 kg bags) is around $520 per tonne. Queensland raw sugar is

> expected this week to be available to refiners at about $250 per tonne. The margin available for growing the cane and milling the sugar is now less than that for refining and packaging it. The selling terms of raw sugar to Australian refiners is mandated by the Queensland Minister for Primary Industries. Refiners are free to charge whatever the naturally protected domestic refined sugar market will bear."

Is it possible that there is something fundamentally wrong with the current pricing arrangements? There is no doubt that the answer to that question is definitely yes. There is something radically wrong when farmers are being driven bankrupt yet, at the same time, there is no benefit to the consumers.

As a matter of interest, I point out that at the time of these comments the retail sugar price was around $1,100 per tonne. There can be absolutely no justification for the retention of export parity pricing of domestic sugar. Every analysis of the arrangements and any community benefit test will comprehensively show that the detrimental effect on farmers is not offset by any benefit to the consumer or to the community in general.

I urge the Minister, once this Bill receives royal assent and he reviews his obligations under section 128F, to think long and hard and, for the good of those hardworking growers in the northern and southern parts of the State, remove export parity pricing for domestic sugar and allow them to get a few more dollars per tonne for their sugar.

Mr FELDMAN (Caboolture—CCAQ) (2.42 p.m.): Before I reiterate what the member for Lockyer said in relation to proposed new section 128F, I note that it was reassuring to hear the honourable member for Burnett's contribution to the debate on the Sugar Industry Amendment Bill during the last sittings of Parliament. He stated—

> "As a one-time Minister for Trade, I can certainly appreciate the need for countries to reduce tariffs. There is no question that it is in the best interests of Queensland and Australia to have tariff reduction. But I do question removing tariffs prematurely to induce other countries to do likewise. In effect, I believe it works the other way. Once we remove our tariffs we have lost our leverage on other countries to remove their tariffs. I strongly believe from my own experience that, while it is the way to go, in practical terms it does not achieve the result that we want."

Another little gem from that speech was this—

> "We are silly to think we can provide a lead that other nations will automatically follow. They will follow if it is in their people's best interest and if they will make a dollar out of it. This is the only way they will follow."

I certainly agree with him on that point at least. We must be stupid or a soft touch if we honestly believe that the rest of the world will follow Australia's or indeed Queensland's example. I would be the last person in this House to advocate the removal of tariffs. As a matter of fact, I wonder, just like the member for Burnett, what possessed our Federal Government to remove the tariffs it removed. Was the Minister concerned deranged or blinded by the lure of big dollars in some other fashion?

In common with other members, I acknowledge that the debate on ethanol production raises its head every time there is a downturn in the price of sugar. I wholeheartedly agree that ethanol production should be looked at, especially now that the Federal Government has flagged that it will not attract that excise. I believe that we should be taking every advantage and looking at every avenue possible to provide a market for our embattled sugar farmers. I must admit that at the moment the idea of ethanol production must be rating very highly and looking very attractive to some embattled canefarmers. Interestingly, the Minister's second-reading speech contained the usual gems of wisdom—

Mr Palaszczuk: What page of my speech was that?

Mr FELDMAN: It was very early in the Minister's speech, when he was speaking about the retention of single desk selling, should the QSL ever fall out of the sugar industry's hands.

An honourable member: It went downhill from there.

Mr FELDMAN: It did. He also claimed that Labor was committed to, understands and delivers for the sugar industry. That made me feel warm all over. About a month ago I was speaking to a canefarmer from the Burdekin who was also a scuba diver. He told me that he used to get the same feeling when he urinated in his wetsuit. I am not saying that the Minister had any intention, in any way, shape or form, of urinating on the sugar industry or the canefarmers, and that is not the intent of this Bill.

Mr DEPUTY SPEAKER: Order! I suggest that that language is unparliamentary.

Mr FELDMAN: I take the point.

From my visit to the Burdekin and the Mackay areas and from speaking with those canefarmers who are doing it tough out there, I know where my colleague the honourable member for Burdekin was coming from when he made his speech in the debate at the last sitting and spoke passionately about how tough the canefarmers up there are doing it. As he said, sugar is the backbone of just about every coastal town from Maryborough to Cairns. He said that, if the sugar industry fails—and it is failing—a lot of small towns and communities will go broke. Those towns are highly dependent upon how well the sugar industry is going, how well the canefarmers are doing and how much income they are bringing in. The heartache out there was the driving force behind the notice of motion that was put forward this morning but which was ruled invalid because of this legislation being debated in the House this afternoon.

As at 1 March, Australian producers were receiving less than $200 per tonne for raw sugar. At the same time, Brazilian producers were receiving $315 per tonne for their domestic sugar. In Thailand they were receiving $545 per tonne. Domestic producers in the USA are receiving $632 per tonne for their domestic sugar. Those in Europe receive a whopping $1,090 per tonne. How can that be fair? Or in the words of our old mate the now deceased Professor Julius Sumner Miller: why is it so? But it is so, because of all the ill-conceived and inequitable arrangements called export parity pricing of domestic sugar. As a result of a ministerial direction from the Minister for Primary Industries, the maximum price that can be achieved for domestic sugar is limited to a level comparable to the export price. There is no opportunity to seek even a small premium, which would make the difference between bankruptcy and survival for the battling Queensland canefarmers all along the eastern seaboard of Queensland.

The parity pricing mechanism was implemented to assist the refining sector. The SIRWP review at the time identified the refiners as being the sector that was in financial trouble. Their financial problems were caused to a large extent because of unwise commercial decisions that were taken to expand the refining capacity. The sugar growers are now being punished for the commercial mistakes of those refiners. Section 128F discusses the ministerial price directions. It is imperative that the Minister, after the required consultation with Queensland Sugar Limited, takes urgent steps to remove the counterproductive mechanism of export parity pricing.

In addressing a recent sugar convention in Cairns, the Prime Minister made the observation that the industry's financial problems were a direct result of a corrupt world market, and I do not disagree with him—not at all. Yet here we have the Queensland Government forcing the raw sugar industry to sell at the corrupt world price under the pretence of export parity. What possible justification can there be for the retention of parity pricing? Is it because the Minister is receiving the wrong advice while thousands of struggling canefarmers are suffering because of that advice? I think it is about time that the Minister actually listened to the canegrowers—the grassroots, the men out there who are doing it tough in the fields and the ones who are suffering because of that export parity.

I implore the Minister to really rethink that ministerial direction. There is a need to reverse that ministerial direction and remove export parity pricing. That can be done because, as I was told this morning, that is the intent of section 128F. There is an old direction under the old Act and a new one has to be given under this Act. It is incumbent upon the Minister to really think about what direction he will actually give in respect of export parity pricing. I really think it is important that that decision is reversed when this Bill is passed.

Mr MULHERIN (Mackay—ALP) (2.50 p.m.): I would just like to comment on some of the remarks made by the member for Caboolture and the member for Lockyer in relation to export parity pricing. I feel that, if they speak to the Sugar Corporation, they will be advised that there is minimal price differential between export parity pricing and import parity pricing. Reverting to import parity pricing—the canegrowers own the largest cooperative sugarmill in Mackay, Mackay Sugar—would be disadvantageous to the growers of Mackay who own a refinery.

The removal of import parity pricing has led to massive investment in the refined sugar market in the Mackay area which is about value adding to the crop so that there is a greater return to those growers. The other thing is that we would be disadvantaging the industry in Queensland because the growers in New South Wales, who opted out of the Queensland arrangements some years ago and went into refining sugar, had an advantage over Queensland refiners whilst import parity pricing remained in Queensland. I think it is just a load of hogwash.

I turn now to the Bill. The sugar industry has been undergoing regulatory change since the deregulation of the marketing of domestic

sugar in 1989. The Sugar Industry Act 1991, which was introduced by my predecessor, Mr Ed Casey, continued this process with the abolition of some of the centralised management and control arrangements, including the abolition of the Central Sugar Cane Prices Board, which had managed the allocation of assignments and provided for arbitration on a whole of Queensland industry basis.

A requirement of the 1991 Act was for a review of the Act in 1995-96. This review was handed down in November 1996 by the Sugar Industry Review Working Party. The working party's membership represented all stakeholders—farmers, millers, sugar consumers and the Queensland Sugar Corporation. The committee brought down 74 key recommendations which addressed National Competition Policy issues as well as the need for regulation to enhance the efficiency and international competitiveness of this great export industry.

The recommendations have been addressed legislatively in three stages by amending the 1991 Act, introducing a new Sugar Act in 1999 and making further amendments to the 1999 Act, which we are now debating. Some of the key recommendations relating to import parity pricing as well as new arrangements for negotiating teams, dispute resolution and management of sugar quality were implemented by amending the Sugar Industry Act 1991. Other outstanding recommendations were incorporated in the Sugar Industry Act 1999. The recommendations relating to marketing and ownership of the terminals, which were not included in the 1999 Act, are now addressed by these amendments.

My colleague and friend the honourable member for Kallangur, Mr Ken Hayward, has outlined how the Bill addresses the transferring of ownership of the bulk sugar terminals back to the industry. While I am on that point, I would like to remind members that this concept was devised by Mr Ed Casey, who was the Minister for Primary Industries from 1989 to 1995. I know that Mr Casey, who is now the Chair of the Mackay Port Authority, expressed concern over ports such as Mackay losing control over strategic port land by the transfer of ownership. He came down here and met with the Minister for Primary Industries and the two shareholding Ministers, the Minister for Transport and the Treasurer, in relation to this issue. As the member for Kallangur has rightly pointed out, the Act makes it clear that the land in the ports is not to be transferred to industry but, rather, only the improvements to the land.

As honourable members can see, a number of changes to the Sugar Industry Act since 1989 have flowed over successive Governments, both Labor and coalition, before finally being enshrined in legislation. However, the creation of the industry owned marketing company is a recent development that is wholly and solely this Government's own. I understand that the Minister for Primary Industries personally had a significant role in persuading industry leaders that this was a desirable course and that the Government was in favour of it. Let no-one underestimate the magnitude of this change.

Since 1915 the Government has acquired and marketed the entire sugar production of Queensland. This was done by the Sugar Board until 1991 and then by the Queensland Sugar Corporation. Now, under these changes, industry will market its own sugar. The single desk will remain, but it will be run by the people for whose benefit it will be created. This indicates how far the industry has come. It is not necessary for Government statutory authorities to run the marketing.

I want to take this opportunity to congratulate the Minister for Primary Industries, his staff and the working parties that were established on the many safeguards that have been inserted into this Bill. First, the Government has insisted on a number of independent directors on the board of the new Queensland Sugar Limited, or QSL. At least three of the directors must be persons who have expertise in commodity trading, finance, vesting, law or business administration. They must also be independent of sugar industry representative bodies. This is very important for the commercial focus of the new company.

I know that Mackay Sugar has benefited enormously from the presence of two independent directors on its board. Such directors bring a fresh perspective which complements the intimate knowledge of the industry directors. I am also glad to see that the first chair of Queensland Sugar Limited must also be independent. The chair will have a vital role in ensuring the success of the company. There has been some confusion about how these independent directors will be selected. The Government does not appoint these independent directors. Rather, under the rules of Queensland Sugar Limited, I understand that they will be selected by the other directors. So the grower and miller directors and the chief executive will have the role of selecting the independent directors.

Another important safeguard is that if QSL moves outside the control of the Queensland sugar industry the Minister may direct that the vesting powers revert to the Sugar Authority. This means that the single desk can be maintained, even if QSL moves out of our control. The Bill defines in proposed section 128W when QSL is taken to move outside the control of the Queensland sugar industry. These circumstances are—

> where its constitution is no longer consistent with the Act, for example, if QSL does not have the minimum number of directors;
>
> QSL changes its constitution dealing with its purpose or function without the Minister's approval;
>
> QSL goes into voluntary administration or liquidation;
>
> QSL no longer has the required number of grower or miller representatives; or
>
> QSL no longer has 75% grower/miller directors or 75% grower/miller shareholding.

It should be clear that these safeguards are necessary to protect the single desk. After all, if control of this company is gained by a non-Queensland entity, then we would not want it to be controlling our single desk. The Minister also has the power to make directions to Queensland Sugar Limited under proposed section 128F. This really mirrors his existing powers of direction to the Queensland Sugar Corporation.

However, it is worth while noting that, in relation to a sugar price direction, the Minister has voluntarily inserted a provision requiring him to consult with industry before making such a direction. This is a very positive move, though I am sure consultation would have occurred in any case. It certainly shows how absurd the comments of the Opposition were in last year's debate on the Sugar Industry Act when it tried to claim that the Minister was setting himself up as the dictator of the sugar industry. Everything in this Bill clearly shows that this is not the case. In fact, this Minister has done more than any other Minister to give the industry control over its own affairs.

Members will recall that last year's Sugar Industry Act devolved significant amounts of power to the local mill areas and away from Brisbane. This Bill gives industry control over their marketing and handling assets, which were previously owned by the Government. This Government clearly has confidence in the industry's ability to handle its own affairs. It is a very mature approach to the industry. I wholeheartedly endorse the concepts. I thank the Minister and commend the Bill to the House.

Mr BLACK (Whitsunday—CCAQ) (3 p.m.): I thank the House for this opportunity to speak to the Sugar Industry Amendment Bill. One has to wonder why almost every agricultural country in the world, with the exception of Australia, values its primary producers and demonstrates that appreciation of their contribution to the financial and social wellbeing of their country by providing them with meaningful support, yet here in Australia we cannot or will not provide any protection. We provide virtually no support and seem hell-bent on reducing that meagre amount even further. Amongst OECD nations, only Turkey provides as little support for its primary producers as Australia, with the pathetic contribution of 6% of gross farm income. America provides 25% and many countries contribute up to 65%. In an international trading climate as biased against Australian farmers as that, we still see Australian Governments wanting to pull back even further.

On top of all that inequity, there is a corruption built into the domestic market by ministerial directive which disadvantages canegrowers and millers even further. This impost on Queenslanders is imposed by a Queensland Government. We have seen the terrible burden our farmers have to bear because of the irresponsible policies and atrocious economic management of the Federal coalition Government, comprised of political parties who should care about primary producers but do not. As was the case with debate on the GST legislation on Tuesday, there is not a lot we can do about Federal policies and legislation. But this unfair impost is imposed by the Queensland Government. We can do something about this problem, and we must.

Even Labor members, who have absolute contempt for rural and regional Queensland, must realise the unfairness of this policy and, even more importantly, they need to realise that canefarmers, like other farmers, as well as millers, employ people. If the farmers are decimated, mills will close or scale down and jobs will be lost. We have heard the Premier constantly try to convince us that his is a can-do Government. It is now obvious that on the matter of jobs, jobs, jobs and his brave prediction of below 5% unemployment the Premier will have to add a letter and make it "can't do". Yes, it is now obvious that the Government, posing as a can-do Government,

is really a can't do Government when it comes to jobs.

We have seen the devastation and the job losses from the RFA debacle, or the Clayton's RFA. It is an RFA that is not an RFA and it will cause horrendous job losses in south-east Queensland. We are about to see even worse calamity within the dairy industry, and yet the Government still does not realise the need to have viable primary industries to have any chance of approaching full employment. It never ceases to amaze me how the rabid economic rationalists can be so selective in the application of their simplistic ideology. The free market bandwagon is trotted out ad nauseam when it suits them. But as soon as they can see a chance to put another dollar in a multinational's pocket, it is no longer necessary to apply their beloved free market theory.

They are quick to tell us that we cannot have tariffs because they are anti-competitive. But it is quite all right to corrupt the market by the inclusion of restrictive and anti-competitive elements such as export parity pricing. The justification must be that tariffs are evil because they assist the farmers, but parity pricing is quite acceptable because it assists the millers. I urge the Minister to assist the cash-strapped growers and remove this unfair parity pricing arrangement.

Mr MICKEL (Logan—ALP) (3.03 p.m.): The focus of the Sugar Industry Amendment Bill is to give the sugar industry ownership and control of its marketing and handling assets. This Minister is continuing to make sure that the decision making is made where it is appropriate, that is, at the local level. I have enormous faith in Queensland sugar producers. I think they are smart enough to know what is in their best interests. We just heard the member for Whitsunday's contribution to this debate. He does not have any faith in Queensland sugar producers at all. But we on this side of the House certainly do.

That is not to say that the Bill is being introduced at a time which is easy for Queensland sugar producers. Sure, in recent weeks there has been a slight improvement in world prices, but the industry itself is facing a very difficult proposition, particularly because of the wet weather in the Mackay and north Burdekin growing districts. As a result of the difficulties this year, Australian production for 2000-01 will decrease but exports of the Australian product are forecast to remain steady. There are tough times because, until recently, world prices have been at historically low levels.

One disappointment for Queensland sugar growers was the failure last year to have agriculture listed in the World Trade Organisation conference in Seattle. In Australia, the price distortion is caused by the United States and the European Union providing incentives for their producers to continue to increase production despite low world prices. The outlook this year for Queensland sugar producers, whilst a little brighter in recent weeks, is difficult also because, in the run-up to the United States presidential and congressional elections later this year, there certainly will not be any joy from the United States. There will not be much joy from Japan, either.

The other problem that sugarcane growers are only too well aware of is the problem with Brazil. Mr Tony Hannah, the head of the Economics and Statistics Division of the International Sugar Organisation, described Brazil as the alcohol bomb of the global sugar market into the 21st century. The reason for that is plain enough. When Brazil embarked on a fuel alcohol program in the mid 1970s, it planted enough sugarcane, if used for sugar, to supply virtually the whole world sugar market. Brazil will continue to be a major sugar influence into the 21st century. A study by the United States Department of Agriculture entitled Sugar: World Markets and Trade found that in 2000-01 there would be a 6% decrease in world sugar production. Sugar produced from sugarcane will decline by 6%, whilst sugar processed from sugar beet will decline by 8%. The outlook for the future means that Queensland producers will have to be extremely cautious.

I commend Mr Ian Ballantyne, the general manager of Canegrowers, for his address in Cairns in May this year when he indicated that the present downturn for the sugarcane industry will be a catalyst for substantial change over the next few years as they see the industry on the verge of a period of substantial change in coming to grips with the harsh reality of Brazil. It may well be that the industry has to undergo further restructuring and further rationalisation both in terms of canefarms and sugarcane mills. The huge debt problems in the South Johnstone area are a reminder of how precarious the industry can be from time to time. So it is pleasing to hear Mr Ballantyne say that the sugar industry is ready and willing to make the hard decisions needed to ensure that it remains an efficient, low-cost producer. Equally, the industry is looking at future industry strategies to undertake the great

transformation that may still be required for a modern industry.

As members have heard previous speakers say, the industry has expanded over the past 10 years. Sugar refining is undergoing a period of significant change. A number of joint ventures have led to refining capacity increasing quite rapidly. Sugar Australia, a joint venture between CSR and Mackay Refined Sugars, was formed in early 1998 and controls around 60% of Australian refined sugar, with Bundaberg and Harwood Manildra holding the remaining market share. Australia's sugar exports increased during 1997-98. At that time South Korea displaced Canada as the largest customer. Japan is second and Malaysia is third, while Canada has now slipped to fourth. It is disappointing, though, that exports to China have fallen sharply.

There has been a rapid growth in sugar consumption in Asia which has prompted the Australian industry correctly to refocus its marketing efforts. Despite the economic problems experienced in the Australian economy, the region accounted for over 60% of exports during 1997-98. Recently, I had the honour of going to Indonesia. Whilst there is still a small sugar barrier, which I believe should be removed, Indonesia still does not have, in my view, an efficient industry. There may be scope for Australian refiners to go into a joint venture arrangement with Indonesia to send sugar to that joint venture company. From there, it can open up to the rest of the world.

As I said, the industry has undergone significant change, and those changes have been for the better. For example, the area of land sown to sugarcane was previously determined by a very overregulated system. We have seen expansion right across all of those areas. That is not to say that things will be easy for us.

As Phil Atkins, the general manager of raw sugar marketing at CSR, said, the world is changing and competition is tougher. The industry must continue to focus outwards for its customers and not inwards. In addressing the sugar convention in Cairns Mr Atkins gave the very sobering example of Singapore, which is a former customer whose needs had changed. He said that the marketing challenge was not being met and that the market in Singapore was lost. He said that it took five years after the industry's marketers identified the Brazilian high pol sugar threat for the industry to make its first trial shipment of QHP sugar, which is a product superior to the Brazilian equivalent in terms of refining capacity. In other words, we have to be faster in assessing those market signals internationally.

Mr Atkins said that if Australia wants to grow its customer base significantly it will need to make a great leap forward in its thinking on risk and downstream processing. Interestingly enough, he said it should follow the lead of the dairy and grain industries in investing overseas. As I mentioned before, there may be a joint venture opportunity in Indonesia. I know that the Minister is very interested in the dairy industry. I know that he is much the wiser for all the research he did on that subject when he was in the shadow Ministry some years ago.

At the moment, over 70% of domestic sugar consumption is in manufactured food. Of that, the greatest percentage is in non-alcohol beverages, 29%; retail sales, 23%; confectionery, 11%; others such as dairy foods, 5%; and alcohol beverages, 7%. Since 1938-39 an increasing proportion of sugar has been consumed in manufactured goods—from 32% to 72% in 1992-93. At the same time, refined sugar consumption has fallen to around nine kilograms per capita per year. But refined sugar still faces significant competition from glucose, syrup, starch and some grain products which can be used in the production of beer.

Even with all the changes outlined by me and other speakers, we must be mindful of the Brazilian problem and take action. Brazilian mills refine more sugar than we do and, by and large, they have larger sugarcane farms than we have. It is for these reasons that these latest changes introduced by the Minister are welcome in giving industry greater control over their own destiny. They come on top of other changes this Minister and previous Labor Ministers, particularly Ed Casey, have made to the industry which have made this a stronger and more outward-looking industry. I congratulate the Minister on this further set of changes and for having the gumption to face up to those difficult decisions. I commend the Bill to the House.

Mrs NITA CUNNINGHAM (Bundaberg—ALP) (3.13 p.m.): I rise to support this Sugar Industry Amendment Bill. It is self-explanatory, commonsense legislation that seeks to enhance the efficiency and international competitiveness of Queensland's export oriented sugar industry.

As the member for Bundaberg I am proud to say that my electorate is the centre of one of the richest sugar-growing areas in Queensland. There are four sugar mills, a refinery, a distillery and a bulk sugar terminal in

the immediate district. Sugar is our largest industry and I regularly meet with sugarcane growers, millers, port authority members and industry leaders. Bundaberg relies heavily on the prosperity of the sugar industry, so I have a strong interest in seeing legislation in place that will ensure the industry's long-term prosperity.

As did the member for Logan, I will quote Canegrowers general manager, Ian Ballantyne, who, following the recent Australian sugar convention in Cairns, said that the industry must adopt new ways of improving its efficiency and cutting costs if it wants to survive in the highly competitive export environment likely to prevail over the next decade. He added—

> "It was clearly evident at the convention that many sugar producers see our industry as being on the verge of a significant period of substantial change.
>
> ...
>
> I believe there is a readiness among growers to consider any and all ideas which may help to make the industry and individual participants more internationally competitive and financially viable."

I have since spoken to industry leaders in Bundaberg. They also support this amendment Bill that will, among other things, replace the old Sugar Corporation with an industry controlled marketing company. The single desk for raw sugar will now be conducted by an industry owned marketing company, Queensland Sugar Limited, instead of the statutory authority, the Queensland Sugar Corporation. QSL will have equal grower and miller representation, plus three independent members, and it will have revenue of almost $2 billion. Marketing expertise which was previously based in Sydney with CSR will be transferred to Brisbane, heralding one of the most significant changes in the sugar industry in the last 50 years.

This legislation will also transfer bulk sugar terminals to industry ownership. The terminals at Brisbane, Bundaberg, Mackay, Townsville, Lucinda and Cairns will be transferred to Sugar Terminals Ltd, a company in which growers and millers hold shares. STL will own the terminal buildings and fixed plant and equipment and will lease the land on which the terminals sit from the various port authorities for a nominal rent for 100 years, with an option to renew for a further 100 years, which is tantamount to freehold. However, I am very pleased to see that, under the terms of the transfer agreed to by a steering committee that included port authority representatives, if the terminals cease to be used for raw sugar handling STL will have to negotiate commercial leasing arrangements with the relevant ports. This is an excellent outcome which will be welcomed by the port authorities.

The third matter in this Bill relates to changes for cane protection and productivity boards. The boards no longer have compulsory levy funding and are now seeking voluntary contributions from their local growers and mill. They have requested the ability to opt out of being a statutory authority and become a corporate entity to make it easier to raise voluntary contributions. This Bill provides them with that option.

The final matter dealt with in the Bill involves amendments to the Primary Industries Bodies Reform Act 1999 as sought by industry itself. I note that Canegrowers has recently announced that its membership subscription drive has been extremely successful. I am sure it will continue to deliver excellent services to its local areas. I believe that in some areas up to 98% of growers have signed authorities to mills to deduct the Canegrowers' levy. This demonstrates that the Government's changes in the reform Act have brought about a positive development for Canegrowers. It shows that growers have reacted positively to the changes, and the Canegrowers organisation has shown that it has the confidence of its members.

This Bill deserves the whole-hearted support of this House. It delivers on what the industry wants. Every one of the key amendments has been requested by industry—an industry that is the lifeblood of many coastal communities in Queensland, including Bundaberg. It is in their best interests that this sensible legislation be enacted as soon as possible. I congratulate the Minister for bringing this amendment Bill before the House after years of ongoing talks, consultation, discussion and negotiation. I commend the Bill to the House.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (3.18 p.m.), in reply: I thank all honourable members for their contributions to this debate because, simply, this Bill is very important for our sugar industry. The creation of Queensland Sugar Ltd and the transfer of the bulk sugar terminals are exciting landmarks in the development of the industry. I am immensely proud of both initiatives.

I want to recognise the contribution of Mr Bruce Vaughan, Chairman of the Queensland Sugar Corporation, to the creation of the

industry owned marketing company. Bruce had the vision and the commercial knowledge to see how industry running its own marketing could benefit the Queensland sugar industry. He worked tirelessly to achieve an outcome that met the needs of all industry groups and which was also commercially sound. Bruce Vaughan's leadership has been crucial to the success of this project.

The staff of the Queensland Sugar Corporation—and, before it, the Queensland Sugar Board—have done a magnificent job in developing our industry. Now, industry itself takes over that function. I believe that industry will rise to meet the challenge. I know that many fine industry identities will be on the board of the new company, and they will bring their intimate knowledge of the industry to the table. Equally, independent directors with commercial expertise will bring a fresh perspective. Between the two, I am sure that our marketing is in safe hands. Of course, the single desk will be maintained, which is crucial for our industry.

In relation to the stamp duty on the transfer of assets, can I say that I will use my best endeavours to secure a refund of stamp duty by the Office of State Revenue. Nonetheless, this matter must go through the appropriate channels, as I indicated in my second-reading speech.

Some provisions of this Bill result from the Government's resolution of the issue of compulsory statutory levies last year. This Bill makes provision for an option for cane protection and productivity boards to chart a new course as non-Government bodies. This may assist them in raising funds now that levies have ceased. This outcome was negotiated with industry last year in Townsville. I had a meeting with a number of representatives of CPPBs and undertook to implement the recommendations of the Townsville meeting.

I want to pause here to pay credit to one of the people who came to that meeting. Ray Quaba, Chairman of the Herbert River Board, had a tremendous commitment to the sugar industry. Sadly, Mr Quaba passed away in mid December. Mr Quaba was committed to sustainable development of the sugar industry and to constant improvement of land management techniques. He was integral in establishing the Herbert Resource Information Centre as a joint project with CSR, canegrowers, the Hinchinbrook Shire Council and DNR. This project actually satellite mapped all the farms in the Herbert River district and gave information needed to plan natural resource use. Mr Quaba epitomised an aspect of the cane industry that some people just do not recognise: that many canegrowers want to protect the environment as well as grow cane. I want to pay tribute to Mr Quaba as a great example of the very best of our sugar industry.

I want to make it clear today that if a CPPB decides to become a non-statutory body, the DPI will continue to have a close relationship with it. Recently at a Community Cabinet meeting I met with a number of members of the Proserpine CPPB, including Ivan Ivanoff, Chairman; Lui Raiteri, Deputy Chair; Gary Considine, member; Neil Judd, productivity officer; and Andrew Tickle, secretary. Mr Ivanoff and his team were concerned to maintain their good relationship with the DPI. I can assure him that, regardless, that will continue.

The Bill also clarifies the situation relating to mill suppliers committees. Recently I was in Ingham to address a meeting of Herbert River growers who expressed some concern about rumours that had been spread about the validity of the mill suppliers committees. I am happy to remove any doubt through this Bill. The amendments to the Primary Industry Bodies Reform Act are designed to ensure that the local trusts of grower assets are held for the benefit of those involved in canegrowing locally. These are the trusts that hold mill suppliers committee and district executive assets.

The trustee is the Canegrowers organisation. I am sure that no-one wants to see a situation where growers who are no longer in cane are also beneficiaries of these trusts. It is also worth remembering that no individual grower has any interest in these trusts, nor any right to the distribution of any surplus. The trust is for the growers collectively. Hence, no individual right is affected by this amendment.

There are amendments relating to notice requirements for individual contracts. I will move further amendments to section 47 of the Sugar Industry Act at the Committee stage. I do need to say at this stage that issues have been raised by the Canegrowers organisation regarding the effect of individual contracts on the bargaining power of the collective. Many of these issues are addressed by amendments in this Bill. I will, however, continue to monitor the effect of individual agreements and will move to address any abuses that may occur.

The prospect of an ethanol boost to the sugar industry was raised in most members' speeches on this Bill. During the last two

decades there have been numerous studies on the production of ethanol from sugarcane by-products. In the main, the required technologies have been developed and are being used. In Queensland, CSR, Bundaberg Sugar and Rocky Point mill all currently produce ethanol from molasses. This ethanol is used for industrial purposes, such as paint thinner, and for human consumption, such as Bundaberg Rum.

Mr Welford: Hear, hear!

Mr PALASZCZUK: What a wonderful show of support for a fine Queensland product! The industry has advised the Department of Primary Industries and other agencies that an economically sustainable fuel market for ethanol is required before mills would invest in the substantial capital required to produce ethanol for that market, that is, it needs to be viable even at high sugar prices. The DPI is part of a whole-of-Government project on the prospect of a larger ethanol industry in Queensland. The Environmental Protection Agency has funded a Johnstone Shire Council scoping exercise to this end. DPI's Chief Scientist, Dr Joe Baker, conducted a literature review and presented recommendations to that project in Innisfail on 24 May 2000 on the factors that should be encompassed in the scoping exercise.

Some members alluded to the Commonwealth Government's announcement of 17 May 2000 that the use of ethanol for petroleum blending would continue to be legislatively exempt from the 44c per litre excise. However, it has been exempt since 1994! The Queensland Government has announced a Cleaner Energy Strategy to ensure that our State realises its full economic potential and meets its environmental obligations. Ultimately, commercial decisions will drive the future development of an ethanol industry. If the market and distribution economics of ethanol production for petroleum blending prove to be encouraging, the milling companies would take advantage of the opportunity presented.

I notice that Mr John Desmarchelier, the General Manager of the Australian Sugar Milling Council, is in the gallery listening to the progress of the debate. I am quite sure he would concur with the sentiments that I have just expressed.

If issues such as the cost-competitive production of natural gas for vehicle fuel can be overcome, there would be a much-needed boost to the sugar industry and regional sugar communities. The Government is currently considering how it could further contribute to the knowledge base in regard to developing an ethanol blended fuel industry and other value-adding opportunities for the sugar industry.

I commend this Bill to the House.

Motion agreed to.

Committee

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

Clauses 1 to 3, as read, agreed to.

Insertion of new clause—

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

"At page 8, after line 17—

insert—

'Amendment of s 41 (Collective agreement—before the start of negotiations)

'3A.(1) Section 41(1)—

insert—

'(e) the day before which notices in relation to individual agreements are required to be given to the mill suppliers' committee for the purposes of section 47(2) and (2A).'.

'(2) Section 41(4)—

omit, insert—

'(4) However, the negotiating team may, without giving public notice, have preliminary discussions to decide the matters mentioned in subsections (1)(d) and (e).'."

The Government moves an amendment to introduce a new clause 3A to the Bill that amends section 41 of the Sugar Industry Act 1999. Section 41 of the Act requires the negotiating team to publish a notice in a newspaper no later than 28 days before starting negotiations for a collective agreement. That notice contains details of matters relating to the start of negotiations for the collective agreement and the range of periods the collective agreement may cover.

This amendment requires that it also contains details of the anticipated day before which notice relating to individual agreements are required to be given to mill suppliers committees. This information is vital to the mill suppliers committees so that they know which growers are to be covered by the collective agreement they are negotiating. It is an essential element of balancing the bargaining power of mills and the growers. The

amendment also enables the negotiating team to have preliminary discussions to reach agreement on that date.

This amendment is also connected to the amendments I will move to section 47 of the Act, which are, again, designed to ensure that mill suppliers committees are aware of what individual agreements have been entered into before they finalise their collective agreement.

Amendment agreed to.

Clause 4—

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

"At page 8, lines 20 to 22—

omit, insert—

'4.(1) Section 47(2)—

omit, insert—

'(2) A grower must give notice, as required under subsections (2A) to (2C), to the mill suppliers' committee before a collective agreement is made for the mill, if the grower—

(a) has entered into an individual agreement with the mill owner for all or part of any period to which the collective agreement will apply; or

(b) has entered into an agreement, arrangement or understanding, written or unwritten, with the mill owner to enter an individual agreement with the mill owner for all or part of any period to which the collective agreement will apply (a "prearrangement").

'(2A) Notice must be given as follows—

(a) for a prearrangement entered into before the committee started negotiating the collective agreement (the "start") if the relevant individual agreement was not entered into before the start—within 14 days after the prearrangement was entered into;

(b) for an individual agreement entered into before the start—within 14 days after the individual agreement was entered into;

(c) for a prearrangement entered into after the start and before the collective agreement is made—the earlier of the following—

(i) the end of 5 days after the prearrangement was entered into;

(ii) the day mentioned in the notice published under section 41(1)(e) for the collective agreement (the "published day");

(d) for an individual agreement entered into after the start and before the collective agreement is made—the earlier of the following—

(i) the end of 5 days after the individual agreement was entered into;

(ii) the published day.

'(2B) Notice must be given in relation to an individual agreement as required under subsection (2A)(b), (c) or (d) even if notice in relation to the agreement has already been given under any paragraph of the subsection.'.'.

Page 9, line 1, '(2A)'—

omit, insert—

'(2C)'.

At page 9, lines 12 to 14—

omit, insert—

'(5) Section 47(7), after 'notice of an individual agreement'—

insert—

', including a prearrangement relating to it'."

The Government has moved an amendment to clause 4 to ensure that at the time the mill suppliers committee is negotiating a collective agreement it is fully informed of all individual agreements that growers have entered into, or which they intend to enter into. This information will allow the collective agreement to be negotiated with full knowledge of just which growers will be covered by it, thereby assisting in providing a balance between the negotiating powers of the mills and the growers. This is an essential element of balancing the negotiating powers of millers and growers.

Mr ROWELL: It is important to acknowledge the fact that we have had quite a substantial change to the legislation in respect of independent agreements and collective agreements. I would like to refer to a section of the sugar industry review report. It reads in part—

"The negotiating representatives for a mill area will need to know who will be covered by a collective cane supplier and processing agreement before negotiations begin. Individuals who wish to opt out and who have individual agreements for all or part of their cane production area will need to advise the canegrower or mill negotiating representatives ..."

Those words are taken from the review and relate to a very important matter. The elements of this legislation were based on the report furnished by the review committee. It went on to say—

> "... as will those canegrowers who do not wish to grow cane for all or part of the duration of the collective agreement on all or some of their cane production area. Once a collective agreement has been finalised, all canegrowers who are covered by that agreement, after taking account of the options provided in the last paragraph, will be obligated to supply cane for the duration of the agreement."

With the best of intentions, the Minister made certain comments in relation to clause 45. Clause 45 referred to people making individual agreements. However, the Minister said this—

> "Subject to this Act, a grower may, under subsection (2), enter into an individual agreement with a mill owner at any time."

These agreements have been put together with the best of intent. It was well known that growers would experience difficulties from time to time. They were provided with a let-out from a collective agreement and were permitted to enter an individual agreement at any time.

I do not want to quote the Minister's remarks selectively, but we are talking about collective agreements and the ability for a grower to have an individual agreement put in place at any time. Hansard shows that the Minister said—

> "However, it is apparent that the Bill is not clear on this point. I believe it is the lack of clarity which has led to the concerns of the honourable members. I am sure that, if it was clear from the Bill that a grower could opt out if their circumstances change, that that would allay their fears. To clarify the policy behind the Bill, I am moving this amendment which makes it clear that an individual agreement can be negotiated by growers, subject to a collective agreement, during the term of that collective agreement. I would also urge millers to look favourably on growers seeking such agreements. It would be in their own interests."

In essence, it sounded fine. I understand the sentiment behind it. The difficulty we face is that when a collective agreement has been put together it entails grouping. The mills to which the cane is delivered are directly involved. A number of farms are involved in the overall collective agreement. Groups are formed within the collective agreement. Cane is delivered to certain points.

If a person wants to opt out of an agreement at any time, the whole process of the delivery of cane could be disrupted. I know there has to be agreement with the mill for that to take place. However, it certainly makes it very difficult for a harvesting group to be able to carry on in a viable manner in ensuring that the crop is moved.

I am not raising this matter simply because I am trying to make a political point; I am doing this because I believe that there are some difficulties associated with this matter. I do not believe that it was the intention of the review committee to have this proposal put into legislation.

Amendments agreed to.

Clause 4, as amended, agreed to.

Insertion of new clause—

Mr ROWELL (3.38 p.m.): I move the following amendment—

"At page 9, after line 14—

insert—

'Amendment of s 50 (Cane required to be accepted by a mill)

'4A. Section 50(2)(d)—

omit.

'Replacement of s 79 (Closure)

'4B.Section 79—

omit, insert—

'Closure

'79.(1) To close a mill, the mill owner must apply to the Commissioner for permission to do so.

'(2) The application must be made—

(a) before 31 December immediately before the start of the final crushing season; or

(b) before a later day allowed by the commissioner at any time.

'(3) When the application is made, the mill owner must immediately give notice of the application to—

(a) each grower whose cane production area relates to the mill (an "affected grower"); and

(b) the owner of each adjacent mill.

'(4) In deciding whether to grant permission, the commissioner must have regard to the impact of closure on affected growers, including any adverse economic effect on the growers because

of the necessity to transport their cane with reasonable efficiency to another mill.

'(5) If the mill owner closes the mill without the commissioner's permission, the owner is liable for any loss suffered by the affected growers because the mill is closed during the first crushing season after the closure.

'(6) The liability of the mill owner under subsection (5) is subject to any agreement between the owner and the affected growers.

'Amendment of s 81 (Abolition of relevant industry bodies)

'4C. Section 81—

insert—

'(3) The closure of the closed mill does not affect the continued operation of the mill suppliers' committee so far as it is necessary to perform functions in relation to representing the interests of growers, including in relation to moving cane supply from the closed mill to another mill.'.'."

There are two elements to this particular amendment. The amendment relates to the crushing of sugarcane of less than 7 c.c.s. and the termination of mills. Clause 50 relates to low c.c.s. cane.

There was a request that this matter be deleted from the Sugar Industry Act. I can appreciate the concerns of the Australian Sugar Milling Council concerning the mills having the right to accept cane of less than 7 c.c.s. There have been difficulties in this area over the past couple of years with regard to weather conditions. Allowing a mill to accept cane under 7 c.c.s. immediately creates a benchmark. The industry has a responsibility to make good quality sugar for our export customers and for our domestic refineries. I believe that is the most important issue facing the industry. We must ensure that the sugar that we make is very saleable and that we can satisfy our customers.

It should be possible to set parameters in regard to quality which do not make it impractical to maintain a commercial grade of sugar which is acceptable to our customers. In the debate on the Sugar Industry Act 1999, the Minister indicated that this measure was included because it was contained in the 1991 legislation. One can look at certain aspects of previous legislation and say, "That is worth keeping." One can look at new legislation and say, "Yes, we will adopt those provisions."

If mills are going to be permitted to crush cane below 7 c.c.s., why not allow the negotiating team to have a clean sheet to start with? The Act sets a benchmark. There will be variations in the quality of cane from district to district. There will also be variations in how mills deal with cane below 7 c.c.s. There will even be variations from variety to variety. There will be seasons when there is a percentage of the crop that fails to attain 7 c.c.s. There will be other years when low sugar levels will be a non-event. There will be districts where low sugar levels do not occur. Who would have thought that the sugarmill on the tableland would have had cane that would not reach 7 c.c.s.? That is exactly what happened earlier this season.

One of the significant factors that the Government has not recognised is the production of ethanol. Low sugar content cane is suited for that process. Why is this Government dragging its feet on the ethanol issue? I know very well that presently the mill at Harwood is looking very closely at developing an ethanol process. Currently it is running a pilot program. It is being sponsored through some of the Federal Government's greenhouse gas emission initiatives. That process entails making ethanol out of bagasse after the sugar is extracted from the cane. I think that it would be very important for the Queensland industry to go down that track. I am a little disappointed that, although we make some ethanol in Queensland, the opportunity to consider this initiative has not really been taken up by the Government.

The other part of the amendment relates to the closure of mills. The coalition has requested the introduction of this provision to set down a process in the unfortunate circumstance of a mill deciding to close, or being forced to close. This amendment is not just a reaction to what occurred with the South Johnstone mill. During the debate on the Sugar Industry Bill, the coalition requested the Government to consider a proposal for mill closures. The Government rejected that proposal. The Minister believed that the contractual arrangements made by a collective agreement, and possibly individual agreements, were sufficient to deal with mill closures.

As I have said before, when questions are raised about this legislation there is a tendency for the Government to put forward changes that were not necessarily recommended by the Sugar Industry Review Working Party, but they suit the Government's agenda. At other times, when it suits it, the Government refers to the 1991 Act. What is being proposed in this amendment is lineball with what is contained in the Sugar Milling Rationalisation Act 1991. For

that reason, I expect that the amendment will be accepted.

Suppose a collective agreement could not be arrived at regarding a reasonable procedure that would be adopted in the event of a mill closure? It is possible that there may be only limited prospects of this occurring. So the growers, in good faith, hope that the crop will be crushed. Then suppose, through financial losses, the mill is closed and there is no agreement that recognises the plight of the growers? Where do they stand?

That has not been the case with the South Johnstone mill, owing to the strong commitment of the mill suppliers committee and the canegrowers to keep it open, as well as a lot of work that was done by a number of people, including people at the mill. Despite adverse financial conditions, there was a determination to keep the mill open. The mill remained open. Certainly, the Federal Government backed the mill very strongly. I hope that we do not see a recurrence of such a situation.

It is quite important that we have some provisions that determine what happens when a mill closes. The program set out in the Sugar Milling Rationalisation Act 1991 did exactly that. The negotiating teams can go through a dispute resolution process. In many cases, that might be a satisfactory situation. However, the South Johnstone people found themselves in a very delicate position very late in the piece in terms of the mill's ability to start. The mill suppliers, the canegrowers and the Federal Government were involved. I have to acknowledge some of the work that was done by the State Government in providing some funding for a program that was considered to be the direction in which the mill should go. However, at the end of the day the Federal Government came up with a guarantee for the amount of money that was necessary for the mill to continue.

I am requesting that, in terms of mill closures, something more definite is put in the legislation. I believe that the proposal that I have put forward in that section of clause 7 covers that situation.

Mr PALASZCZUK: I think that it is very important that the Government answers both points that have been raised by the member for Hinchinbrook. In the first instance, the member moved an amendment to delete proposed section 50(2)(d), which provides that the miller is not required to accept cane of low sucrose content. In the Government's opinion, that is not appropriate. There must be a level set below which a mill owner is able to reject cane simply because it would not be economical for the mill to crush that cane. There must be a level below which commercial negotiations between the parties come into play. For example, if the district average c.c.s. were low, growers and the mill owner could negotiate regarding cane below the 7 c.c.s. Section 50(2)(d) does not say or mean that a mill owner must not accept cane below the 7 c.c.s. The relevant words are that a mill owner is not required to accept this cane. Growers would be well aware that mill owners regularly accept low c.c.s. cane.

It is a matter for negotiation between the growers and the mill owner. As I indicated during the debate on the 1999 Sugar Industry Bill, the 7 c.c.s. level is unchanged from the level set in the 1991 Act. I give the assurance to the honourable member and to growers that it is still possible for collective supply agreements to include provision to negotiate for mills to accept low c.c.s. cane.

On 30 May the member for Hinchinbrook also talked about the 7 c.c.s. units in regard to the future of the ethanol industry and he raised this issue once again this afternoon. As I said in my second-reading speech, currently several mills in Queensland—Plane Creek, Rocky Point and Bundaberg Sugar—make ethanol from molasses. If cane delivered has less than 7 c.c.s. units, it is low in its percentage of sucrose and also low to a similar degree in other carbohydrates. These other carbohydrates are used for ethanol production. Therefore, regardless of end use it may not be profitable to crush the cane.

This provision makes it clear that mills cannot be compelled in negotiations or through arbitration to accept such cane. I am sure that no-one wants to see a situation in which mills are forced to accept cane when it is not economical to do so. It is clear that if there is money in it for the mills they will continue to crush that cane.

In relation to the second point that the honourable member raised about mill closures, it is quite obvious that the Opposition has drawn this proposed amendment from the now repealed Sugar Industry Rationalisation Act 1991.

Mr Rowell interjected.

Mr PALASZCZUK: The member should hear me out. Under section 7 of that Act, a mill owner had to receive the permission of the Queensland Sugar Corporation before closing a mill, and this permission had to be made by 31 December of the year prior to closure. I understand what the member is trying to do. However, it really flies in the face of

commercial reality. The essence of the member's proposal is that a business owner cannot close his or her business without Government permission. Really, the member should pause and think about the implications of that. It ignores commercial reality and creates a rather unwelcome precedent.

This amendment certainly would not assist the growers. In this State if a mill closes the owner of the mill must be aware of his or her obligations under a cane production and supply agreement under the Act. If a mill owner breaches this agreement by failing to crush cane then, as the honourable member would know, ordinary legal remedies are available. If a mill cannot continue for financial reasons, it will close whether or not the Government gives it permission. So the growers would have the same rights against the mill as is currently the case.

I suggest that this amendment does not help the mills. Certainly, such a provision may jeopardise the confidence of mills. The mills may want to get finance, but not if their losses cannot be contained because the Government decrees that the business cannot close. I suggest that an amendment such as this would have actually prejudiced the negotiations at the South Johnstone mill. As I said in my answer to a question asked by the Leader of the Opposition this morning, this is the sort of matter that is best resolved commercially. I understand what the member is talking about, but if the member sits down and thinks about what I have just said he will probably come to the same conclusion as I have.

Mr ROWELL: In spite of a lot of what is said, there is a good relationship between the millers and the growers, and there has to be, because it is a very competitive industry. It is unique because it sells all of its sugar at world market prices. Some is sold into the domestic market, but that sugar is generally priced at world market prices. If this was good enough back in 1991—and it has stood the test of time; there have not been any major hiccups over the past nine years—why do we need to change it now? Agreements can be reached between the mill suppliers on the negotiating team and the mill owners—the people who take in the cane and manufacture the sugar—as to the direction in which they will go. If there is a dispute, it has to go to a dispute resolution team. However, there is no certainty as to the final outcome.

I am not suggesting that we will have problems in the future. In fact, in the area north of the Herbert River district, going into Innisfail, Tully and all of the other mills in the northern region, there needs to be a rationalisation of mills. I believe that during the next season, given the problems we have had with the South Johnstone mill, a degree of rationalisation will take place and that will make the future a lot more certain for the mills up there. It is not in anybody's interests for mills to be in difficulty. A lot of what happened up there came about because the expansions that took place saw mills going into other mill areas to get sufficient sugar to make their operations viable. It is unfortunate that adversity is the catalyst for these things. Were it not for a downturn in the world market price and were it not for some difficult seasons, we would not have been considering rationalisation.

However, there is a need to put in place safeguards for the growers. All I am trying to do is ensure that that happens, and not at the expense of the mills. We simply need to set out some rules about what will happen. We can set benchmarks in respect of sugar levels. However, interestingly, mills can close on the day they decide to finish the crush. This whole area needs to be considered.

Mr MALONE: I speak in support of the shadow Minister's suggestion in relation to the crushing of cane under the 7 c.c.s. level. It is understood that the negotiating teams have a role to play in this regard. With the season coming on, it is probable that a fair bit of cane will go below the 7 c.c.s. level. I believe in the Atherton Tableland area some consignments of cane have not reached the 7 c.c.s. level. I am supportive of the Minister looking again at that 7 c.c.s. level. The negotiating team will determine the price, and that will be by an agreement with the mill and the growers. Unfortunately, these things happen fairly quickly. A grower can be harvesting at quite a high c.c.s. level one day and suddenly hit rat infested cane or cane that has been damaged by frost or wet weather, which can force the level from 10 c.c.s or 12 c.c.s. to below 5 c.c.s. quite quickly.

The unfortunate part of having an agreement that precludes payment for cane under 7 c.c.s. is that farmers can be severely disadvantaged. By that time up to 200 or 300 tonnes of cane could be in bins ready to go through the mill. Obviously, the costs of harvesting that cane have to be paid. It is not a matter of making a subjective judgment before the cane goes in. It is fairly difficult to test cane to get an indicative level of c.c.s even as it goes over the rollers.

It seems to me that we need something in the legislation to indicate that the cane can be accepted. The negotiating teams will have the real say in relation to price. But without there being anything in the legislation, it is far too easy for the mill owner to say, "Bad luck, fella. It's under 7 c.c.s.—no payment. You cop the cost of the harvesting." Most mill owners are very accepting. However, at the height of the season when things are really pushed, 200 tonnes to 300 tonnes of cane could be sitting on the track when it is found to have a low c.c.s. level, leading to substantial losses for farmers. I believe the negotiating team has a role. However, the acceptance of cane under 7 c.c.s. should be included in the legislation.

Amendment negatived.

Insertion of new clause—

Mr PALASZCZUK (3.55 p.m.): I move the following amendment—

"At page 9, after line 14—

insert—

'Insertion of new ch 2, pt 5, div 1A

'4A. After section 75—

insert—

'Division 1A—Merging of mills

'Declaration of day a merged mill is recognised

'75A.(1) This section applies if works that are more than 1 existing mill become a single mill (the "merged mill") under an arrangement between—

(a) 1 or more owners of more than 1 existing mill (the "existing mills"); and

(b) the mill suppliers' committees established for the existing mills.

'(2) The merged mill is established as a single mill for the purposes of this Act from the day the gazette notice mentioned in subsection (4) is published.

'(3) For the purposes of the gazette notice, the parties to the arrangement mentioned in subsection (1) must give notice of the arrangement to the Minister.

'(4) After receiving the notice, the Minister must publish a gazette notice declaring the merged mill to be a mill for the purposes of this Act.

'Effect of merger on cane production areas

'75B. From the establishment of existing mills as a merged mill, cane production areas that immediately before the establishment related to the existing mills become related to the merged mill.'.

'Insertion of new s 80A

'4B. After section 80—

insert—

'Continuation of mill suppliers' committee for particular purpose

'80A.(1) On the closure of the closed mill, the mill suppliers' committee continues to exist as provided for under subsections (2) to (4).

'(2) Persons entitled to establish the committee from time to time are the persons (the "previous growers") who held cane production areas—

(a) that related to the closed mill before it closed; and

(b) that included land from which cane is currently not being supplied to another mill under a cane production area relating to the other mill.

'(3) For subsection (2), it is sufficient if the committee is established from time to time in a way the committee considers practicable to meet the requirements of the subsection.

'(4) The function of the committee is to help the previous growers in their negotiations to obtain the grant of cane production areas relating to another mill for all or part of the land that was included in their cane production areas relating to the closed mill.

'(5) The function under subsection (4) includes helping the previous growers to negotiate arrangements for the transport of cane.

'(6) In this section—

"another mill" means—

(a) a mill other than the closed mill; or

(b) the closed mill subsequently reopened under a new owner.'.'."

The Government moves an amendment to clause 4 to provide for mill mergers. This amendment and the others I will move relating to this matter will allow further production and processing efficiencies to be achieved at a regional level. The new Sugar Industry Act I introduced into Parliament last year included a streamlined process for the amalgamation of cane production boards. However, it left in place a requirement to maintain a cane production register which recorded each cane production area against each separate mill and additional requirements to transfer farms across mill areas in spite of the amalgamation of those cane production boards.

The proposed amendment will allow for the amalgamation of mills so that amalgamated mill areas can truly function as a single operating unit and will deliver the most efficient and profitable outcomes for both growers and millers involved. Under this proposal, the cane production areas will relate to the amalgamated areas rather than each mill area, thereby streamlining operations. I might add that the amalgamation of mills may take place only where there is unanimous agreement of the mills and the mill suppliers committees for those mills.

The Government moves an amendment to the Bill to insert a new clause 4A, which amends section 81 of the Sugar Industry Act 1999. I am moving this amendment at the request of Canegrowers Ltd. Doesn't that sound nice—Canegrowers Ltd? The amendment provides for the continuation of the mill suppliers committee of a closed mill for a period to assist growers to seek grants of CPA at another mill. Under section 81 of the Act, at the time of a closure of a mill the cane production board negotiating team established for the closed mill ceases to exist. In addition, on closure of the mill the CPA attached to the closed mill would also cease to exist, leaving growers with the task of seeking the grant of a new CPA with another mill. It is highly desirable that a body be in place to assist these growers in attempting to negotiate the grant of a CPA with another mill. The appropriate body for this purpose is the mill suppliers committee for the closed mill.

Section 81 of the Act in general is silent on the fate of the mill suppliers committee of a closed mill. To overcome this problem, this amendment will continue the existence of the former mill suppliers committee. The function of the committee will be to assist former growers of the closed mill in their application for a grant of CPA to another mill, including any negotiations regarding the transport of cane. I urge all honourable members to support this amendment.

Mr ROWELL: This is very similar to my proposed new section 81. I do not think there is a great deal of difference. I think the Minister has covered it in more detail. I think it is important to recognise that there are difficulties. When cane has to be transferred from one mill area to another, it is important that the mill suppliers teams are in place to make sure that there is minimal disruption.

I do not want to keep going back to the South Johnstone example. However, that situation could have been very delicate. At the last minute, it was thought that other mills may have had to take that cane and crush it. Of course, that situation was averted. But that would have interrupted their delivery process. The mill suppliers in the area that was to take the cane would have been particularly upset. There is always a rush to get through the crushing operation as quickly as possible.

As I said in the speech that I made during debate on the previous sugar Bill, which is now the Act, growers would ideally like to see cane crushed within about 14 weeks. However, because of the cost of investment in relation to mills and that type of thing, it is not practical or realistic to do it within that particular time. That is probably the optimum time as far as sugar content is concerned. So there has been an agreement between the growers and the millers to have the cane crushed within a reasonable time, and that is probably considered around 22 weeks.

We have gone to continuous crushing. To make sure that the mills get the full economy from the equipment they have, we are now seeing that there is no spare time; they are continuously crushing, seven days a week, for the duration of the season. So if another mill supply area has to be included in a particular area there is no capacity within the mills themselves to take additional cane due to delays caused by wet weather. Sometimes we see rain falling for weeks on end. That certainly disrupts the capacity of the mill to get cane off in the allocated time.

If another supply group comes in, which could extend the crushing capacity of that mill by 25% or something like that, there is no capacity within that mill other than to extend the season. They may start a little earlier, and we saw what happened when a mill up on the tablelands started early; they did not have enough sugar. I think it did stop at one stage, but that is beside the point. The point is that their sugar levels were particularly low in an area that is well renowned for having a high sugar content.

The clause we have here I think is quite good. I think it is adequate. I had a quick look at what the Minister has put forward. It is only a recent development; I do not think it was in the original amendments that the Minister proposed to the Bill. However, I believe that it does aptly cover the concern that I had that was displayed in my amendment to section 81. I believe that the Minister has covered it reasonably well. I can only hope that, when certain mill areas have to move into other mill areas, there is some agreement between the mill suppliers committees of each area and

that they have some future say in how the cane is crushed in those areas.

Mr PALASZCZUK: I would like to thank the honourable member for Hinchinbrook for his cooperation and for the manner in which he has accepted the Government's amendment.

Amendment agreed to.

Clauses 5 to 8, as read, agreed to.

Clause 9—

Mr ROWELL (4.03 p.m.): I move the following amendment—

"At page 15, lines 14 to 25, page 16, lines 1 to 27, page 17, lines 1 to 31, page 18, lines 1 to 27—

omit, insert—

'128J. The authority consists of the commissioner.'."

When I looked at the composition of the Queensland Sugar Corporation and the Sugar Authority, I saw many similarities. I could not help but wonder why we could not amalgamate these two bodies for the sake of costs and workload. I believe that it is possible to have such a body. I have used the word "commissioner" in my amendment because that is the terminology that the Minister has used. Under this Bill the commissioner will be carrying out certain duties, such as looking after the register for assignments. Then we have the authority, which is the watchdog for Queensland Sugar Ltd, to make sure that things do not go wrong there.

Queensland Sugar Ltd will be the authority that will market the sugar. We are moving away from the situation we had previously, which was of a separate agency disposing of the sugar from the crop. Under this Bill, Queensland Sugar Ltd will do that. I can understand why this has been done, because the Queensland Sugar Authority will be a safeguard, a watchdog; it will be there to make sure that things do not get out of kilter. We are talking about billions of dollars at times; we are talking about forward selling; and we are talking about a range of things that QSL will be doing in relation to the disposal of the sugar that comes from the crop. We have to make sure that, in the event that things do not go in the manner they should, somebody is there watching over it.

I believe that there are similarities between both those entities in terms of remuneration, staffing and all those sorts of things. I truly believe that there is a capacity to amalgamate those two particular entities—the commissioner and the Sugar Authority—to minimise the number of people involved. It is difficult to know until we actually get to that point, but I do not see that the Sugar Authority will be doing an enormous amount of work. I think it will be a process of watching how things go and, if something gets to the point where it needs attention—for example, if it wants to turn into a whistleblower type of organisation—we can look at that. As I said, we see all sorts of things in terms of requirements and so on.

Mr Palaszczuk: Can I explain that to you in a moment?

Mr ROWELL: Yes, that is fine. It is just that I see so many similarities. Because one is providing a marginally different function to the other, it probably would not be difficult to combine the two entities into one group under the commissioner.

Mr PALASZCZUK: I would like to explain this to the honourable member. I can understand the reasons the honourable member moved this amendment. I understand that, quite obviously, it is to save costs. For the information of the Committee, I would like to give an example of how this system will work. In the normal course of events the only member appointed to the Sugar Authority will be the sugar industry commissioner. The Bill is quite clear in allowing for the commissioner alone to be the authority.

This is the important bit. The only circumstance in which other members would be appointed to the authority would be if the single desk marketing function of QSL were to be passed to the authority. If this occurred, it would be irresponsible to leave this complex, multimillion-dollar business in the hands of just the commissioner. The commissioner would not have the necessary qualifications or degree of experience to carry out that function alone. At that time, people with the necessary skills would be appointed to the authority. That is basically the intent of that clause.

Mr ROWELL: I realise what the Minister is saying. Why could the commissioner not decide to appoint those people anyway if there was a necessity to do so, because the commissioner—whoever it is—is going to be the chairperson of that particular body that I am speaking of? That person will be the commissioner in his or her own right and also the chairperson of the Sugar Authority. So under the Bill as it stands now, they will have that dual role. I am saying that they could assume a role at the head of the one overarching type of organisation. But then if there was a need for them to perform a watchdog-type function, they can have certain personnel performing those duties. Then in the

event that something does go wrong with Queensland Sugar Ltd in relation to the sales, for example some inconsistencies, people who have the expertise could be called in and they could then administer Queensland Sugar Ltd.

Mr Palaszczuk: And those people with the expertise who would be called in would be called in by the Government, not by the commission.

Mr ROWELL: That may well be the case. It is a watchdog situation in the initial stage. If the Minister wants to word it that way, I do not have any objection. It is a cost-saving measure I am looking at, but I do not see why we need to have the duplication of the two bodies. In essence, one person is performing the same function.

Amendment negatived.

Clause 9, as read, agreed to.

Clause 10, as read, agreed to.

Insertion of new clause—

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

"At page 22, after line 11—

insert—

'Amendment of s 160 (Amalgamation)

'10A.(1) Section 160(1), 'if a single negotiating team is established for the mills'—

omit, insert—

'if—

(a) a single negotiating team is established for the mills; or

(b) the mills merge into a single mill (the "merged mill")'.

'(2) Section 160(2)(b), after 'were established'—

insert—

', or the merged mill'.

'Amendment of s 161 (Other effects of amalgamation)

'10B.(1) Section 161(8), after 'is established'—

insert—

'or the merged mill'.

'(2) Section 161(9), 'mentioned in section 160(1)'—

omit, insert—

'established for the mill or mills for which the new board is established'

'(3) Section 161(9)(a), after 'for the mills'—

insert—

'or for the merged mill'

'(4) Section 161(9)(b), after 'for the mills'—

insert—

'or for the merged mill'.'."

Amendment agreed to.

Clause 11, as read, agreed to.

Clause 12—

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

"At page 28, after line 7—

insert—

'Transfer exempt from stamp duty

'183KA. An instrument or transaction giving effect to the transfer of the board's assets to the replacement corporation is exempt from stamp duty under the Stamp Act 1894.'."

This amendment, which deals with stamp duty, is quite important. An enormous amount of money is being moved around with the rearrangement within the sugar industry at the present. A number of my amendments—this and my next three amendments—deal with the transfer of stamp duty. While the industry pays, the Government is giving some consideration to an ex gratia payment. That has to occur, although I would much rather see a straight out exemption.

I know this issue was raised when the Bill—now the Act—was originally before the Parliament, but now we are seeing bulk sugar terminals. We are also seeing Sugar Terminals Ltd and one area of the QSL corporation being transferred into Queensland Sugar Ltd. The restructure of a lot of bodies within the sugar industry has involved the movement of a lot of money. Because of this, the industry should get some guarantee—and I am very adamant about this—of an exemption from stamp duty. If the industry does not get those ex gratia payments, the industry will be outlaying an enormous amount of money. The Government talks a lot about stamp duty. The situation has now arisen where stamp duty is being charged on the GST component. I know that for a fact. I can personally vouch for it. I know that a GST component had to be paid and stamp duty was to be paid on that GST component.

One reason we are debating this Bill at this time with some urgency is the time of the year. Had this Bill not passed before the end of this month, the industry would have had to have paid at least $30m or more in up-front GST components. Yes, the industry would have received some credit inputs, but they

have to pay the money and then get it back. That is why I am pleased that we are debating this Bill. At the present time, the industry cannot afford to outlay $30m plus, the 10% GST component on the value of the asset. Of all the components, those ex gratia payments are required from the Government. It is stretching the friendship to a large degree to hope that the Government will pay the industry back for that stamp duty component.

Mr MALONE: I want to support the shadow Minister in respect of this matter. The industry has gone through a very substantial change over this period. There has been a fairly substantial transfer of assets. Because of that, the stamp duty will amount to quite a sum of money. It is certainly not in the best interests of the industry to pay out considerable amounts of money at this stage. I urge the Minister to consider including this amendment into the legislation so the industry does not have to pay stamp duty on the transfer of assets.

Mr PALASZCZUK: We certainly canvassed this issue quite widely during the progress of the Sugar Industry Bill 1999. I explained to members opposite the Government's position. I will reiterate that position one more time. This Bill does not specifically provide for an exemption from stamp duty with regard to the transfer of assets and liabilities. It is longstanding Government policy not to provide legislative stamp duty exemptions for corporate restructuring exercises. Rather, the policy is that, where there is a transaction that is subject to duty under the Stamp Act, then duty will be assessed in the normal manner but the Government will consider the provision of what is termed ex gratia relief.

This has happened before with a number of primary industries restructuring exercises such as the asset transfers involved with the formation of Grainco and the Australian Quality Egg Farms, now Sunny Queen Ltd, in the early 1990s, the amalgamation of the various dairy cooperatives in the late 1980s and the early 1990s and the restructuring of the Tobacco Marketing Board into a cooperative in 1996. The same process is to apply with the present restructuring arrangements required by this Bill, as the Government has already approved the concept of ex gratia relief for transactions undertaken for the purposes of this legislation. The replacement bodies will have to make formal application to Treasury for the ex gratia repayment, but one might anticipate that they will not be wasting much time in doing so.

Mr ROWELL: I hear very clearly what the Minister is saying. The point is this: there is not just one or two entities; there are a whole range of them. Because of that, this is a fair and reasonable request. There are four organisations in relation to this. As I recall when we debated the Sugar Industry Bill in 1999, there was only one organisation involved in an ex gratia payment. In this case, a lot of money is going to be spent on stamp duty. At this time the industry does not have the capacity to spend that money and wait for some time for that money to come back. The industry has been waiting for a package to be put together, which is very important. There has been some discussion on what may happen with that in the future. It has to happen quickly, but now there is the additional burden of having to spend that money and then wait for some time for it to come back. There is no guarantee as to when it will come back. Therefore, the ex gratia payment is of some concern to the industry.

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

AYES, 32—Beanland, Black, Borbidge, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Turner, Veivers, Watson, Wellington. Tellers: Hegarty, Stephan

NOES, 38—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, Edmond, Elder, Foley, Fouras, Hamill, Hayward, Hollis, Lavarch, Mackenroth, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reeves, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells. Tellers: Sullivan, Purcell

Resolved in the **negative**.

Clause 12, as read, agreed to.

Clauses 13 and 14, as read, agreed to.

Clause 15—

Mr ROWELL (4.26 p.m.): I move the following amendment—

"At page 34, after line 29—

insert—

'Transfer exempt from stamp duty

'228HA. An instrument or transaction giving effect to the transfer of the transferable BST assets to the corporation is exempt from stamp duty under the Stamp Act 1894.'."

This amendment bears similarities to the previous amendment moved. I do not think there is any point in my going over the same

ground. We will not be dividing over this amendment because it does bear similarities to the amendment moved relating to stamp duty and the ex gratia payment. I believe there should be an exemption given.

Mr MALONE: I have raised the issue of transfer of shares in a letter to the Minister. I believe that a number of my constituents have raised the matter with the member for Mackay as well. I refer to the date on which the shares become available. As I understand it, the cut-off date originally set for the implementation of the share transfer was in December 1997.

At a later stage that date was changed to 28 April 1998. Unfortunately, a number of farmers transacted just after that time, which made those farmers ineligible for a share transfer or the acceptance of shares. Those farmers feel disadvantaged by the fact that the dates were changed. As I recollect, it was about September 1998 before it was common knowledge amongst the industry that the cut-off date was 28 April.

I have raised this matter with the Minister previously, so I do not know that it is necessary for me to go into detail. I certainly would like to get the Minister's understanding of the matter as at this stage there is a considerable amount of money tied up in the transfer of shares. As I said, the farmers who were placed in that position feel that they have been discriminated against fairly severely by the change in date. I know that changing any date will affect others. I ask the Minister to respond to the issue I have raised.

Mr PALASZCZUK: The honourable member has raised this issue with me previously. He has shown some concern for some growers in his own electorate. I took those concerns on board. I sought advice. I think the honourable member answered himself in his presentation here this afternoon. That is, if one is ineligible by that date then one is ineligible. That is the reality. I am sorry: that is the position that the Government is taking.

Amendment negatived.

Mr ROWELL: I move the following amendment—

"At page 37, after line 24—

insert—

'Transfer exempt from stamp duty

'2280A. An instrument or transaction giving effect to the transfer of the BST assets to STL is exempt from stamp duty under the Stamp Act 1894.'."

This amendment is very similar to the two previous Opposition amendments moved.

Amendment negatived.

Mr ROWELL: I move the following amendment—

"At page 47, after line 5—

insert—

'Transfer exempt from stamp duty

'229FA. An instrument or transaction giving effect to the transfer of the corporation's marketing assets to QSL is exempt from stamp duty under the Stamp Act 1894.'."

This amendment is very similar to the previous three Opposition amendments moved. It also relates to ex gratia payments and reflects the fact that we believe there should be an exemption from stamp duty.

Amendment negatived.

Mr PALASZCZUK: I move the following amendments—

"At page 48, lines 4 to 6—

omit, insert—

'229I.(1) Each person who, immediately before the commencement of this section, was a member of the board of directors of the corporation goes out of office on the commencement.'.

At page 48, lines 9 and 10—

omit, insert—

'229J.(1) A person employed by the corporation immediately before the commencement of this section becomes an employee of QSL on the commencement.'.

At page 48, line 22, 'QSL day'—

omit, insert—

'the commencement of this section'.

At page 48, line 24, 'QSL day'—

omit, insert—

'the commencement of this section'."

I believe these amendments are self-explanatory. They are amendments to clauses 229I and 229J of the Bill and relate to the timing of the termination of the QSC board and the transfer of staff to QSL.

Amendments agreed to.

Clause 15, as amended, agreed to.

Clause 16—

Mr PALASZCZUK (4.31 p.m.): I move the following amendment—

"At page 52, line 27, 'be, and to always have been'—

omit, insert—

'include, and to always have included'."

Clause 16 rectifies the absence of a transitional provision relating to the definition of "mill suppliers committee" in the Sugar Industry Act 1999. The definition in the Act refers to a committee elected by a majority of growers whose cane production areas relate to a mill. That definition differed from that in the Sugar Industry Act 1991, which referred to mill suppliers committees established under the Primary Producers Organisation and Marketing Act 1926. There was not time between the commencement of the 1999 Act and the commencement of negotiations for the next crushing season for a new election for mill suppliers committees to take place. Accordingly, the mill suppliers committees previously elected under the PPOM Act have continued to operate.

Mr ROWELL: I ask the Minister: what financial mechanism will pay the mill suppliers committee in the future now that the Canegrowers organisation is no longer a statutory organisation? Who will carry out the cost of representing all canegrowers in the five-year term? That is the period that we are talking about. A levy is currently being taken from growers who are mill suppliers. What will occur in the future if a grower is not a member of Canegrowers when collective agreements are to be determined? Will a mill suppliers committee be forced to represent a non-contributing grower when negotiating a collective mill supply agreement? No provision for funding is contained in the Bill. What mechanism can we put in place to ensure that mill suppliers committees are funded in the future?

Mr PALASZCZUK: The short answer to the honourable member's question is that that issue will be addressed in negotiations in a collective agreement, and this amendment will allow for the contingency that growers in any mill area actually establish a new mill suppliers committee before this Bill commences.

Mr ROWELL: I do not believe the questions I raised have been answered. In the past there was a levy system that enabled Canegrowers in particular to represent all growers. If we have a collective——

Mr Palaszczuk: The mill suppliers committees represent all growers now.

Mr ROWELL: No, they do not. Who contributes? There is no levy system in place. In the past it was Canegrowers. I just want to finish my comments, because I believe this issue is quite important. I do not believe the Minister understands fully what I am getting at.

In the past mill suppliers committees were represented by the Canegrowers organisation, a statutory body which actually had a fee—a levy—collected. It was a statutory requirement that that be done. Now, after three years, we have a voluntary situation in which mill suppliers committees are responsible for negotiating a cane production agreement. Then, of course, there is the negotiating team and so on. But the fact is that there is no requirement, after five years at least—and maybe three years if the mill suppliers do not vote to extend the period of three years to five years—to ensure that the mill suppliers committees, whoever they might be, collect any type of contribution. It will no longer be a levy because that has been ruled out. We cannot collect levies. There is no mechanism for contribution. We could have a non-contributing member in a collective agreement on behalf of whom the mill suppliers committees have to negotiate.

In other words, now that we have ruled out the statutory requirement for contribution, there is a capacity under the legislation for a freeloader, for want of a better term—a non-contributing member—to have the work done for him in terms of negotiating agreements. This is one of the problems created by the abolition of the statutory authority. Previously everybody had to pay a levy. After three years, it will be a voluntary situation. Those who decide that they do not want to support Canegrowers—or whatever organisation represents the growers; there could be another body involved—will still be part of the negotiation of an agreement. There will be no mechanism for cost recovery. The representative body cannot say to such growers, "You are deriving a benefit so we are not going to represent you." Such growers will be included in the collective agreement. They could stand outside Canegrowers or some other organisation that is negotiating an agreement and not have to pay a damned thing for it.

Amendment agreed to.

Clause 16, as amended, agreed to.

Clause 17—

Mr PALASZCZUK (4.37 p.m.): I move the following amendments—

"At page 55, after line 6—

insert—

' "industrial association" means an industrial association as defined in the

Industrial Relations Act 1999, section 102.'.

At page 55, after line 16—

insert—

'(aa)if—

(i) more than 1 mill has merged into a single mill; and

(ii) after the merger, the mill suppliers' committees established for the merging mills before the merger (the "previous committees") continue to operate;

the committee consisting of the previous committees acting jointly; or'.

At page 55, line 20, 'established for'—

omit, insert—

'or (aa) established for, or relating to,'."

Amendment 12 is moved in response to a comment by the Scrutiny of Legislation Committee. Amendment 13 moves an amendment to clause 17 of the Bill. This amendment is related to the amendment I moved to clause 4 regarding the merger of the mills. Amendment 14 relates to the amendment I have already moved to this clause to allow a merged mill to have multiple mill suppliers committees. It merely establishes that, ordinarily, a single mill suppliers committee is established for a mill. However, in the case of a merged mill with multiple mill suppliers committees, those committees relate to a mill.

Mr MALONE: The Minister has been talking about mill suppliers committees being merged. I want to return to the issue about which the shadow Minister spoke a while ago. The mill suppliers committees are supposedly representing the growers who are paying a levy. The shadow Minister was making some fairly clear points in respect of that matter. There is an anomaly in the industry right now where those who are paying a levy to the negotiating teams are subsidising those members who are not paying the levy. The Minister needs to inform us as to his attitude on that matter. It is not fair. It is discriminatory. It is not in the best interests of the industry to have legislation which allows people to opt out of something, but nevertheless allows them to be still represented by others in the industry who are paying the levy. I know it is difficult, but the Minister's legislation created this mess and he should try to fix it.

Mr MULHERIN: I would like to comment on the remarks made by the member for Mirani. The situation is probably no different from that of employees who are members of an industrial organisation. The union bargains with the employer on behalf of the employees with regard to wages and conditions. There are workers who are covered by awards or enterprise agreements who opt out of membership of that particular industrial organisation. I do not like seeing people ducking the shout, but we have Commonwealth legislation which impacts on that under the freedom of association principles. If these people wanted to opt out of paying—

Mr Hayward: It is like being dudded on a shout.

Mr MULHERIN: As the member for Kallangur said, it is like being dudded on a shout. They will take the benefits but they do not want to kick in.

Mr MALONE: There is quite a difference between the two situations. These are commercial matters which involve considerable amounts of money. It is obvious that there are some people in the work force who ride on the backs of others. Those people have an opportunity to approach their employers and negotiate an agreement. Unfortunately, in the instance of the sugar industry that is not part of the deal. The legislation clearly identifies that the mill suppliers committee forms the negotiating team. There will be people who will be advantaged by the negotiations. This situation is completely different from the analogy referred to by the member for Mackay.

Mr MULHERIN: In both situations the people who are negotiating are negotiating for financial outcomes. I do not see any difference.

Mr ROWELL: There is a capacity for a person who does not want to be involved in a collective agreement to enter into an individual agreement. That is the major difference. If they decide not to go ahead with an individual agreement, they can be part of the collective agreement and still not pay anything. The work of negotiation can be done on their behalf in relation to terms and conditions, sugar levels, time of crushing and all sorts of commercial arrangements. If they decide that they want to do it on an individual basis, they are at liberty to do that. However, they can also freeload on people who paid for the use of a negotiating committee.

I did not hear any response from the Minister on this particular issue. It is an important issue. I believe we will see dislocation in the industry. Certain things have

to happen at certain times. There has to be consistency with regard to the supply and delivery of cane to mills. If everyone does just what he wants to do, we will end up with a very fragmented effort. The mills will be very concerned about that situation. Some of the competitive advantages enjoyed by Australia's sugar industry would be lost if we had everyone going out and doing their own thing.

It is possible to have individual agreements in the workplace. It is possible to have Queensland workplace agreements and Federal workplace agreements. The worker has to pay for that himself. Workers can group together in a body and negotiate an agreement. The beneficiary pays in order to put the agreements together.

The situation in the sugar industry is quite different. The body that undertakes the negotiations is the body that represents the growers. We have gone through the Primary Industries Bodies Reform Bill and knocked out the statutory requirements. I might point out at this stage that the Minister did not inform the coalition why it was necessary to introduce the reform Bill. He told us that there were certain things that were commercial in confidence. I realise that the Opposition is not able to access the information that was provided to the Government.

We are up in the air. We do not know the rationale behind the introduction of that Bill. The Minister would not allow the coalition to be involved in that matter. He would not tell us what it was all about. He simply said that it exists. We have to take the Minister's word for that.

Mr Palaszczuk: I spoke to Russell about it.

Mr ROWELL: The Minister might have spoken to the member for Crows Nest about it, but the point that I am making—

Mr Palaszczuk: The Opposition was briefed fully.

Mr ROWELL: On the actual reasons?

Mr Palaszczuk: Yes.

Mr ROWELL: Will you table the reasons? I did not see them.

Mr Palaszczuk: No.

Mr ROWELL: You are not going to table the legal information that was given?

Mr Palaszczuk: You, as a former Minister, should know better than that.

Mr ROWELL: I had a situation with a mill at Mulgrave where there was some difficulty, but that was an error on the part of the previous Minister. Basically, the legislation was not brought in on time. It had nothing to do with the type of thing we are talking about here.

Mr Palaszczuk: That legal advice on reform was available to you when you were Minister as well.

Mr ROWELL: The legal advice?

Mr Palaszczuk: That was available to you as Minister.

Mr ROWELL: Table it and let us have a look at it. Why can I not see it now? We have a situation that is causing some controversy in the industry. Why is it that we cannot have that legal advice?

Mr Palaszczuk: The industry accepted the advice.

Mr ROWELL: If the Minister is not prepared to table the legal advice we might have no option but to divide on this clause. I am not trying to make a point; I simply say that there has to be a sound reason why the Minister went ahead with it.

Mr Palaszczuk: As a former Minister you should know why not.

Mr ROWELL: Why will the Minister not let us see it? The other day the Minister tabled an opinion in relation to the dairy industry. I am asking the Minister to table the legal advice.

A Government member interjected.

Mr ROWELL: The member opposite can do what he likes.

The TEMPORARY CHAIRMAN (Mr Reeves)**:** Order! Resume your seat.

Mr SEENEY: I am amazed at what is going on here. I know that in Queensland we have the most incompetent Primary Industries Minister in Queensland's history. We have the most incompetent Minister who has ever held the portfolio. We cannot come into this Chamber—

The TEMPORARY CHAIRMAN: Order! The member for Callide will speak through the Chair.

Mr Musgrove interjected.

The TEMPORARY CHAIRMAN: The member for Springwood will cease interjecting.

Mr SEENEY: Mr Chairman—

The TEMPORARY CHAIRMAN: Order! You will speak through the Chair. You have been warned constantly today and the warnings remain in place all day. You are on your final warning.

Mr SEENEY: As I said, I am amazed at what is happening this afternoon. We have seen just how incompetent the Minister for

Primary Industries is. He would have to be the most incompetent person in Queensland's history to ever hold the position of Minister for Primary Industries. A number of times during the Committee stage of this Bill all the Opposition has required is a simple explanation of what is being proposed. The Minister is totally unable to provide that explanation. We have seen an informal discussion backwards and forwards across the Chamber, which would be intolerable in any other Parliament in Australia. It would be intolerable from any other Minister other than the incompetent—

The TEMPORARY CHAIRMAN: Order! I ask the member from Callide what clause is he speaking to and the relevance to this amendment of what he is saying.

Mr SEENEY: I am supporting the shadow Minister in a request for a simple explanation to the clause that this Chamber is considering.

The TEMPORARY CHAIRMAN: Order!

Mr SEENEY: We are seeking a simple—

The TEMPORARY CHAIRMAN: Order! Unless the member can tell me to which clause and amendment he is speaking, he will have to resume his seat.

Mr SEENEY: Clause 17 is being considered by this Chamber, as the Minister would well know. The Opposition has, quite reasonably and at length, sought an explanation. Unless we can get that explanation, as the shadow Minister has indicated, we will call for a division on this clause. I suggest to the Chamber that any self-respecting Minister for Primary Industries should be able to provide the explanations that have been sought. I do not think that that is an unreasonable suggestion to make.

Mr Chairman, in making that suggestion, I am expressing my amazement at the way in which you have allowed this debate to degenerate into some sort of informal chat between the Minister and this side of the Chamber and the Minister and his advisers. In the consideration of a clause such as this, it is not unreasonable that explanations be sought and it is not unreasonable that explanations be given. Mr Chairman, I suggest that it is evident from the Minister's response to those requests and it is evident from the Minister's reluctance to explain that he simply does not have a clue. It is quite appropriate that that be pointed out to the Chamber and it is quite appropriate that that be pointed out to the people of Queensland. He is the Minister for Primary Industries. He holds a portfolio area—

Mr SULLIVAN: I rise to a point of order. My understanding is that, during the Committee stage, members have to discuss the content of the clause, not the general surrounding context. That is for the second-reading debate. We are getting a criticism of the Chair about how this debate is proceeding. If it is a point of order that has to be ruled upon, fair enough, but this is not relevant because it does not follow the rules of debate which say that members have to discuss the content of the clause.

The TEMPORARY CHAIRMAN: I will confer with the Clerk. The member from Callide has to refer to the clause, not debate the clause. In this regard, he has to relate his comments to the amendments that the Minister has put forward.

Mr SEENEY: I think that I have made the point that I wanted to make, and I accept the ruling. I assure the Chamber that at every opportunity I will continue to make that point, which is so clearly illustrated by the incompetent responses by the Minister for Primary Industries.

Mr WELLINGTON: I move—

"That the question be put."

Question put; and the Committee divided—

AYES, 39—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, Edmond, Elder, Foley, Fouras, Hamill, Hayward, Hollis, Kaiser, Lavarch, Mackenroth, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pearce, Pitt, Reynolds, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wellington, Wells. Tellers: Sullivan, Purcell

NOES, 31—Beanland, Black, Borbidge, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Turner, Veivers, Watson. Tellers: Stephan, Hegarty

Resolved in the **affirmative**.

Amendment agreed to.

Clause 17, as amended, agreed to.

Schedules 1 and 2, as read, agreed to.

Schedule 3—

Mr PALASZCZUK (5.01 p.m.): I move the following amendment—

"At page 64, lines 11 to 17—

omit, insert—

'3. Section 45(1)(a), after 'liability'—

insert—

', including, for example, to an agent or employee of the body'.

'4. After section 51—

insert—

'Reimbursement of employment liabilities from trust property

'51A.(1) This section applies if—

(a) under section 51, a person becomes an employee of the replacement corporation; and

(b) the former employer mentioned in section 51 was a secondary body of the Queensland Cane Growers' Organisation.

'(2) The person is taken to be, and to have been, employed by the replacement corporation as trustee in relation to the trust created under section 44 for the secondary body's assets until—

(a) the replacement corporation decides otherwise; or

(b) the employment is terminated; or

(c) the replacement corporation ceases to be the trustee of the trust; or

(d) the trust is terminated.

'(3) The Trusts Act 1973, section 72,[1] applies to the property subject to the trust from time to time for any liability of the replacement corporation in relation to the employment.'.'.

[1] Trusts Act 1973, section 72 (Reimbursement of trustee out of trust property)"

This is a technical amendment to section 45 of the Primary Industries Bodies Reform Act 1999. Under that Act, principal organisations under the PPO&M Act 1926 and the Fruit Marketing Organisation Act 1923 transfer to a non-statutory replacement corporation. Section 45 allows for the reimbursement of replacement corporations as trustees for liabilities transferred to them from the secondary bodies. The amendment will clarify that the section extends to pretransfer employment liabilities.

As to the amendment to Schedule 3—that item in the Bill was included at the request of Canegrowers to rectify what it saw as an anomaly in the Primary Industries Bodies Reform Act 1999. Under that Act, assets of secondary bodies were required to be held in trust by the principal bodies, but the employees of those secondary bodies were transferred to the principal bodies. Canegrowers advised that this anomaly threatened the autonomy of local areas and would result in the payment of additional payroll tax, and this has been rectified.

Amendment agreed to.

Schedule 3, as amended, agreed to.

Bill reported, with amendments.

Third Reading

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

PRIMARY INDUSTRIES AND NATURAL RESOURCES LEGISLATION AMENDMENT BILL

Second Reading

Resumed from 18 May (see p. 1201).

Mr ROWELL (Hinchinbrook—NPA) (5.04 p.m.): This amendment Bill addresses a number of issues within Primary Industries. Probably the most significant is the dissolution of the Queensland Fish Management Authority and the subsequent establishment of the Queensland Fisheries Service. The QFMA as we now know it was established in 1994 with the passage of the Fisheries Act 1994 with, I understand, strong support from both the recreational and commercial fishing sectors in Queensland at the time. In fact, I understand that very supportive, almost fervent, representations were made to the then Opposition spokesman for Primary Industries to throw bipartisan support behind its establishment. At the time, it was argued that there was a pressing need to take the politics out of fisheries; to base fisheries decisions on science and sound environmental management in close conjunction with the industry itself. Importantly, that body had a degree of autonomy.

The Queensland Fish Management Authority was set up as an independent statutory authority to manage the fishing industry in Queensland. A board comprising industry, scientific and Government expertise was appointed and supported by a series of management committees for every fishery and every region of Queensland, which also comprised local fishing industry representatives and other expertise. Over the years since then, the QFMA has enjoyed mixed success.

I am not wedded to the QFMA and certainly not to the concept of statutory authorities, and this is not entirely surprising considering the enormous and often divisive issues the authority has had to deal with. To its credit, the QFMA has played a valuable role in providing a forum for all the stakeholders to come together and develop management

plans for the State's fisheries. Some meetings between the Queensland Commercial Fishermen's Organisation and the recreational fishermen have had to be adjudicated on. Certainly, a lot of information was provided by QFMA personnel. The progress of developing those management plans has not always been optimum, but there is a range of reasons to explain that.

Certainly, any process that involves intensive consultation between parties who often have divergent views is never going to be completed overnight. That is a sacrifice that is perhaps made with the sort of structure the QFMA entailed. As I said, there have been many difficult situations and many controversial issues have been raised among commercial fishermen and recreational fishermen and the general public. Inevitably, there has been some frustration about the processes employed by the QFMA and some of the outcomes of its deliberations within the fishing fraternity and obviously within the Minister's office, and that has led to its demise. It is a pity that that happened. A lot of good intentions were behind many of the opinions put forward and adjudicated on by the QFMA.

However, it is worth noting that perhaps one of the most frustrating periods for both the fishing industry and the QFMA itself has been the past 12 months. In January I highlighted my concern that the fisheries review, which the Minister promised would be completed and implemented within three months, was still languishing on his bookshelf six months later. The Minister has to acknowledge that this took a long time. That added to the frustration out there. It is only now, nearly 12 months since that review was initiated, that we are finally debating this Bill to complete the restructure process.

Of great concern to me is the fact that in that time well over a dozen highly qualified staff have left the QFMA in frustration and that the progress in developing a number of important management plans has ground to a halt. In January I noted also that delays in appointing a replacement chairman and member to the Fisheries Tribunal had led to the accumulation of more than 60 appeals. That was very frustrating. Those vacancies occurred last August and it is a travesty that the Minister's sloth-like speed in replacing them saw jobs and investment hanging in limbo for so long.

Before the QFMA's inception, fisheries was under the one banner. Now that the Beattie Government has decided to abolish the QFMA and instead form the QFS, one cannot help feeling a sense of deja vu. The Minister has lamented a lack of influence over fisheries decisions, but he will now very much have control of the levers. As such, this new structure will be as good as the Minister in charge! I think the Minister has to take this seriously. Instead of an independent organisation being charged with the decision-making process, to a large extent he will be at the helm of whatever progress the Queensland Fisheries Service makes for the people of Queensland.

If the Minister is prepared to be a strong advocate of the industry and make the tough decisions on the best scientific advice available, there should be few problems. However, the obvious potential for political interference poses a risk that management decisions could be based on little more than vote buying exercises or populism. We have already had a taste of that when the Minister sacked the former QFMA board, a board containing qualified, politically independent members, and replaced it with his appointments, which included a former Labor Minister and one of his own former staffers. It is the case that there were people with a political persuasion involved in the QFMA, and I do not think he can really deny that. We saw it again more recently with the appointment of an old Labor mate to the Fisheries Tribunal, a man of extremely dubious character with questionable standing in the community. If this is the sort of management in store under this new structure, sound management of the fisheries will be sacrificed for political pragmatism.

Once this legislation is passed, the Minister will have the levers firmly in his hands, and the coalition and the industry will be watching closely to ensure that he keeps fisheries on track. Fisheries is a very important industry right throughout this State. Whether it is the recreation, commercial or aquaculture side of the industry—or whatever it might be—it will all come under the Minister's jurisdiction. I know of the intensity of the decision-making process, because there is enormous sensitivity from time to time within fisheries about how and when decisions are going to be made.

The Minister indicated that there is a strong level of support for dispensing with the QFMA and the creation of the Queensland Fisheries Service, headed by a deputy director-general of the Department of Primary Industries. There is support, although I detect that there is also a degree of resignation about this restructure. I say "resignation" because the structure alone will not improve the

management of the Queensland fisheries. I suppose it is like any legislation that we put in place: the legislation is only as good as those people who actually operate it. If there is a determination to get the best out of the management process, then we will have a good, sound structure. Simply putting legislation in place is not really the answer to every concern that a sound management plan will have. It certainly has a contributing factor, but there have to be people there who have the capacity. I can hope only that the Minister will do that.

Fisheries has a wide spectrum of interest. There are the tourist interests, the commercial interests in the wild, commercial interests in aquaculture and there are the prospects of what can happen inland as far as fisheries is concerned. So there is a whole range of issues that are extremely important. There must be a concerted effort to ensure a more inclusive and more proactive administration. It is to be hoped that the association with the management and zonal advisory committees will be maintained and enhanced in this new structure, as they form a valuable part of advice and management required in the fishery.

Up and down the coast there are a number of dedicated, hands-on people who make substantial contributions to the fishing industry resources in Queensland coastal waters—and not just in Queensland coastal waters. Those people have enormous expertise and they must be utilised for the benefit of our fisheries. We have now been through the process of having the Government involved in determining what happens in fisheries. We have moved away from that with the introduction of the QFMA, an independent body that was funded through levies from licences and all those types of things. Now, to a large degree, the wheel has turned the full circle.

As I said, a restructure alone will not improve fisheries administration in this State. Such a restructure must be supported by a concerted commitment to boost resources to on-the-ground fisheries. As such, I would ask the Minister to give a commitment that the savings from this restructure, which should be considerable, will not be relinquished to the Treasury coffers but will instead be held by the QFS and invested into restocking programs, protecting fish habitats and other such on-the-ground projects. For instance, administration costs soaked up nearly two-thirds of the QFMA's $7.5m budget and $342,000 was spent on the office rent alone.

The coalition will be watching closely, as I know that both sectors of the fishery industry will be—and we are talking about commercial and recreation—to ensure that the savings are retained with Fisheries in the upcoming Budget. We know that the Beattie Budget is shaping up to be not so good—perhaps a shocker. I hope that the Minister has stood very vigilant to ensure that the restructure has not been used as a smokescreen to plunder the Fisheries budget.

Some related fishing issues need to be raised. The implementation of the by-catch reduction devices during the period of the coalition Government had a positive impact on the operation of commercial operations. The turtle exclusion devices were also recognised. The trawlers are out to improve their image so that they are seen as a responsible group who contribute to the Queensland economy, and they certainly do.

John Olsen, who played a major role in the development of these devices, was recognised by the coalition when in Government with a $10,000 assistance package to travel to countries of the world that had adopted those devices to gauge what improvements could be made to the Queensland industry's initiatives. John has done an enormous amount of work. I do not know him particularly well, but I understand that he has now become the chairman of the QCFO. I think that the QCFO is in good hands. As I said, John Olsen is responsible and he certainly thinks a lot of our fisheries and how sustainability and improvements can take place as far as the commercial organisation is concerned. Generally it was found that the developments of these devices in Queensland were at least as good, if not better, than those of other fishing countries around the world.

The implementation of the vessel monitoring systems was also an initiative carried out during the period of the coalition Government. This system had the potential to assist the determination of areas that were required to be closed and to track the fishing fleet from QFMA headquarters. If a mapping system is coordinated with it, it has the potential to provide the accurate location of a fishing vessel. It would be a major benefit. Of course, this matter needs to be attended to in order to ensure that a vessel is fully aware of its location.

One of the major advantages of the VMS is to locate vessels quickly in the event of an emergency. It has become evident that this has proven not to be the case, as it took something like 40 minutes for the signal to be

acknowledged from a vessel off Hervey Bay. Other trawlers have sunk off Bundaberg and Gladstone, with similar failings of the VMS systems reported. This is a serious concern. The Minister needs to do something about it. These failings need to be addressed as a top priority. Some time in the future, as technology develops, travelling time for trawlers can be reduced and it may be possible to determine the activities being carried out. This would be particularly useful and timesaving as a trawler may then be able to travel over sensitive areas with a degree of impunity.

The trawl industry is currently developing a plan to reduce effort in the East Coast Trawl Fishery. I attended a meeting in Townsville at the request of the QCFO and received a comprehensive four-hour briefing by Ted Loveday and Alan Hansen. They have certainly worked very hard on this plan. While the plan has developed over the past year, in the earlier stages it caused a degree of anxiety amongst the trawling industry. However, it is being refined. It now appears that the concerns that trawlers once held are being addressed. Of course, with a plan as complex as this, it will take some time, but persistence will prevail. A number of people within the industry are working very hard on the trawl fishery plan, including the current chairman, John Olsen.

Senator Hill made demands on the industry to reduce effort by 25% over the next five years. The industry was extremely concerned but has now come up with a plan to reduce that same effort in a shorter time frame provided that $30m is made available, of which $10m is to be contributed by the Commonwealth, which issued licences and was part of the increase in effort. That is a very important point that needs to be made. The coalition in Government contributed $5m to a licence buyback program. Despite all the posturing by this Government when it came to power in June 1998, no funding has been provided to continue that program.

That was an extremely important program. We should undertake buybacks gradually. However, if a lot of finance is involved, it can be done in a shorter period of time. I believe that change is something that is best handled slowly. People who are involved in an industry such as the fishing industry have different aspirations. If, at the end of the day, they decide to get out, they should have the ability to do that rather than coming and going in stops and starts and causing an enormous amount of angst. To some degree, that has happened with the plan that has been devised. We should alleviate tension and instability in relation to keeping licences or replacing boats. Continuity is an important aspect of any buyback plan.

When we were in Government we did something about this. In all fairness, I do not think that the Government has done very much simply by continuing the $5m plan that we put in place. I am not condemning the Government; I am simply stating the facts.

Mr Palaszczuk: We have $10m in place now.

Mr ROWELL: $30m needs to be raised in a buyback plan. It would have been easier to continue with $5m over the past two years. That may have brought the industry to a more equitable position in a shorter time.

There are many aspects to the fishing industry apart from commercial activities. Recreational fishing has tremendous appeal in our climate. All along the Queensland coastline and rivers the activities of amateur anglers are increasing. People are coming here from overseas for this purpose. Whether it is line fishing in rivers and creeks or chasing marlin off Cairns, we are certainly a popular spot with amateur anglers in various fishing activities. The coalition is mindful of the challenge to provide a sustainable fishing industry both for commercial operators and amateur anglers. The real challenge is to get that balance right and to make sure that the industry is sustainable. We need to do that for the people who are investing money in boats and all the other equipment that is involved. We do not want to get to the point at which these buyback schemes become necessary. The proper management of fisheries is a challenge.

Fish stocking is an integral part of ensuring that the resource is replenished. During our period in Government, I was involved in the release of fingerlings. As I mentioned earlier, perhaps some of the savings from the QFMA which have been brought under the DPI umbrella could be diverted into restocking rather than returning those savings to Treasury. There would be support from Karumba to the Gold Coast for an increase in the restocking of the wild fishery and impoundments throughout the State. If the Queensland Fisheries Service is to be a success—as seems to be the expectation according to a glossy brochure called Queensland Fisheries News—we should see even greater activity by the department.

The aquaculture industry has a great deal of potential. I am aware of a number of very successful operations and the need to continue research to assist the industry to

expand. One way of providing support would be to assist applicants for aquaculture ventures to wade through the plethora of paperwork and for the department to take a proactive role in the establishment of new enterprises. I am not suggesting for one minute that we should partner them in some way, but there are difficulties to be faced.

Many people who have tried to get an aquaculture development under way have found it extremely difficult to meet all the requirements. It would be tremendous if those people could receive more assistance. I know that the DPI offers people a great deal of assistance regarding the approval process. However, aquaculture developments along the coast are having all sorts of problems. People who are willing to contribute considerable amounts of money to these developments should receive every assistance and should not be stifled by some departments which make it hard for them. If we listen to the Department of Environment and Heritage, life should start at the foothills and any development on the shoreline or any development involving aquaculture has a big question mark over it.

Currently, the Hinchinbrook and Cardwell Shires are progressing with a coastal development plan. The locals are on guard about the possible outcome. There are prospects of growing barramundi, cod and coral trout in ponds. The DPI in Cairns is conducting a substantial program with reef fish. I was pleased to hand over something like $750,000 for additional tanks. This is an area into which funding could be productively channelled. The live coral trout trade has tremendous potential; very big prices are paid overseas for that fish. If we could grow them in ponds—even though that presents a few challenges—it would be of enormous benefit to Queensland, particularly our agriculture industry.

Other prospects in relation to inland fisheries have not been well supported by this Labor Government. If more attention was focused on this program, it could assist in the development of a new industry for inland Queensland. Work carried out at Walkamin funded by the coalition had the potential of identifying fish and crustaceans suited for freshwater. I notice that the member for Callide is in the Chamber. When I was in the Callide electorate, I saw the developments that are taking place with red claw in areas such as Biloela. However, this industry is becoming quite expensive to establish. Ponds have to be built and they have to be covered because of the bird life. There is another element to growing these fish. The requirements and the expertise needed—

Mr Palaszczuk: It's a great market.

Mr ROWELL: There is no question of that. There is enormous potential. I know from my own experience that when people put in the ponds and put nets up—in many cases very costly and substantial structures have to be erected—they have to make absolutely certain that they will get good financial outcomes. I hope the moves being made by this Government in relation to the Queensland Fisheries Service will be successful. If they are not, it will set back an industry with the prospect of being worth $1 billion in many areas of regional Queensland and other areas right throughout the State.

I acknowledge the general support of the industry for the amendments to abolish the QFMA and establish the Queensland Fisheries Service. The industry says that it is a move in the right direction, so I cannot deny the Government's proposal. As such, the coalition will not oppose that aspect of the Bill. However, we will maintain a watching brief on the QFS to ensure that the performance of it and the Minister meet the expectations created in the fishing community.

There is a concern that, as a result of its focus under Labor in Queensland, the DPI is becoming a consumer organisation rather than a primary industries agency. Buzz words such as "food and fibre" are more relevant to the consumer than to those who shed their blood, sweat and tears to produce the primary industry's products. The renaming and reorganising of agencies will mean nothing unless there is a will to achieve successful outcomes. It is to be hoped that the disbanding of the QFMA meets the expectations of the internal review and is user friendly.

I refer to the Timber Research and Development Advisory Council, a former statutory body now required to change to a volunteer organisation, which will become an incorporated company limited by guarantee. The restructure of this organisation has come about as a result of the Primary Industry Bodies Reform Act, which forced primary industries to seek volunteer contributions. In the legislation there is no mention of stamp duty relief and no reference to a commitment to provide ex gratia relief subsequent to the restructure. The amendment to the Forestry Act 1959 seeks to restructure the organisation. According to the Minister's second-reading speech, the industry requested the legislation to allow the restructuring following the recent

termination of the statutory additional stumpage charge that was used to fund TRADAC. I have been informed that there is a requirement for stamp duty to be paid.

This is just another statutory organisation that has been caught up in this Labor Government's legislation to dump an organised industry. Yes, the industry requested the change, but it was difficult for it to do otherwise given the situation presented to it by the Minister. I am aware that the short notice of these changes has removed financial certainty for TRADAC and has led it to having to cancel a number of industry programs that it would normally have contributed to. I am disturbed that, despite the public protestations by the Minister and his Government that they are committed to the future of the timber industry, their actions have undermined the activities and promotion of our valuable timber industry.

I turn now to the repeal of the Primary Industries Corporation Act 1992. The Department of Primary Industries has been advised that it will need to apply for an Australian business number if it intends to maintain the legislation according to the Minister's second-reading speech. If this legislation were not repealed, a separate set of books would be required to administer the legislation, and other administrative difficulties may have been encountered. Given that the policy under which the Primary Industries Corporation was established is no longer supported, the Opposition has little difficulty with the organisation's dissolution. A considerable number of assets have been accumulated by the corporation over a period of time. Assets for State water projects, which do not directly come under the umbrella of primary industries, are worth something like $2 billion.

Mr Palaszczuk: That is the value of the dam.

Mr ROWELL: I know. I do not have a clear differentiation of what cash it has on hand.

Mr Palaszczuk: What you have there is a pretty hurried document. We can give you a more detailed breakdown.

Mr ROWELL: Perhaps we will talk about that at the Estimates hearings. I think that is an appropriate place to be dealing with that matter.

I want to make sure that Queensland's primary industries get every penny they deserve. I do not want to see that money going into consolidated revenue. I make that point because we struggle for finances. As a former Minister, I know how difficult things are. If Treasury tries to take some money away from Primary Industries, I will be yelling from the rooftops about it. Primary industries in Queensland—it does not matter which industry—need every cent they can possibly get and as much backing as possible. I will support the Minister when it comes to funding the needs of the wide range of industries in Queensland.

The Opposition basically agrees with the legislation. We do not have any major problems with it. From time to time when we make changes unexpected things will happen. The best laid plans do not always come to fruition. I can only hope that the expectations of the many people in the fishing industry in particular are met. It is an enormous growth area. It has potential. There certainly need to be some caps in relation to trawling. Aquaculture, inland fisheries and so on could be worth a lot of money to Queensland. If there is any way in which the department can assist those industries, I think it is extremely important that it does so. I have made that case in my speech. Generally there is support for this Bill.

Mr LAMING (Mooloolah—LP) (5.36 p.m.): I rise to speak briefly to the Primary Industries and Natural Resources Legislation Amendment Bill and note that one of its aims is the restructuring of fisheries management arrangements. Fisheries are of great importance to Queensland. Fish products and other high-quality primary products produced for the export market provide income and, of course, jobs to Queensland.

Speaking about jobs, evidently the Premier has given up on his 5% unemployment target. He has rushed off to blame the GST, the Asian economic crisis and the dive in the value of the Australian dollar instead of identifying and capitalising on real job creation opportunities. According to the Courier-Mail, the Premier claims to be determined to do everything he can to bring unemployment down to 5%, but he is not doing that.

If he were fair dinkum, he would be grabbing the 1,000 potential new jobs on offer in Queensland's primary industries by giving Access Queensland, a company dedicated to this aim, a bit of real help. Instead of squandering nearly half a million dollars on an advertising program about an aborted fuel tax, he could have invested about the same amount in Access Queensland and potentially created more than 1,000 new jobs throughout

Queensland's regions, mainly in primary industry. Why do I call it an investment? Because the Government gets its money back over a couple of years, plus interest—that is, 1,000 jobs. What a deal!

Honourable members do not have to take my word about those 1,000 jobs. I table letters from 11 businesspeople representing over 200 primary producer employers. They are all confident of this level of job creation if Access Queensland is given the level of start-up support that it needs. I have listed these job estimates in an attached summary, which sets out their products, the anticipated job creation and even their electorates. I strongly suggest that Government members take a keen interest in that summary before next week's Community Cabinet meeting so that they can make representations to the relevant Ministers before their own constituents beat them to it.

Talking of representations, Access Queensland has been advised that the Premier will not have time to meet with it next weekend. This is disappointing and unbelievable. I hope that the Minister for Primary Industries intends to be more proactive. I suggest that the Premier reconsider his decision in the light of the opportunity to create conservatively 1,000 new jobs, many in the north. Maybe that humble pie he talks about is worth a second helping.

Mr HEGARTY (Redlands—NPA) (5.39 p.m.): It is with pleasure that I rise to speak to the Primary Industries and Natural Resources Legislation Amendment Bill, because my electorate borders Moreton Bay, the site of one of the large fishing resources off the Queensland coast. Unfortunately, it is a diminishing resource that is being fished by a growing number of people. The coastline of the bay comprises about 3% of the Queensland coastline but supports 30% of the recreational fishers in the State and a much smaller percentage of commercial fishers of around 13%.

All the recreational fishers in my electorate are constantly telling me that the bay is being fished out. It is about time we looked at enforcing size limits and also at periodic closures. I am informed that the legal size for bream and whiting is 23 centimetres, but we could look at increasing that to 25 centimetres, which is the limit that most of the recreational fishing clubs impose on their members as part of their fishing competition arrangements. That could result in up to 40% more fish being returned to the water. I think that would be a very significant input into that hard-pressed, finite resource. The Redlands Fishing Classic is held every year on the Queen's Birthday long weekend. This year it was very, very heavily patronised. There is a growing number of people wanting to join in such very pleasant fishing activities.

The other means by which we could prevent the diminution of the resource is the greater enforcement of bag limits. I think bag limits are a good idea, but I am constantly being told that there is a rort taking place with them, particularly during the banana prawn season. I believe that up to 250 boats are fishing at any one time during the banana prawn season. In the very early hours of the morning—around 2 a.m.—one sees people at the Redland Bay boat ramp launching boats to go out on their fishing activities for the day.

The current 10-litre bag limit can be exploited in a couple of ways. Firstly, some people de-head the prawns, and that provides extra capacity. There is also mounting evidence of some people using a mother ship arrangement. They get their bucket and drop the prawns onto a mother ship—a faster boat moored further out—and by this method circumvent the regulations and policing. This has been brought to the attention of the department but, unfortunately, it continues. All the recreational fishers who are doing the right thing—and I think a fair percentage of the population take enough for their own consumption——

Mr Rowell: Some of the cast nets have got enormous capacities, haven't they?

Mr HEGARTY: I am coming to that. It is a good point, and I will address it shortly. The majority of people—who just want enough for their personal consumption or, in some cases, just want the thrill of the activity and are happy to return the fish to the water—are being overshadowed by the others, who do not have any regard for the resource. They are only out for their own benefit, and they are not really fishing for recreational purposes. Such people are pseudo recreational fishers and are really doing it for commercial reasons. If we do not start getting tough on them the bag limits will just be a laughing-stock and that will encourage decent, law-abiding fishers to consider adopting the same practice.

A little while ago I went down to see for myself the activities that were being reported to me. I noticed that some of those people did not speak English. Unfortunately, I do not speak any foreign language and I could not ask them what they were up to. I approached some Australians a little way away from them and said, "What is going on?" I was told to mind my own business. They said, "Why

shouldn't we exploit the resource when everyone else is? You are not doing anything about it, so we may as well join in. We are not getting a fair go." When the law is not applied, and especially not applied consistently, it becomes a joke. That is the risk we run by being lax and not putting enough effort into fisheries policing. I understand that the black market provides a return of about $10 a kilo for prawns. It has been reported to me by some long-time fishers that a person can earn up to $40,000 a year on the black market through this pseudo recreational fishing, which in reality is a commercial operation.

The other matter I want to touch upon is the one raised by the honourable member for Hinchinbrook: cast-net fishing. The inappropriateness of that activity has been raised several times. Cast-net fishing results in too large a catch. It is time we banned this practice entirely. Some people get together and use cast nets exclusively. Some of them originated from countries other than Australia, and this practice may be tolerated in their country of origin. It may be through ignorance that they do it here. But, again, it is our responsibility to tell them the regulations and explain to them the devastating effect that such fishing has on the resource. If they continue to adopt this practice, their fishing activities will have to be limited. If it means employing some interpreters or whatever is needed to get the message across, that is what we will have to do.

An Opposition member interjected.

Mr HEGARTY: Unfortunately, they are the ones. I do not believe it is through ignorance; they have been told before. But the warnings have to be reinforced. They are just paying lip-service to the warnings they are given. Once the policing officer moves on, they resume their previous activity. They are literally thumbing their nose at the law and our efforts to preserve the resource. We now have to show them that we are serious, otherwise this practice will be perpetuated through their communities and, in due course, their offspring.

Mr Rowell interjected.

Mr HEGARTY: We were making efforts there, and that is the disappointing thing. We should have been making greater inroads by now. There should have been a discernible tapering off of those illegal activities, but there has not. They are in fact increasing. This concerns me and the large number of recreational and commercial fishermen in my electorate. I have commercial fishers living in my electorate as well. They are the ones who are pretty peeved that the Department of Primary Industries applies such scant resources to the elimination of this very serious practice, which depletes the fish stock in Moreton Bay.

Environmental factors also have an impact on the fish resource depleting or at best maintaining its present level. About 70% of the bay's species—including bream, flathead, prawns and mud crabs—begin life in the mangroves, feeding exclusively on microbes from rotting leaf matter and that sort of sedimentation. We know that it is illegal to cut down mangroves, but it is still occurring in my electorate. In the past, undesirable development has occurred around the foreshores where mangroves were growing. Fortunately, that has ceased. But there are still the odd residents who want to provide themselves with a better view. They do that by cutting down mangroves, or at least trimming them, which has a detrimental effect as well, and that places long-term pressure on the ability of the fish resource to maintain present levels.

I am aware that people caught clearing mangroves can be fined up to $225,000. Unfortunately, again, we do not have enough resources to police such offences. I realise that this problem overlaps with the Environment portfolio. We have to be out there protecting that fish resource, otherwise in the not-too-distant future it will have completely disappeared.

We granted permits to a couple of fishers in the Peel Island area to allow them to continue fishing in the Peel Island protection zone. These were long-time fishers who were operating in the area before the Moreton Bay Marine Park was gazetted. Those people have been allowed to continue fishing for black trevally. I would like the Minister to clarify something for me with regard to the recent outbreak of blue-green algae around the Pumicestone area. I have been told by someone who is considered a reasonable authority that black trevally is one of the species of fish that eats the blue-green algae. If that is the case, we should seriously look at any diminution in the numbers of black trevally in the light of containing the spread of blue-green algae. As honourable members know, blue-green algae has an effect on fishing resources. If the Minister would like to interject now—

Mr Palaszczuk: I will talk to you later.

Mr HEGARTY: We need clarification on that matter. We may have to look at reducing licences if there is serious depletion in the

numbers of black trevally. That species will lose its effectiveness if it is allowed to be fished at the present level.

The aquaculture industry is growing in my electorate. It is an important industry in the shire and it creates employment. There are a couple of aquaculture farms near my office. These farms are situated in dams a fair distance inland. They have a minimal effect on pollution of Moreton Bay. I realise that similar concerns have been raised about the Great Barrier Reef Marine Park. It is an important industry. I hope the Minister and his department will closely monitor the industry, whilst at the same time encouraging its growth for the benefit of the local area and the State.

The subject of the environment brings to mind the problem of pollution caused by sewage being pumped into Moreton Bay. We have some 20 sewerage plants emptying into Moreton Bay between Pumicestone Passage and the Gold Coast. I know that the Brisbane City Council is spending money to upgrade its sewage outlets in an effort to reduce nitrogen in effluent. The State Government should seriously consider constructing a pipeline to the Lockyer district in order to enable treated sewage to be used for crop growing. The South Australian Liberal Government has done that and it has turned a problem into a valuable resource.

I think the Brisbane City Council was considering expending a sum of $200m in upgrading the city's sewerage facilities. The Lord Mayor promised that that money would be made available if the Lockyer project got off the ground. Unfortunately, this Government has done absolutely nothing with regard to that project. It has been languishing for years. The Minister for Natural Resources has responsibility in this area. He needs to make a commitment to this project because, if such projects are not brought forward, they impact on all other areas of responsibility. In this particular instance it has an impact on our fishing industry.

I believe all honourable members share my concern for our fishing industry. We have to make some very hard decisions. We must enforce bag limits. We must also review the minimum sizes of fish allowed to be caught. We must look at prosecuting people who destroy mangroves. It is necessary that those people face the full force of the law. We cannot afford to be timid in this area. We cannot afford to pussyfoot around and pay lip-service to the problem.

The main point of my contribution is a plea for increased resources for fisheries inspectors. Inspectors must have an increased presence in Moreton Bay. Whilst we have uniformed inspectors in the bay, we also need plain clothes officers in tinnies checking on people. As all honourable members know, when motorists notice a patrol car on the highway, they immediately reduce their speed. The same thing would happen on Moreton Bay in regard to fishing violations. Once a patrol boat was spotted, offenders would dispose of their illegal catch. The fisheries officers are so stretched that they have a minimal presence on the bay.

The Minister has a tough job ahead of him with regard to this year's budget. He will have to allocate a fair amount of money to our fishery patrols. Unless we get serious about this matter, we will have very little to worry about because this great resource will disappear.

Mr SEENEY (Callide—NPA) (5.55 p.m.): I welcome the opportunity to make a contribution to the Primary Industries and Natural Resources Legislation Amendment Bill. This Bill deals with two portfolio areas that are of great concern not only to my electorate but also to large areas of rural and regional Queensland. I preface my remarks by once again observing that it is very disappointing to see the level of importance that these portfolio areas are given by the current Government. It is very disappointing to observe the performances of the Minister for Primary Industries and the Minister for Natural Resources.

The Minister for Natural Resources in this Government is a zealot, and the Minister for Primary Industries in this Government is hopeless. That is terribly disappointing to the people to whom these portfolio areas are of critical importance. These portfolios are of critical importance to their everyday life and to their businesses and their future.

This particular piece of legislation seeks to amend the Fisheries Act to abolish the Queensland Fish Management Authority and to facilitate new institutional arrangements relating to fisheries within the Department of Primary Industries. Earlier this evening the Minister suggested that I have no interest in fishing. I can only assume that the Minister has absolutely no knowledge of the extensive inland fisheries that have been developed by hardworking, fish-stocking groups. Over a period of time, these groups have developed a number of very remarkable inland fisheries. Those fisheries provide not only recreational fishing opportunities to the people who live in those areas, but they are attracting people from a wide range of areas.

Take, for example, the Cania Dam impoundment at Lake Cania at Monto. It has been stocked with a variety of fish over a number of years by a group of voluntary workers. These people give their time and effort every weekend, in some cases, to ensure that that fishery is stocked. People come from Bundaberg, Gladstone, Rockhampton and other areas to fish in that dam. These impoundments exist throughout my electorate and they provide fishing opportunities for local people and for people from all over Queensland.

It is a sad indictment on the Minister for Primary Industries that he does not even realise that those activities are going on. It is a sad indictment on this hopeless Minister that he should comment that someone such as I, who represents that electorate, have no interest in the subject of fishing and, thus, have no need to make a contribution to this debate.

It is of critical importance that the Minister understands these issues because those groups depend on the Minister to ensure that their activities are properly funded in the current Budget negotiations that we all know are taking place. Tonight, I hope the Minister can achieve an understanding of the important role that he plays in ensuring that those fisheries continue. The people who work in a voluntary capacity cannot do it on their own. They need the same type of assistance that they have received in the past in order to provide the fry and the young fish for these fisheries.

These are put-and-take fisheries; they are not fisheries where the fish breed. Unless the Minister provides these groups with the necessary finance, all the good work that has been done over the past years will dissipate and disappear. It is important that the Minister understands that.

Debate, on motion of Mr Seeney, adjourned.

DRUG INJECTING ROOMS

Miss SIMPSON (Maroochydore—NPA) (6 p.m.): I move—

> "That this House opposes the introduction of injecting rooms for administering illicit drugs in Queensland."

The scourge of drugs touches every sector of our community. Some people have experienced sons and daughters or friends wasting their lives on mind-altering drugs. Other people have experienced their homes being broken into by addicts looking for cash to feed their drug habit. There are parents who are watching their children's playgrounds being turned into a deadly places because of discarded needles from illicit drug use that potentially harbour HIV/AIDS and hepatitis C.

As leaders, we are motivated by the increasing anger and desperation of many people in our community—people who want answers and a better, safer future for their children. In answering their calls, we need to enunciate clearly where we stand. Are we going to tolerate drug abuse and simply apply the bandaid in the name of harm minimisation, or will we strive for a drug-free society and send a very clear anti-drug message as well as a compassionate message of rehabilitation for those who are already addicted to drugs?

The coalition believes that we must send a strong message of anti-drug abuse. However, that must be balanced with a compassion for helping people get off drugs and a recognition that drug addiction puts people in bondage. The only proven way to reduce the incidence of drug overdoses is to get addicts drug free.

Recently, there have been calls for Governments to introduce injecting rooms to supposedly prevent addicts from overdosing and to keep them alive. That has been allowed in New South Wales and will soon be allowed in Victoria. In Queensland, the Labor Lord Mayor, Jim Soorley, has been a passionate advocate of drug injecting rooms. At the Labor Party conference this year, Lord Mayor Jim moved a motion, seconded by David Hinchliffe, calling for the introduction of so-called safe injecting rooms. The matter was not resolved but referred to a committee, which is to report back to a future Labor Party conference.

Tonight, I urge Labor Party members to vote in favour of this motion, which would send a clear message that injecting rooms should not be sanctioned by the Government. The State National/Liberal coalition believes that there are other solutions to the incidence of drug deaths. We strongly reject the push for illicit drug injecting rooms.

Injecting rooms for administering illicit drugs is a bit like feeding a man on death row. The man's destiny has not been changed. Injecting rooms mean that the bondage remains for the addict. There are worse problems caused by allowing those who are already addicted to drugs to use these so-called safe injecting rooms. There is also the very real potential that these rooms will provide a safety net for those people who are not addicts but who may experiment with drugs

and believe that they will be safe if they do that in a so-called safe injecting room. That is a major concern.

I am morally opposed to Governments sanctioning the taking of illicit mind-altering drugs. However, there are also some very practical reasons why I believe that so-called safe injecting rooms do not achieve their objective of keeping people alive, which I will outline. However, I also believe that in this debate I must mention some of the alternative ways forward.

While the abuse of drugs such as heroin or amphetamines is not as widespread as the abuse of substances such as alcohol and tobacco, their effect is deadly, particularly the effect of the highly addictive drug, heroin. The rate of infection from hepatitis C and HIV is also greater with injecting drug use and these diseases in their own right have the power to cause agonisingly painful and slow deaths.

However, there are many reasons to reject injecting rooms. As I have mentioned, injecting rooms provide a so-called safety net for non-addicts to experiment with drugs and to provide a lure for them to enter this dangerous lifestyle. Injecting rooms also depend on the availability of drugs. The supply has to be close to or actually inside the injecting room or else people will not use these rooms. Then there is the pressure on Governments to allow more and more of those rooms to be closer and closer to the people.

The myth is that drug addicts mainly overdose on the streets. Actually, the majority of them overdose in their own homes. The other problem with injecting rooms is that of law enforcement. Police are encouraged to turn a blind eye to dealers within the vicinity, or within the injecting room. After the pseudo acceptance of dealers, the next step is for Governments to become the dealer and provide the heroin in these so-called safe injecting rooms. That is often the progression of the argument. At first, people say, "Let us make sure that we keep people alive. We will have injecting rooms and make sure that we have quick backup for medical teams." Then they say, "We have to have a clean supply. We had better make sure that the Government supplies the drugs." One argument after another leads to the situation in which the Government is not only pseudo sanctioning drugs but also actually pushing drugs in the community.

Injecting illicit substances is never without risk. It is not a safe thing to do even in hygienic surroundings. Even with needle availability programs, people still share needles. Health Minister Wendy Edmond herself admitted that when she argued against the coalition's proposal to introduce non-reusable retractable needles into the needle availability program. I remind members that in a radio interview the Health Minister said that they could not introduce retractable needles because the number of needles required would soar as people would not be able to reuse their needles. I say to the Minister that, surprise, surprise, the whole reason for this program was to stop people sharing needles. Yet the needle availability program, on the Minister's own admission, is supplying needles that are reused by addicts and, therefore, are infecting people.

I reiterate the coalition's commitment to introducing retractable needles and say that it is time that the Government got on with it and not only introduced those needles into the needle availability program but also had some clear controls and aims at getting people off drugs. Those retractable needles should also be introduced into the mainstream health service, which is where the majority of needle pricks occur. The Government has to get its act together and move on this issue. There are a number of patents pending for those needles and there are also existing retractable needles on the market. Let us look after not only the drug users but also the health workers.

I referred to drug addicts needing to be close to their drug source. The reality is that most people overdose in their own homes. However, if people are going to use drug injecting rooms, there has to be some tolerance of dealers. The coalition simply will not tolerate that. These drug injecting facilities also fail in their role to educate people about the dangers of drug abuse, because they encourage addiction rather than rehabilitation. They send the wrong message of condoning drug use.

In light of my comments about Governments condoning drug use, I believe that if Governments fail to have proper rehabilitation and counselling services set up with the aim of getting people off drugs, then needle availability and methadone programs will also be severely flawed. The coalition believes that there needs to more accountability in the way in which drug and alcohol rehabilitation and detoxification services are delivered. We believe that there needs to be a complete review of the existing services. It is essential that Governments set targets by which they can be judged. Those targets must also represent more meaningful outcomes than merely adding up the number

of people who proceed through methadone clinics.

I suggest that members look at the Government's Budget papers that set out the performance indicators for drug and alcohol services. They are really pathetic. As I have outlined, when the coalition is returned to power, it will undertake a review of those services to make sure that there are clear targets and programs that are aimed at effectively getting people off drugs.

I believe that it is time that we had a report on the Naltrexone trials, which were first proposed by the coalition when it was in Government. In Western Australia, Naltrexone has been used in effective programs that have resulted in a marked downturn in the number of overdoses from heroin. Of course, Naltrexone must be taken with proper medical and social support. There are lessons to be learned about the Naltrexone treatment, but where it is used appropriately it is effective. This treatment gives people the hope that they can get off drugs, get on with their lives and make a difference. Ultimately, so-called safe injecting rooms do not provide the answer. People are still addicts. They can still go back to their homes and overdose on drugs.

Time expired.

Mr SPRINGBORG (Warwick—NPA) (Deputy Leader of the Opposition) (6.10 p.m.): I second the motion ably moved by the honourable member for Maroochydore. On 24 February 2000 an article in the Sydney Morning Herald stated—

> "The International Narcotics Control Board has renewed its attack on Australia's planned trials of heroin safe injecting rooms, warning that participating governments would be 'aiding in the commission of crimes' and 'facilitating illicit drug trafficking'.
>
> The United Nations drugs body says support of the so-called shooting galleries by the NSW, Victorian and ACT governments would be seen as 'a step in the direction of drug legalisation'.
>
> ...
>
> The control board entered the Australian debate over safe injecting rooms in December when the Prime Minister released advice from its chairman, Mr Antonio Martins, that the trials would be in breach of international drug conventions.
>
> ...
>
> The report urges governments to increase their provision of rehabilitation services for drug abusers, rather than examine the controlled use of the drugs.
>
> 'By permitting drug injection rooms, a government could be considered to be in contravention of the international drug control treaties by facilitating in, aiding and/or abetting the commission of crimes involving illegal drug possession and use as well as other criminal offence, including drug trafficking,' it says."

I wish to bring to the attention of honourable members just what a safe injecting room is like. An article in the Australian from 5 April this year states—

> "The white-tiled room in the basement of St Paul's Church in Rotterdam, The Netherlands, has no windows.
>
> Two men sit on chairs before a metal bench fixed to the wall.
>
> Nico Graaf is preparing his shot of cocaine.
>
> He takes a new syringe out of its plastic wrapping, cleans a spoon with a piece of cotton wool and puts the white powder on it.
>
> Then he searches his arm for a vein and slides in the needle.
>
> ...
>
> 'I do it for the flow,' he explains.
>
> The St Paul's injecting room has progressed further down the harm-minimisation road than any other.
>
> Addicts are provided with sterile equipment and a hygienic place in which to inject themselves as well as the opportunity to buy guaranteed-quality drugs."

That taps into what the honourable member for Maroochydore said; ultimately, we will have guaranteed-quality drugs potentially sanctioned by the Government. The article continues—

> "Dealers are permitted in St Paul's, which adheres to the policy that drug-users use drugs, so the centre may as well help to ensure the drugs they use are pure."

It goes on to discuss what Melbourne and Sydney are doing. The article further states—

> "The adjacent underground bar sells tea, coffee, soft drinks, milk and sandwiches all at cost price.
>
> Behind the bar, the head of a man with long hair is visible through a gap in the wall.

He's one of the house dealers appointed by the church."

We in Queensland need to avoid at all costs the introduction of so-called safe injecting rooms for illicit drugs. Tonight we need to send a clear and unequivocal message to the people of Queensland that this Parliament is opposed to that notion. I note that this morning, when the honourable member for Maroochydore gave notice of this motion, many honourable members opposite said they were very much in agreement with the sentiments contained therein. Tonight, I expect that when we vote on this motion the Parliament will send the unequivocal message that the people of Queensland are searching for, and that is that we are not prepared to relax the war on drugs; that we are not prepared to see harm minimisation go any further; and that it is an absolute anathema to this Parliament that we would introduce in any way, shape or form legal, safe injecting rooms in which people can administer illicit drugs.

Over the past few years in this country we have attempted to reduce the drug menace. This is very difficult. I do not think any jurisdiction around the world pretends to have the answer. I do not pretend to have all of the answers and I do not think the Government pretends to have all of the answers. We cannot be seen to go weak on this issue. We have to crack down on illegal drug use. I ask honourable members to consider the fact that all of the overseas research shows that, whilst there are varying degrees of support in communities, one thing is clear: this practice has not led to any reduction in the overall number of drug addicts and the number of people taking drugs. At best we have seen a retention of the status quo in the European countries that have adopted this policy. Tonight we should not be equivocating on our commitment to stamp out the drug menace and our commitment to zero tolerance and zero acceptance of drugs. Only by sending an unequivocal message will we be able to garner the support, faith and commitment of Queenslanders, who are seeking a very strong commitment from this Parliament.

Time expired.

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (6.15 p.m.): I move—

"That all words after the word 'Queensland' be deleted and replaced with 'until proposed trials in New South Wales, Victoria and the Australian Capital Territory are completed and have proven their success and enjoy widespread public support'."

My Government is tackling the drug problem through a four-year strategic framework called Beyond the Quick Fix. We are endeavouring to do this in a comprehensive and strategic way. We are talking about human grief, family loss, trauma and, in some cases, about exploitation of our youth by those in the drug world.

Based on the National Drug Strategic Framework, agreed by State, Territory and Commonwealth Ministers, Queensland's framework provides realistic and supportive initiatives to be developed in cooperation with the community. Honourable members may recall that we sat down with the Prime Minister at a COAG meeting to discuss this issue, and this was one of the outcomes.

A key direction in our strategy is that lasting solutions to the drug problem will come only from families, community groups and Governments working together. The Government does not condone illicit drug use, but it recognises that there will always be people who choose to use drugs. In order to protect the health of the community, we must seek to minimise the harms associated with illicit drug use. That is why Governments of all persuasions in Australia are committed to programs such as the safe needle program to prevent the spread of HIV/AIDS and hepatitis B and hepatitis C. Mr Speaker, you would be aware that we have increased penalties in recent times for the illegal disposal of needles in parks and on beaches to protect children and the community. We know it is not a perfect solution, but it is part of our comprehensive approach.

What is the Government doing to prevent drug abuse? The Government has introduced programs under our Strengthening Families and Crime Prevention that Works Strategies to give young people and families the tools and skills to face the challenges in their lives, and to help them deal with problems before they take root. This is about developing a sense of community and self-esteem. It is about giving people a job and some self-worth. It is about an education strategy to prevent drug use. These are the long-term solutions.

Early intervention is the best way to strengthen families and communities and reduce antisocial behaviour, such as drug abuse, in the long term, and that is why the Government is helping parents, friends and young people through initiatives such as the School Nurse and Positive Parenting Programs. The School Nurse and Positive Parenting Programs are key initiatives in tackling the drug problem head-on. I

congratulate the Minister for Health, whose idea it was to promote the idea of school nurses—a program that is being introduced and funded by the Government and which is a great success in our schools.

What else are we doing? The Government is attacking the causes of crime and breaking the cycle of drug addiction and drug-related crime by trialling drug courts at Ipswich, Beenleigh and Southport to redirect non-violent drug offenders from a possible jail sentence to treatment and rehabilitation and allowing police to divert people caught with 50 grams or less of cannabis to assessment and treatment rather than face criminal proceedings.

The Attorney-General is trialling these drug courts. We believe they are a key part of the solution to breaking the drug cycle. That is what the strategy is all about. That brings me to Naltrexone. It is being trialled as both a means of detoxification and as a relapse prevention agent for inpatients who have detoxified from opioids. Queensland is taking part in the National Drug and Alcohol Research Centre's national evaluation of pharmacotherapies for opioid dependence. The trials are proceeding and the evaluation will be completed next year. Naltrexone is available on the PBS to treat alcohol dependence and through GPs on prescription. Naltrexone is not a magic cure for heroin addiction but one of a range of treatment options at which we are looking.

Why not trial supervised injecting rooms? We are awaiting the results of the proposed Melbourne, Sydney and ACT trials. Hence my amendment tonight. Unfortunately, there is no one-size-fits-all solution for either individuals with drug problems or communities facing drug-related problems. Measures such as injecting rooms must command significant community support. Any proposal for a supervised injecting room should not be rushed. We need debate and close consideration of the legal and health implications.

There was a resolution at the recent ALP conference which basically reflects that. The Lord Mayor and I will negotiate and discuss this issue with various Government departments and party units to determine an approach for the future. I am worried about supervised injecting rooms from the point of view of whether they would act as a honey pot in attracting people, whether there would need to be more police supervision and whether that would attract more crime. Yes, I have concerns about them, but I want a long-term solution and so does my Government.

Hon. W. M. EDMOND (Mount Coot-tha—ALP) (Minister for Health) (6.20 p.m.): I second the amendment moved by the Premier. In no way does this Government condone illicit drug use, but the reality is that, for whatever reason, there are people who choose to use drugs. We have a duty of care as a Government to face up to that reality and to do whatever we can to protect the health of the community and minimise harm from illicit drug use. We must do all that we can to assist people who use drugs to break their habit and we must do all that we can to support their family and loved ones, who are innocent victims.

About 4,000 people die in Queensland each year because of drugs. That is about 18% of all deaths. However, I must stress that 81% of those deaths are from tobacco, 17% from alcohol and 2.4% from illicit drugs. Queensland's opiate induced death rate is the lowest in Australia, at 11 deaths per million of population. This compares with 75 per million of population for New South Wales and 49 per million for Victoria.

So what are we as a Government doing about the drug problem? The parents whose children are locked in the grip of drug addiction would say: not enough. The opponents of harm minimisation measures, such as the safe needle program, would say: too much. The State Government is pursuing a whole-of-Government approach through the Queensland Drug Strategy. We are focusing on prevention, treatment and rehabilitation.

In 1998 the Government allocated an extra $4.6m a year to the Health budget for drug-related initiatives under the Crime Prevention that Works and Illicit Drug Strategies. These include providing $1.4m towards a live-in drug and alcohol withdrawal program for 13 to 18 year olds at the Mater Hospital; trialling alternative treatment, such as Naltrexone and buprenorphine; extending the methadone program; training GPs to administer drug detoxification treatments and illicit drug early intervention techniques; enhancing the Alcohol and Drug Information Service—ADIS—which provides 24 hour, seven day a week advice and support; developing and implementing a comprehensive mandatory training package for workers in the safe needle program; developing indigenous alcohol and drug projects in Cooktown, Cape York, Rockhampton and Mount Isa to curb alcohol and drug-related crime and violence; and supporting prevention programs for young

people, such as the Croc Eisteddfod and Rumble in the Jungle. We also have the highly successful parenting support programs and youth health nurses in schools which work on preventing the problem before it starts.

Last year the member for Maroochydore bagged these problems as being soft little social welfare programs. This year they are the main part of their drug policy. What a joke!

Miss SIMPSON: I rise to a point of order.

Mrs EDMOND: We acknowledge that they are wonderful programs! They should support them.

Miss SIMPSON: The Minister is misleading the House. I did not bag parenting programs.

Mrs EDMOND: The member said on radio that they were the soft little social welfare programs that should not be funded by Health. Queensland Health also provides funding to non-Government—

Miss SIMPSON: I rise to a point of order.

Mrs EDMOND: It is on the record. It is on tape.

Miss SIMPSON: The Minister is misleading the House. I did not bag parenting programs.

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

Mrs EDMOND: Queensland Health also provides funding to non-Government organisations to provide services including therapy, counselling, support, and residential treatment and rehabilitation. The Government is watching with interest the supervised injecting room trials in other States. In Victoria the proposed injecting facilities Bill is expected to be debated in Parliament in August 2000. The Bill closely involves local councils in developing plans for the proposed facilities and recognises the need to have numerous sites to prevent the honey-pot effect. The New South Wales Government has passed legislation and is proposing to trial one room in Kings Cross. The trial is under the auspices of the Uniting Church and is expected to start in October 2000. The ACT legislation was passed in December 1999 and it sets up a two-year trial run by a non-Government group in conjunction with the Uniting Church. It is expected to commence in October 2000.

We must remember that there is no one-size-fits-all solution for either individuals with drug problems or communities facing drug-related problems. The message I am getting is that measures such as injecting rooms must command significant community support, and I can say that I would have concerns about the duty of care of health workers when the injecting substance is of an unknown quality and quantity. As I say, we are watching with considerable interest what is happening in the other States and also developments overseas.

Recently Ms Malou Lindbom, a Swedish drug campaigner, was a speaker at the New South Wales drug summit, and I understand that she is speaking in several places around Queensland. Over the past 15 years the Swedes have been moving towards a US model of zero tolerance, aiming for a drug-free society. Even Ms Lindbom has said that this is a goal and probably will not be reached. Indeed, the US is regarded as being totally unsuccessful in dealing with the drug problem. There has been increased incarceration of drug users, with 13 Afro-Americans to every white person jailed. Inner city heroin use has dramatically increased.

Time expired.

Mr BEANLAND (Indooroopilly—LP) (6.25 p.m.): This evening we have heard that the Premier has left the door open for illicit drug injecting rooms here in Queensland. The Premier has simply moved an amendment which adds the words "until the proposed trials of New South Wales, Victoria and the ACT are complete and have proven their success". Of course, there is a lot of history about this.

Mr BEATTIE: I rise to a point of order. Just so the record is clear, I also said words to the effect of "widespread community support". It is not in the amendment—

Mr BEANLAND: I am reading the amendment.

Mr BEATTIE: I am just telling the member what I moved.

Mr BEANLAND: I heard what the Premier said, but I am reading the circulated amendment, and it does not say anything about "widespread community support".

Mr BEATTIE: I rise to a point of order. The member is wasting his time on this. I am trying to explain to him—

Mr BEANLAND: No, the Premier is wasting my time. He is trying to put something into the amendment that is not here.

Mr BEATTIE: The amendment before the Chamber, in fact, has added words; it talks about "widespread community support".

Mr BEANLAND: All I can quote is what is on the paper, and I am doing that. It does not say anything about "widespread community support".

I thought that the Premier would have learnt something from Switzerland, where they went through this experiment. One side tried to portray it as a great success. However, when the independent studies were done, it was found to be a great failure indeed. In fact, far more people ended up being involved with drugs than were previously.

I was listening to the Minister for Health, who talked about a couple of initiatives, such as drug courts. That initiative came from this side of the Chamber. The shadow Minister for Justice, in fact, was the member who came up with that initiative. The provision of hospital beds for 13 to 18 year olds was started off by the former Minister for Health, Mr Mike Horan. Then, of course, there was Naltrexone. I thought that the Premier or the Minister for Health would have talked about that tonight, because last week New South Wales announced that it was going to use Naltrexone, but we have heard not a word from the people opposite. They will let New South Wales do something constructive, but they are not doing it themselves. So again we are behind the eight ball. This Government is not doing anything constructive to get people off drugs, but when it does do something, it is only after this side of the Chamber has dragged it along.

Let us look at some of the points about these so-called drug injecting rooms. It is said that they are safe. Of course they are not safe. There is no such thing as a safe injecting room; it is a nonsense to say that. Some people say that these sorts of people would suddenly be travelling long distances to go to these injecting rooms. However, any sort of scientific study would show that they go to the nearest place they can to inject themselves with the drug. They carry it with them. They go to a phone box, down the road, up a laneway or wherever it might be up. They inject themselves with that drug as quickly as they possibly can when there is that need. And it is not once a day or once a week, depending on what drug it happens to be; heroin addicts can inject themselves several times a day. They need to go and get that injection straightaway. To think that they are going to travel enormous distances is just another furphy and an example of the sort of nonsense that is raised in relation to this particular matter. When it comes to safe injecting rooms, those people will not travel long distances at all.

We should be allocating this money for rehabilitation. Supporting continued drug use is strongly resented. We should put money into rehabilitation and treatment, not into safe injecting rooms, which encourage continued drug use. We have seen what has happened with methadone. More and more people are getting methadone. I do not notice too many people getting off the methadone program, which is supposed to be its aim. The number of people on that program continues to increase substantially; it is not decreasing. There is no limit on that. The numbers increase—more and more get on it—and very few come off the methadone program.

The International Narcotic Control Board under the United Nations is appalled at the idea of drug injecting rooms. Many people who promote harm minimisation do not talk about that. They like to mention the United Nations on all other occasions, but they never mention the United Nations when it comes to this subject. This situation will go from bad to worse. I note that the Minister denigrated the United States. The United States and Sweden are two countries doing something constructive in order to achieve a drug-free society.

This is not an easy issue. No-one is saying that it is, Minister. Nevertheless, we have to send a very clear message. This Government is simply not sending that message at all. The message coming from this Government is anything but clear. After all, we do not say that a person can have only three packs of cigarettes a day instead of 10. The message is clear; the message is: quit smoking. That message is broadcast day in, day out in the media, both print and electronic. The message is to quit smoking, to stop smoking. The message relating to drink-driving is not to drink so many beers and then drive. The message is very clear: do not drink and drive.

Hon. T. A. BARTON (Waterford—ALP) (Minister for Police and Corrective Services) (6.30 p.m.): I rise to speak in favour of the amendment moved by the Premier. It reflects the Beattie Labor Government's balanced approach to dealing with the drug problem in our society. Illicit drugs are a major cause of crime in our society, not just in terms of the actual buying and selling but also in terms of the crimes committed by addicts in order to feed their habits. However, the use of illicit drugs is not just a crime issue; it is also a very serious health issue. We must be prepared to look at innovative ways of dealing with both sides of this problem. The Beattie Labor Government has an excellent record in this regard. Contrary to the coalition, which simply talked about a number of these initiatives, in the short two years since it came to power the Beattie Labor Government has actually put a number of programs in place.

As recently as last night, the Police Powers and Responsibilities and Other Acts Amendment Act was passed with the unanimous support of this Parliament. I am pleased that it did, because it also included provisions empowering police to divert people possessing up to 50 grams of cannabis or less into treatment, keeping them out of the criminal justice system. It is very important to divert people to treatment and programs rather than simply putting them into the criminal justice system and correctional centres, because frequently the community does not get back a better person. This Government has also established a drug courts trial program in south-east Queensland for more serious offenders such as those who may be responsible for a number of break and enters committed to feed a drug addiction.

Last Wednesday, with the Attorney-General, I was very pleased to attend the launch of that program in my electorate of Beenleigh. Both departments in my portfolio, Police and Corrective Services, are directly involved in that trial with the Department of Justice and Attorney-General, the Department of Health and Legal Aid. I want to congratulate all involved on their enthusiasm and dedication and acknowledge that it reflects a new level of cooperation between agencies in dealing with this issue in a genuine attempt to try to assess a whole new approach to dealing with drugs in our community. The program will be assessed and evaluated and, if successful, rolled out throughout Queensland. I again stress that this is a program about which we heard a lot of rhetoric from the other side, but we did not see any action from them when they were in Government. It has taken this Government to actually deliver drug courts to Queensland, and they are now up and running.

Last month at Parliament House I also launched the world's first mobile drug testing vehicle. It is designed to support the drug courts trial program and also to be used as a pilot for several community correction area offices across the Brisbane region. It can test for heroin, methylamphetamine, benzodiazepine, cocaine, THC and methadone. It allows offenders under community supervision and serving community custody orders to be subjected to random tests in their own homes without notice. By regularly testing offenders on a random basis, we can ensure that they are complying with the conditions of their sentences and help to break the drug addiction/drug-related crime link.

This Government has been very up front in saying that we do not believe that injecting rooms are the way to go. Experience elsewhere has shown that they tend to attract criminals, that is, the honey-pot effect. Because of the nature of the problem, it is essential that the Government remains open minded and awaits the results of the trials interstate. If they are successful and if there is broad community support, then we should investigate that option. But we are not rushing into it. However, as has already been outlined tonight, this Government is determined to tackle the health and crime issues related to illicit drug use and has shown that it is prepared to be innovative in how it approaches this issue.

I am pleased that both of my departments are involved not just in the enforcement of the laws of this State but also, from a health perspective, in innovative programs designed to get people off drugs and into treatment. That is the most important thing we can do for people in Queensland who have fallen into the drug trap. I am very pleased that the Department of Corrective Services has started methadone trials and Naltrexone trials in Queensland prisons. There was not even a methadone program running in Queensland's correctional centres when I became the Minister. Once again, there was a lot of talk and rhetoric from the other side but absolutely no action.

Mr HORAN (Toowoomba South—NPA) (6.35 p.m.): Tonight in this debate the Labor Party had a chance to say up front that it is prepared to say no to injecting rooms. Its amendment to the motion shows that it is going to give it consideration. It is leaving the door open. In other words, at the next election there is going to be a very clear difference between the Labor Party and the coalition. The coalition will stand for every possible attempt to achieve a drug-free society. The Labor Party will be involved in wishy-washy harm minimisation and trendy Left Wing socialist trials like safe injecting rooms. I can remember going to Health Minister's conferences and fighting against heroin trials and all the other fancy ideas. The fact is that safe injecting rooms help people get stoned and off their face. They are involved in an illicit and evil act. It gives them no chance at rehabilitation. That will be the very clear difference between that side of the House and this side of the House when we go to the next election.

Nobody in society or in this Parliament disagrees about the scourge and tragedy of drugs and what they do to our society. In endeavouring to grapple with the problems of drugs, there has been a mishmash and ad

hoc approach. No-one seems to really know where they are going. People say, "Oh, we can't really deal with it. We can't really fix it. Therefore, we've got to teach people how to inject safely." This allows people to inject drugs and absolutely guarantees that they will stay hooked for life. That is what we are ultimately doing with needle exchange and methadone programs. Experience has told us that this sends the signal, "We can't really beat it. We can't really deal with it. It's okay. Maybe you should be doing it." We are not approaching this problem in the right way.

Governments have to have a policy so that the message to every single segment of the community and every single person who works for each and every Government department involved in the fight against drugs is very clear. Members of this place have spoken time and time again about the need for a comprehensive approach—the approach of education, the approach of rehabilitation within the health system, care and compassion, the approach within the police, and the approach within the justice system as to how we deal with those people who sell drugs. If the message is not black and white, how are we going to reduce the percentage? How are we going to set a target for a drug-free society? How are we going to achieve that if we keep opening these doors?

In analysing injecting rooms, they say, "Is it better to try to deal with a life-threatening disease or is it better to deal with a life-threatening addiction?" We want to get rid of addiction. I would have thought that tonight was a chance for members to put up their hands and say, "No. We are not going to have safe injecting rooms. That is one thing that is off the agenda in Queensland." If that were to happen, everybody—the police, health workers, teachers, community workers, mums and dads, aunts and uncles, local councils—would know where we stand. Come the next election, they will know where we on this side of the House stand, because we will very clearly be saying no to this.

We will not put forward any minor amendment such as that moved by the Premier, which is only the result of the recent Labor Party conference and the moves by Lord Mayor Soorley and Councillor Hinchliffe to get the Premier to help them. As Councillor Hinchliffe said, "We've a good salesman in the Premier. He will be a good investment in the future for us." What a tragedy to hear those sorts of words tumbling out of the mouth of a councillor!

Let it be known that we on this side of the House stand for a drug-free society. We have a very clear target and a very clear idea of how we are going to achieve it. We will move away from harm minimisation and work towards a drug-free society. We will bring the community with us. They will come with us if they are confident and understand that we know exactly where we stand.

Mrs LAVARCH (Kurwongbah—ALP) (6.40 p.m.): I know I can say with all confidence that every member of this Parliament and every member of the community wants the drug problem tackled and beaten. There is not one person who does not want the human misery and human suffering of addiction to hard drugs brought to an end. But, of course, this is much easier said than done.

Drug addiction has been and continues to be the scourge of society. The reality is, though, that from ancient times to today no civilisation has been able to wipe out or even control drug addiction. At the start of the 20th century a number of criminal measures, from prohibiting and harshly punishing both users and sellers, were introduced, but the problem actually escalated throughout the century. As we enter the 21st century health, harm minimisation and education measures have been added to the criminal sanctions as a way of tackling the problem.

We have to keep an open mind. Other more controversial ideas, such as heroin trials, safe injecting rooms and rapid detox, are being introduced in other jurisdictions throughout the world. As these are just ideas and trials are under way, it will be interesting to hear whether they really make any difference in the fight against drugs. In the meantime, Queensland has chosen not to go down this path but rather has sought to implement a multipronged whole-of-Government response through the Beattie Government's Beyond the Quick Fix four-year strategic framework.

To demonstrate the success of this approach, I would like to tell members about the achievements of the Gold Coast Alcohol, Tobacco and Other Drugs Service, the Gold Coast ATODS. This service is an example of the innovative work the Government is doing in regard to drugs.

In the middle of last year the Gold Coast ATODS held an open day to promote its new initiatives and to showcase the service's achievements as a whole. During the open day the Health Minister presented the Gold Coast ATODS with a three-year accreditation certificate. The Gold Coast's was the first

alcohol and drug service in Australia to receive a three-year accreditation under the new CHASP standards, which are specific standards for ATODS services, as opposed to the more generic community standards previously used. This is not just a great achievement; it is an outstanding achievement.

The service set a benchmark in quality assurance by meeting 93% of these maximum CHASP standards in full. Seven per cent were partially met. During the 18 months prior to this award the service had eliminated a longstanding waiting list for methadone maintenance and adopted an open door policy throughout the service. It had integrated outpatient detox services and methadone maintenance at the Southside Clinic to provide a single location for the different treatment options available for opioid and other drug dependence. The one-stop model is particularly important where polydrug use is involved and where a client may want to try detox before committing themselves to a longer-term methadone maintenance program. Also, the services provided a best practice needle availability support program, giving up-to-date information and educational material, supported by experienced counsellors, nurses and medical officers as required.

The service implemented an in-patient screen for the early detection of hazardous alcohol and other drug use with the Gold Coast Hospital. It formed a dual diagnosis team with the integrated mental health service to provide better management of clients with the dual disabilities of drug dependence and mental illness. The service also provides the methadone mothers and babies service to assist methadone clients and their babies throughout pregnancy and the antenatal period.

The initiatives and accolades do not stop there. The service's community coordinator was presented with the inaugural Gold Coast community safety award last year in recognition of the pioneering work done in establishing the schoolies week program. This program has seen a dramatic drop in the number of schoolies presenting to the emergency department for alcohol and other drug-related matters. The Gold Coast ATODS Palm Beach is also involved in research and relapse prevention programs.

Over the past two years the Gold Coast ATODS has participated in research projects with Bond University, the University of New South Wales, the University of Queensland and Wollongong University. Presently it is participating in a national methadone withdrawal trial, in cooperation with the National Drug and Alcohol Research Centre at the University of New South Wales and Turning Point in Melbourne. This trial has been funded by the Queensland Government with a $200,000 grant over two years and is designed to evaluate the effectiveness of buprenorphine in facilitating withdrawal from methadone.

There is more. It is also developing a relapse prevention program and is establishing a blood-borne virus clinic. As members can see from the example of this one service, the Gold Coast ATODS, this Government is doing a great deal in the fight against drugs.

Mr FELDMAN (Caboolture—CCAQ) (6.45 p.m.): It is with pleasure that I rise to speak in support of the motion moved by the member for Maroochydore. I know one thing: Queenslanders will not support legal safe injecting rooms.

I was wondering exactly how this Government would twist this debate around. How it did was no surprise to me. After all, this is the same Government that introduced boutique brothels to this State. It is the same Government that said that people had to be of good character to be a pimp in this State—to own and run a brothel. So it does not surprise me that this Government has moved an amendment and that it probably intends to follow the path gone down by New South Wales, Victoria and the ACT—the same path that has failed in Sweden, Scandinavia and Holland. Now this Government will say that people have to be a saint in the church to be a drug dealer. That does not surprise me, but I know that Queenslanders will not support it.

I will quote from an article written by Lawrie Kavanagh. To a degree he is right on the money. The article states—

> "Not only are drug addicts a drain on the economy; they have vastly increased Australia's serious violent crime rate to finance their addiction. Their ill-gotten funds support international drug cartels. They drain police, ambulance, health and hospital resources from far more worthy causes. And closer to home they cause untold misery to their families and are in many cases causing total breakdowns in the home that in normal circumstances might be the centre of living harmony.
>
> Probably the worst of all are injuries inflicted on innocent bystanders of drug related crime like armed hold-ups. The community threat today is compounded

> by the risk of deadly disease through the thoughtless disposal of the contaminated needles in most of our public parks and beaches."

I agree with the Australian Christian Coalition when it states—

> "Why are we going down this 'softly, softly' approach to one section of the community and not the other? We try to find ways to make life easier for the addicts with safe injecting rooms, all the harm minimisation, the free needles and even proposed free heroin."

That will be the by-product of the safe injecting room, just like the member for Warwick said. I have worked out there. I have chased down drug addicts, pushers, dealers and manufacturers. The thing about manufacturers is that the filthy drugs they produce—one of the filthiest drugs out there at the moment is speed—are manufactured in some of the dirtiest hovels one can imagine and made on some of the filthiest equipment one can think of. Down the path we go.

The Government might be able to control where people inject, but it will never be able to control what people put in their arms unless it is prepared to do the quality control itself. What this Government is saying to the people of Queensland is that it will be prepared to supply and maybe even manufacture the drugs for our children. I think that is a very sad indictment upon any Government that wants to go down that path. As the Australian Christian Coalition said, that is sending a vastly wrong message to our youth. It is actually saying that it is okay to sit in a room and inject an illegal drug, as long as the room is clean. It is like playing tiggy when we were children. I can see it happening out there in the streets. How can what is wrong outside suddenly be okay in a safe injecting room? What do addicts do: run down the road from the police, jump into the room and say, "Bah, I'm safe"?

The wrong message is being sent to our children. That is exactly what this Government is proposing. It is proposing to follow that path, because it has indicated by the amendment that it will look at the trials in Victoria, New South Wales and the ACT. The Minister for Police flagged that fact in his contribution when he said that it has failed overseas, but the Government will still examine what happens in other States. The Government knows that it will fail down there, and yet it is still not prepared to give a firm commitment in this place that it is not prepared to accept safe injecting rooms in this State. It is not prepared to follow the path that the public of Queensland would expect from a strong Government. The public expects the Government to be strong on crime. One of the worst crimes in this society is drugs and drug addiction. The Government cannot go down that path at all.

Time expired.

Dr CLARK (Barron River—ALP) (6.50 p.m.): The debate tonight about the introduction of safe injecting rooms is, at its core, about what kind of public policy we will commit to as a Government and as a community. The coalition takes the view that we must rid our society of drugs completely—the zero tolerance approach—irrespective of the fact that this has never been achieved by any society at any time. By contrast, the key principle underpinning Australia's drug strategy since 1985 is the concept of harm minimisation, which has been so derided tonight, but it is the one to which Queensland is committed and which, up until now, has had bipartisan support. But clearly the coalition is signalling tonight that it seems, to me at least, to be moving away from that position to a strategy, a philosophy and a policy based on head in the sand. It is as if members opposite really do not want to confront the reality in our community.

Support for the concept of harm minimisation is not to condone drug use. It is a recognition of reality and it is a pragmatic approach to the fact that there will always be people who choose to use drugs. Drugs have been part of every culture since the dawn of civilisation. But it is also a recognition of the fact that we have a collective responsibility to reduce the harm that drug users do to themselves and to others in our community. That responsibility also extends to doing all in our power to prevent young people in particular from taking drugs and becoming addicted and to support them when they decide they want to lead a drug-free life or to use illegal drugs in a safe manner.

These are not band-aids, as they have been referred to by the shadow Minister. Regardless of our personal views about the trial of safe injecting rooms, prevention and rehabilitation are subjects on which we all agree. There is no question about that. But it seems to me that many of the contributions in this debate from the coalition have attempted to convey that we are at odds, when in fact there are many matters on which we all agree.

Which of the programs that have been discussed tonight would members opposite abandon? Which of our current approaches under our harm minimisation drug policy would

they abandon? Is it the PPP programs? No! Is it the drug courts? No! They have proved a success elsewhere, and we are trialling those. Is it Naltrexone? No! Members opposite have said that we should go ahead with Naltrexone. Is it methadone? Would members opposite cease the methadone program? Would they stop the needle availability program? No! Would they stop rehabilitation programs? No! So what they are actually saying is that they want more of all the things that we are currently doing. They want more rehabilitation, as do we. They want more of the programs that will educate our young people. They want more programs such as the Rock Eisteddfod and Croc Eisteddfod. So where is the difference?

It seems to me the difference is that we are prepared to look rationally at every option that attempts to reduce the numbers of deaths of young people from drug addiction. We are prepared to confront the reality in our society. We are prepared to rationally address this problem and consider the best strategies. We are not about to adopt anything that does not work. We are not stupid. We are not about to do things that will damage young people's lives. So members opposite should stop the rhetoric in which they have engaged tonight, which does not achieve anything, and instead—

Mr Borbidge: This speech is a disgrace, an absolute disgrace.

Dr CLARK: The Opposition Leader said that this is a disgrace. Where is the disgrace in outlining the programs we have that are working to assist drug users? Where is the disgrace in saying that we should—

Mr Borbidge: It is all about safe injecting rooms, which you are supporting.

Dr CLARK: I am not supporting them, and it is clear that the Opposition is trying to divide us on this issue. We are not supporting them.

Time expired.

Question—That the amendment be agreed to—put; and the House divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Elder, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 34—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Question—That the motion as amended be agreed to—put; and the House divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Elder, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 34—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Sitting suspended from 7.05 p.m. to 8.30 p.m.

PRIMARY INDUSTRIES AND NATURAL RESOURCES LEGISLATION AMENDMENT BILL

Second Reading

Resumed from p. 1933.

Mr SEENEY (Callide—NPA) (8.30 p.m.), continuing: As I was saying before the dinner break, this piece of legislation, which seeks to amend the Fisheries Act and facilitate new institutional arrangements relating to fisheries within the Department of Primary Industries, has particular relevance to electorates such as mine where a large number of inland recreational fisheries have been developed in the various impoundments right throughout central Queensland. They have been spectacularly successful. As I said, probably the most successful one would be the Lake Cania impoundment.

There is a whole range of these impoundments. I appreciate that the Minister indicated earlier tonight that he was not aware of these impoundments. I hope he can bear these impoundments and the fish stocking associations who work with them in mind when budgetary negotiations are taking place.

As well as the Cania Dam impoundment we have the Callide impoundment. Wuruma does not have much water in it at the moment but it has been surprisingly successful in the growing of barramundi. A lot of people did not think that barramundi would grow and survive so far south.

We have a couple of very good impoundments in the South Burnett at Boondoomba and at the Bjelke-Petersen Dam, both of which are close enough to the major population centre of Brisbane to attract daytrippers, weekend campers and weekend visitors. The tourism that these impoundments have attracted, simply because they have been stocked—and well stocked—with sports fish, makes a major contribution to the economy of those areas.

However, we are not concerned merely with impoundments. At Mundubbera, the fish stocking association stocks the Burnett River above Jones Weir. We have active fish stocking associations on the Dawson River at Baralaba and Taroom. Both of those associations stock fish into the weir impoundments of the Dawson River. Those impoundments have also been very successful.

We always seem to find some people who put hurdles in the way. Our inland fisheries are no exception in this regard. Of late, it seems to be getting harder and harder for the fish stocking associations to access the necessary permits to stock different species of fish. Something of a pedantic attitude seems to be developing within the Department of Primary Industries that, if the particular species of fish is not native to that waterway, or does not naturally occur in that particular waterway, it is virtually impossible for the association to introduce that species into the impoundment.

I urge the Minister to take a balanced view of this issue. I know it is an issue. I recognise that mistakes have been made in the past. I guess we are all familiar with the European carp, which developed into a major pest species in southern waterways. We should all be conscious of that. We should also be aware of such a problem recurring.

Almost without exception, the fish that are introduced by the fish stocking associations are species that do not breed in those particular environments. I believe we must take a fairly reasonable view of the likelihood of such a situation recurring. Whilst no-one would suggest that we should introduce a species that could devastate the natural environment, we should not allow that very slight risk to prevent us from introducing types of sporting fish into that environment.

I guess a good example of that is the saratoga in Cania Dam. Saratoga is the spotted barramundi. It is a great sporting fish. It did not naturally occur in the Burnett River system; it naturally occurred in the Dawson River system. It was introduced to the Cania Dam as probably something of a trial. It moves upstream to the upper reaches to breed. It has been a spectacularly successful sports fish. At the Cania Dam impoundment, we now conduct fly fishing contests. These contests have been described by people who are expert in the fly fishing field as some of the best fly fishing competitions in Australia. That is a tremendous compliment to the people who have put a lot of work into developing those fisheries.

I urge the Minister to recognise the great contribution that these inland fisheries make and the great opportunities they provide for people from a wide range of communities. As the Minister rearranges the Fish Management Authority within the Department of Primary Industries, I urge him to give this matter the importance it deserves. I urge the Minister to ensure that it has a place in the department so that its value can be recognised. Most importantly, I urge the Minister to ensure that there is increasing funding for these activities. As I said, these people put in a lot of work on their own account, but they really need some assistance from the department. I believe that is only fair.

There are two other issues I want to raise. The first concerns the need for research in order to find the most suitable species with which to stock these impoundments. The success of barramundi in the Wuruma impoundment is a good example of the fact that we do not know everything. Sometimes we find that some of the things we have long assumed turn out to be quite incorrect.

It is necessary that research is undertaken into diseases in fish. This has, as yet, not been a major problem with fish in the wild but there is always the possibility that it could occur. We need research in relation to impounded fish and aquaculture. I will say something more about that later on when I discuss aquaculture.

Suggestions have been made that a fishing licence should be issued for some of these impoundments. I believe that that proposal has broad support in the fishing community. It certainly has broad support in the communities that have benefited so much from the inland impoundments. Perhaps the Minister could pursue the question of the implementation of those licences. I can assure the Minister that that action would have the support of the local community.

The other area that flows on from the stocked impoundments, and which will be a major area of responsibility for this new group within the Department of Primary Industries, is the administration and oversight of the

developing aquaculture industry. This is now a major industry across Queensland. It is an important industry in my electorate. Growers at Biloela were probably some of the first people to develop the red claw shellfish to a commercial stage. They, too, deserve the support of the department. They, too, deserve recognition within the department that their industry is an important industry. The industry deserves research funds, it deserves attention and it deserves recognition that it is important and contributes a lot to the local community and that it provides an alternative source of income. It provides a number of people who are on small acreages with a viable alternative. In some cases of which I am aware it makes otherwise unviable operations viable.

There is a need for ongoing research. It is beyond question that there is more to learn about farming red claw. Indeed, there is more to learn about farming fish species generally. In that regard, we are really just scratching the surface. However, in recent years there have been major developments, and I invite the Minister to come to central Queensland to look at some of those operations and try to understand the part that they play in the community.

Once again, hurdles are being put in the way of people who are trying to develop those aquaculture enterprises. I think that the planning requirements are of the one size fits all variety. They apply equally to the giant corporate aquaculture operations through to the small farmer who has a couple of ponds and operates them very much as an add-on to an existing operation. Some of the planning requirements that the department places on those small operators are certainly onerous and, at times, ridiculous.

I think that this new group that will be formed within the Minister's department should make one of its first priorities a review of those planning requirements with which those small aquaculture operations are required to comply. A small operation with two or three or half a dozen ponds has to go through the planning and notification requirements, advertise in the paper and do all the rest. That process is designed for the large operations, but it places an intolerable burden on those small farmers who are looking to develop another string to their bow or another method of keeping their small operations viable. So I urge the Minister to ensure that the group that will be formed within his department is aware of these planning problems.

There is also a need for more research. When fish species are farmed in close environments, some very unusual conditions develop. During the dinner break I spoke to the member for Maryborough about conditions that are the result of vitamin deficiencies and other conditions that develop in intensively farmed operations, the cause of which are really unknown and into which very little research has been done. So I think that, as the Minister has introduced this amending legislation that rearranges the institutions within his department, it is an opportune time for him to remind the department that these issues are important not only to those people who are directly involved but also to the communities in which those people live and the economy of the State as a whole.

In the short time that I have remaining to me, I would like to refer to the second objective of the Bill, which is to amend the Forestry Act to enable the conversion of the Timber Research and Development Advisory Council into a non-statutory body. I have to admit that I have not heard of the Timber Research and Development Advisory Council. I suspect that not many other people have heard of it, either. However, given the debates that have occurred in this House about the regional forest agreement and the absurd claims that have been made by certain Government members that plantation forests are going to provide a complete alternative to native forest logging in 25 years, there is certainly a huge need for research and development within the forestry industry. However the Government amends the Forestry Act and however it converts the Timber Research and Development Advisory Council, the Government has to recognise that if there is any chance at all—and many people do not believe that there is any chance—that the plantation forests are going to develop within the time frames that the Government has assumed within the RFA legislation, then there is a great need for a major commitment to research and development in hardwood plantation forestry.

For those of us who understand the bush and those of us who understand the timber industry, it is a sick joke to hear Ministers—and I suggest that in this regard the Minister for Primary Industries is just as guilty as the Deputy Premier and other Ministers—who obviously have a political agenda in terms of the regional forest agreement but who have absolutely no understanding of timber or forests stand in this House and talk about the fact that they have planted 10 hectares of plantation here or 50 hectares of plantation somewhere else. To be serious about this situation, there has to be a massive injection

of money into plantations. However, before we make that massive injection of money into the actual physical establishment of those plantations, there has to be a massive injection of money into research and development to determine the species that are to be planted and where the plantations will be located. That has not been done.

The Government has not made the connection between the politics and the reality. All of us in the timber communities know that. So, however the Minister restructures the department, however he changes the names on the letterheads, if the Government is not to make a complete mockery of the regional forest agreement and the approach that it has taken, I ask him to recognise the importance of research and development.

I suggest that the Government is probably going to make a complete mockery of it, anyway. The targets that the Government has set are completely unrealistic. If those plantations are going to develop at all and be available for harvesting in 25, 35 or 40 years' time and if they are going to have a remote chance of being successful, there needs to be a major injection of research and development funds.

Time expired.

Mr KNUTH (Burdekin—CCAQ) (8.46 p.m.): It gives me great pleasure to speak to the Primary Industries and Natural Resources Legislation Amendment Bill 2000. I will comment mainly on the amendment to the Fisheries Act 1994 to incorporate the QFMA into the DPI. I think that is a pretty sensible move, considering that we are used to the DPI officers checking our boats.

I disagree with what the member for Redlands said in his speech when he strongly recommended that the Government enforce tighter controls on bag limits. This is one of the great controversies that has split north Queensland from south Queensland. Although the member for Redlands may think that there is a problem down here with the fisheries, we do not have such a problem in north Queensland. Owing to the various climates and latitudes in the State, most of the Acts and regulations can cause conflicts between fisheries.

The regulation that limits the number of prawns that can be taken to a 10-litre bucket and that limits the heads and sizes of nets strongly goes against a lot of the beliefs of the fishermen in my electorate. We have never had a problem with the overfishing of prawns. The Moreton Bay area may have that problem. The recreational fishermen in north Queensland have always been pretty restrictive in what they take. They have always taken only what they need. Occasionally, we have what we call a prawn boil that will come up in the estuaries. Everybody will take advantage of that and end up going home with a good feed of prawns. However, that is not a regular occurrence.

In recent years, I have been greatly concerned that the QFMA has taken a very one-sided approach to the recreational fishing industry, which generates a large amount of money for the Queensland economy. In my opinion, the recent move by the QFMA to place further restrictions on bag limits for recreational reef fishermen was completely stupid. The QFMA admitted by their own figures that the recreational fishermen took less than 25% of the catch. The QFMA also admitted that the average reef fisherman is lucky to be able to make four trips a year. Even if a fisherman was able to catch his full legal amount, which is 30 fish per person but a maximum of 10 of any species, that equates to 2.5 fish per week per family. That is hardly overfishing.

Given that the commercial fishing industry is taking 70% of the catch, I see no justification why the recreational fisherman is being targeted. I appreciate what our commercial fishermen are doing, and I am not against them at all. However, if a move is made against one sector of an industry, it has to be justified through making a move against the other. If there is any cutback in the catch of recreational fishermen, there must also be a cutback in commercial fishing.

This is something that offends a lot of north Queenslanders. I come from that area. We regularly fish the Great Barrier Reef. We have marvellous fishing opportunities. We do not have a problem with overcatching, because one of the great protectors of the Great Barrier Reef is what we call the great south-easter—the south-easterly wind which places limits on a lot of the recreational fishermen who like to venture out to the reef. We have always called the south-easterly wind the great fish protector; it serves to regulate the fishing industry on the Great Barrier Reef in north Queensland.

Once the QFMA amalgamates with DPI, the emphasis should be on looking at restocking programs. More funding should be made available for further scientific research into fish-breeding programs. Over recent years that field has advanced in leaps and bounds. In addition, more emphasis should be placed on the creation of artificial reefs, which

generate ecosystems and enable fishermen and their families to catch fish closer to the shore, without venturing out to the Great Barrier Reef.

Last year on a visit to the Northern Territory I discussed this issue with the Primary Industry and Fisheries Minister, Mick Palmer. The Northern Territory adopts the sensible approach of creating artificial reefs wherever it can. Most of the Ministers up there take every opportunity they get to fish the artificial reefs in the area. This is a great idea. It is not harmful to the environment. Provided the oil is taken out of the motors, car bodies and boat hulls can be used to build artificial reefs. These reefs soon become fish habitats, and this reduces the pressure on other natural reefs, such as the Great Barrier Reef. More emphasis should be placed on alternatives such as this, instead of just imposing restrictions on recreational fishermen.

Fishing is a family oriented and clean sport. It generates a lot of revenue for the economy and employs a lot of people. We should not just adopt the attitude of placing restrictions on the recreational fishing industry. We should be offering more to recreational fishermen. I know money is an issue; it is scarce. But the Government will find that, if it offers something to recreational fishermen, they will be eager to contribute to programs, if they are permitted to do so. Placing restrictions on them and imposing licences and bag limits is definitely not the answer. Yes, we do need some restrictions. The member for Redlands said that we should be talking about greater minimum size limits. But that is not right, either. In a lot of cases, big fish do not make for good eating. Big fish are not sought as table fish.

Mr Roberts: Little fish are sweet.

Mr KNUTH: That is true; little fish are sweet. Any Asian person will tell us that they like to eat plate-sized fish. For example, if we were to eat part of a coral trout weighing about 30 pounds and then—provided we have not died of ciguatera—if we were to eat a little trout of, say, 2.5 pounds, we would appreciate that there is a big difference in taste. Bigger is not better.

I consider the 58 centimetre minimum limit on barramundi as being a bit too big. The Northern Territory sets its minimum size limit at 55 centimetres. That is much better. However, we should be concentrating on the maximum size limits for barramundi. A limit similar to the 120 centimetre maximum size limit on barramundi should be looked at for other species of fish. Fish of that size are regular breeders. They are the ones we should be protecting. The small fish are the ones that people like to take. This is where the attitude is wrong.

We should also be looking at—and I think the member for Thuringowa will touch on this issue, too—water quality, which is very important. A drop in water quality can change an ecosystem dramatically. We have to continue to monitor the pollutants going into our watercourses and oceans. That has a dramatic effect on marine ecosystems.

I have vast experience as a fisherman. I have never been a commercial fisherman, but I have been an assistant commercial fisherman. My experience tells me that a reef is like a farm. Constant fishing of a reef will not mean that it will be fished out. Similar to a grazing property, which can sustain only so many cattle per acre, a reef can sustain only so many fish per acre. When a fish is taken, another fish is given a chance to survive in that environment. The reef environment can sustain only so much life. The regular taking of fish in an area will not wipe out that resource. It can mean that another fish is given a chance.

In relation to the amalgamation of the QFMA with the DPI, I inform the Minister that the advice he is given by the QFMA is not always correct. It is good to go out to the grassroots fishermen to seek their ideas and support, because they are the people participating in this recreational activity—an activity that creates a lot of jobs in this State.

If we keep imposing restrictions on recreational fishermen, we will start losing jobs in this State. The recreational fishing industry supports boat builders, bait and tackle shops, bait collectors and even the commercial fishing industry. It supports many smaller businesses, including, for example, those engaged in the production of cast nets and fishing tackle. We have to remember that every time we place further restrictions on recreational fishermen we place restrictions on those small businesses.

Mr Nuttall: It's about making sure that we have sustainable stock.

Mr KNUTH: Yes, it is about sustainable stock, too, but there are alterative approaches. We have great technology for spawning fish such as barramundi artificially. We can put them back into the creeks and oceans faster than they can reproduce naturally. We have to look at alternatives to placing further restrictions on fishermen. The Government should stop placing restrictions on recreational fishermen and give them a fair go. They are not hurting fish stocks to the extent that the

QFMA has been led to believe. I point out to the Minister that there are two sides to the story when it comes to fish restocking and the environment.

Mr TURNER (Thuringowa—IND) (8.59 p.m.): I want to speak on the most important issue affecting commercial fishermen and their families. However, I will not talk on any of the other issues that other members have covered. I think the Minister knows all about them.

For too long the management of fisheries in Queensland has been fragmented. I was a commercial fisherman who started operating many years ago under the old legislation when we had a Fish Board. Nothing has changed in 25 years. The legislation may have changed, the political landscape may have changed, the names of the departments may have changed; but for the fishermen nothing has changed. It has been years of ongoing confusion and uncertainty, with the fishermen being pushed from pillar to post at the whim of politicians and bureaucrats, easily influenced by media beat-ups, and every newly elected Government feeling the need to make their presence felt with more changes. It has been a nightmare of rules being chopped and changed from week to week.

It is time for fishermen to be given certainty in their lives. The industry needs stability. All sections of the industry need stability. The poor trawler operators are suffering interference from Federal and State Governments, GBRMPA and the DPI, and every environmental organisation in the lobbying business is competing for the environmental dollar by making out they are saving something, and I guess they are—their jobs.

Today they are saving the Great Barrier Reef. They claim the ecosystem is slowly dying as bottom trawling strip mines the ocean floor. What rubbish! The reef ecosystem is a robust system. It is certainly under pressure, but it is still robust. The major threat is from the west, not the east. Today it is trawl, tomorrow it is line, the next day it will be gill netting, and then they start all over again. Fisheries management will never understand the Great Barrier Reef or the fishing industry by sitting in a fancy airconditioned office. They should get into the water, go fishing on the boats and see first-hand what is really going on. They should look and listen to real people who care about the preservation of their industry.

I have attended the trawl meetings held in Townsville, and most fishermen support the State Government's proposal for the control of the trawl industry. The Minister should put these measures in place as soon as possible. We certainly need rules and regulations to protect this beautiful piece of Queensland and to protect this very important industry. But for the sake of the Queensland families in the industry, those rules need to be made soon and they need to be rules that will hold up over the course of time to bring a sense of stability to this very distraught industry. We need these people to be able to go out and get on with the job of supplying fresh seafood to the nation.

I disagree entirely with the interference of the Federal Government in Queensland State fisheries. Senator Hill should look very seriously at his advisers, as their decisions are often made on an emotional base rather than any scientific base. I strongly support ridding our State of surplus departments, which duplicate each other and create more headaches for fishing families.

I have given many speeches in this House on issues that would go a long way in maintaining a sustainable fishing industry and environment if my suggestions were adopted, and I believe this Government has been listening. I support the abolition of the QFMA and its amalgamation with the DPI into a single body to be called the Queensland Fisheries Service.

Mrs LIZ CUNNINGHAM (Gladstone—IND) (9.02 p.m.): In rising to speak on this Bill, I want to make a couple of quick comments on the restructure of the QFMA. At the same time there will also be a restructure of the QCFO. I have already spoken with the Minister on the QFMA, so I will not go into any detail other than to say that in the past the work of the QFMA has often lacked credibility, particularly more recently on the issue of the VMS and its functioning. Any restructuring that will allow interest groups to be more equally represented by people who know what they are talking about has to be a step in the right direction.

There has to be a continued review of the east coast trawl management plan. I know that years have been put into that already. Because most fishermen are family fishers and are out on the water, they do not like reading documentation—they are like family builders. The smaller operators, in particular, are very distressed by the plan as it currently stands, which caps the night effort which benefits the bigger players and not the smaller boats.

A lot is being said about putting more constraints on commercial fisheries. I have read a list of what they have installed over the past couple of years and it is tremendous. The

constraints that they themselves have adopted for their industry include by-catch reduction devices, turtle excluders, the VMS and a host of other closures or partial closures. They are working productively to maintain a sustainable fishery. They do, however, need organisations—both their own and Government organisations—that will genuinely listen to them and implement fair and equitable constraints, restrictions and rules. I commend this Bill to the House, but I also commend the people whom members represent, the people with whom they will be dealing. The fishers of Queensland are great people and provide us with a great product.

Hon. H. PALASZCZUK Inala—ALP) (Minister for Primary Industries and Rural Communities) (9.04 p.m.), in reply: I would first like to thank all honourable members for their contributions and also for the wide-ranging support that honourable members have offered for the passage of this piece of legislation. To save time, I intend to write to each member who has spoken here this evening. I have taken a note of their contributions and the issues that they have raised, and I will write to them with my responses.

Motion agreed to.

Committee

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

Clause 1, as read, agreed to.

Clause 2—

Mr PALASZCZUK (9.06 p.m.): I move the following amendment—

"At page 6, line 7—

omit, insert—

'2.(1) Part 2 and section 13 commence at 6 p.m. on 30 June 2000.'."

The Government moves an amendment that clause 2(1) be deleted and be replaced with a new clause 2(1). The original subclause provided that Part 2 and section 13 of the Bill, both of which relate to the facilitation of new fisheries management, commence on 30 June 2000. The new subclause (1) stipulates that Part 2 and section 13 commence on 30 June 2000 at 6 p.m. This will ensure that the Queensland Fish Management Authority continues to operate until the close of business on 30 June 2000. It also ensures that the dissolution of the authority and any associated transitional processes occur before 1 July 2000, when the operation of the Commonwealth goods and services tax will commence.

Amendment agreed to.

Clause 2, as amended, agreed to.

Clauses 3 to 7, as read, agreed to.

Clause 8—

Mr ROWELL (9.07 p.m.): I move the following amendment—

"At page 16, after line 2—

insert—

'Exemption from State taxes

'111A.(1) Despite any other Act, State tax is not payable in relation to—

(a) a transfer of assets or liabilities; or

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

'(2) In this section—

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

This amendment deals with stamp duty. I believe, once again, that this organisation should be exempted from stamp duty. I believe that the proposal being put forward in other legislation by the Minister in which an ex gratia payment will be made is not satisfactory. I am moving this amendment to ensure that that organisation gets due recognition for the work that it is doing in turning it into a voluntary-type organisation.

Mr PALASZCZUK: This issue has been canvassed on a number of occasions with different pieces of legislation that have passed through this Chamber. All I can say to the honourable member is that what I have said to him previously stands. I do note his concerns.

Amendment negatived.

Clause 8, as read, agreed to.

Clauses 9 to 13, as read, agreed to.

Schedule 1—

Mr PALASZCZUK (9.09 p.m.): I move the following amendment—

"At page 31, amendment of Irvinebank State Treatment Works (Sale and Operation) Act 1990, lines 7 and 8—

omit, insert—

'1. Section 10—

omit.'.

The Government also moves an amendment to Schedule 1 to the Bill, item 1 under the heading "Irvinebank State

Treatment Works (Sale and Operation) Act 1990". Section 10 of the Irvinebank State Treatment Works (Sale and Operation) Act 1990 provides that the chief executive of the department which administers the Primary Industries Corporation Act 1992 is authorised to grant, in accordance with that agreement, licences for water under the Water Resources Act 1989. As the PIC Act will be repealed by the Primary Industries and Natural Resources Legislation Amendment Bill 2000, it is necessary to amend this section to omit the reference to the PIC Act.

The amendment to this section currently in the Bill has the effect of authorising the chief executive of the Department of Mines and Energy to issue a licence under the Water Resources Act 1989, which does not reflect the original intent of the section. It is now proposed to simply omit the section. Given that the PIC Act is being repealed, there is no further need for a provision of this kind.

Amendment agreed to.

Schedule 1, as amended, agreed to.

Schedule 2, as read, agreed to.

Bill reported, with amendments.

Third Reading

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

DAIRY INDUSTRY (IMPLEMENTATION OF NATIONAL ADJUSTMENT ARRANGEMENTS) AMENDMENT BILL

All Stages; Allocation of Time Limit Order

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Leader of the House) (9.11 p.m.), by leave, without notice: I move—

> "That under the provisions of Standing Order 273, the Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill be declared an urgent Bill and the following time limits apply to enable the Bill to be passed through its remaining stages at this day's sitting—
>
> (a) Second reading by 11.30pm;
>
> (b) Report from Committee of the Whole House by 11.50pm;
>
> (c) Third reading by 11.55pm; and
>
> (d) Title agreed by 12 midnight.
>
> At the times so specified, Mr Speaker or the Chairman, as the case may be, shall put all remaining questions necessary to pass the Bill, including clauses and any amendments en bloc to be moved by the Minister in charge of the Bill, without further amendment or debate."

Question—That the motion be agreed to—put; and the House divided—

In division—

Honourable members interjecting—

Mr DEPUTY SPEAKER (Mr Mickel): Order!

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order!

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! The honourable member for Callide!

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! The honourable member for Callide!

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! I warn the honourable member for Callide under Standing Order 123A.

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Fouras, Hamill, Hayward, Hollis, Kaiser, Lavarch, Lucas, Mackenroth, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Purcell, Sullivan

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Second Reading

Resumed from 12 April (see p. 777).

Mr ROWELL (Hinchinbrook—NPA) (9.20 p.m.): This is an absolute disgrace, an absolute disgrace. It was absolutely essential that the three Bills pertaining to primary industries to be debated after lunch had to be passed by this House before 30 June, yet we have been allowed the minimum amount of time to debate the Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill. Very few speakers will have the opportunity to contribute to the debate.

The Queensland dairy industry is an important industry in the State's economy. It is the fifth largest rural industry in the State with

over 1,600 producers. The total value of milk to the State was $720m in 1995-96 when 750 million litres was produced. In the 1998-99 year, 822 million litres was produced, with market milk at 377 million litres. The industry has, like many other Queensland primary industries, been caught up in deregulation of the industry. The Dairy Legislative Review Committee, chaired by Sam Doumany, had to determine whether the milk marketing arrangements in Queensland were anti-competitive. It was determined that the industry should carry on for a limited period to allow it to adjust.

It is interesting to note that the committee did not recommend the removal of those controls. It found that they were in the public interest. Committee members found that any unilateral removal of these controls would not be in the interests of either the dairy industry and the people reliant on it or the community overall. So, to be fair, it has long been recognised that further changes needed to occur. The dairy industry also appreciates that.

One matter that needs to be clearly spelt out is that the pain and burden of change always seem to be borne by those who are least able to bear it—the little people, the family farms and businesses, the workers in the small towns whose only livelihood revolves around the one factory, and the retailers and other small businesspeople who supply services to those people and who have very small profit margins.

Over the past few years, despite NCP reviews and the like, dairy farmers have been confronted with poor world prices for manufactured milk products, drought conditions in many parts of this State and static domestic demand. Despite all of the hairy-chested calls for further rationalisation of our domestic market, dairy producers face a global market that is inherently corrupt and far from being a level playing field. Time and again Australian producers are expected to lead by example yet are confronted with trade barriers and unfair trading practices.

It would be very easy for me to rail against these forces, but any sensible person with any sort of vision knows full well that we are an export oriented economy. We have to export to live. We simply do not have the domestic market that the United States and the European Community have in order to close our minds or our markets. To prosper we have to be internationally competitive. I accept that in relation to our dairy industry we have to be conscious of the problems and prospects of both the international market and the benefit of value adding to our milk products.

I do not enter the debate attempting to demonise the changes that our rural sector is facing. In fact, our rural sector has always been at the forefront of change. Our rural sector has always been the most internationally competitive of all of our industries. Traditionally our rural producers and their representatives have grasped change and driven it forward to the benefit of Australia. The question that must be asked is why Queensland dairy farmers and all those in regional Queensland reliant on this industry are being confronted with such traumatic changes. There are essentially three factors at play. I will not go into them because, unfortunately, I have very limited time.

In 1998 the coalition supported an amendment to the Dairy Industry Act to maintain a regulated farm gate price for five years, until 31 December 2003. Due to the changes in market circumstances, particularly because the Victorian Government announced that it was prepared to deregulate its market milk arrangement on 1 July 2000, a regulated industry became difficult to sustain. That is the situation with the support that has been given in the Victorian Parliament.

The Federal Government announced that it would end the domestic market support scheme, which had encouraged Victorian farmers to export, on 1 July 2000. Due to Professor Hilmer's theoretical philosophies, championed by Paul Keating, the Federal Government under Keating adopted and brought into legislation the National Competition Policy. Financial enticement saw Queensland under then Premier Wayne Goss enthusiastically adopt this model with State legislation. Industries such as the sugar industry and the dairy industry had to be put to the sword for the State to receive its competition payments.

During the two years of coalition Government in Queensland, competition payments were given to local authorities to assist shires with their development. Something like $150m was distributed. I believe it is fair and reasonable that this Government, which has brought this Bill into the House, should also assist the dairy industry, which will badly need assistance in a deregulated market. The coalition did not keep the blood money that was provided by competition payments. We expect this Government to follow suit. I will address this issue later.

The Victorian industry, which has something like 64% of the Australian market and supposedly a lower cost of production, has the ability to expand even further should the market opportunities exist. Although the cost of transport has to be considered, the long distance transport of fresh milk is being carried out by Malanda Milk from the tablelands to Mount Isa and to Darwin. So long distance transport is not an issue. The governing factor is cost.

Customer loyalty to local producers has been identified as a method of receiving the support which is so critical to the industry. Dick Smith recognised this with a survey showing that, to a large extent, Australians will buy locally produced products. Price is not the sole criteria for the purchase. I feel that if we could identify Queensland produced milk by labelling it as "Queensland State of Origin", consumers might support the dairy farmers of this State. At one stage I had the Minister's support for this, but when I asked him a related question on notice cold water was thrown over the idea, with every reason being given for why it could not happen rather than every reason it could. The Minister sought the cooperation of supermarkets to have only Queensland milk on their shelves, but this has been unsuccessful. I have seen milk bottled in Yennora in New South Wales on the shelves in Ingham.

A lot has been said about the package and the impact it will have on the Queensland industry. There has been a definite intent on the part of the Victorian industry to sell its milk across State borders, irrespective of the deregulation package. Had not all States decided to support the package—it needed only one State to not agree—then competition in the Queensland market would have occurred anyway, but without the financial support of the package.

In principle, I have difficulty in supporting the termination of a sound, orderly marketing system. I have visited a number of dairy farming communities around the State. There is a great deal of uncertainty about the future of many of the farms. Farmers who supply the Dairy Farmers Group are extremely concerned about their new market milk quota. In many cases their quotas have been dramatically reduced with the new supply agreements. When deregulation occurs, 50 million litres of milk will be brought across the border by Pauls to supply drinking milk for the Brisbane area. That milk will no longer be supplied by the Dairy Farmers Group in Queensland. This will leave Dairy Farmers' suppliers more exposed to manufactured milk prices.

There are virtually no farmers happy with what they face with the future of the milk industry. The security that once provided stability for the industry has gone, or it certainly will be if deregulation takes place. Supermarkets are calling tenders for the supply of milk. There is no doubt that there will be a high level of competition, and it will be interesting to read the labels to see where the milk is being packed. But what the consumer will not know is where it comes from.

While restructure packages may soften the impact, a substantial number of farmers will find it difficult to stay in the industry. It is not certain what the industry will be like in 5 to 10 years' time. There are models with regard to large mega-type dairies. There is a strong line of thought that the very large operations will not provide the answer to reduce costs, as they may be too big to allow the use of pastures and feeding will take place in a confined area. In many ways they would replicate a feedlot but would require sound management and hygiene practices to operate. Large-scale operations may not be the answer for the most efficient operations.

I turn now to the Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill. The Bill closes down entitlements—without a doubt the most important sections of the current Act that provided security to dairy farmers. The entitlements provided a security which was of great assistance when negotiating a loan to carry out improvements on a property. The entitlement will not be worth the paper it is written on. It was the basis of the enterprise's value, but due to the ability of suppliers outside the State, that security will disappear.

As administration is provided in the legislation under section 99I(2) to wind up the affairs of the Queensland Dairy Authority, with any of the net proceeds to be vested in the State and to be used for the benefit of producers—whatever that may be—there is a role for the State Government to assist with the transition into the vagaries of the deregulated market.

The 11c per litre on market milk collected over the next eight years will mean that Queensland farmers will receive $220m or thereabouts, provided that all States remove their market milk control by 1 July 2000. Prior to this legislation being passed by Queensland, processors have increased their price to consumers over the past year by 23c. This occurred with increases of 6c per litre, followed by 8c a litre and, not so long ago, 9c per litre. This made a mockery of the prospect

of cheaper prices under a deregulated market. While the producers of the market milk are receiving the same—58c per litre—for their milk produced for drinking milk, an increase in favour of the processing industry has seen incremental price increases to consumers. So much for cheaper milk prices under the prospects of an unregulated market! The consumers pay 23c more per litre. The farmers will receive something like 18c per litre less after 1 July—a difference of 41c per litre.

While a range of claims has been made by processors as to the need to increase the price, very little has been said by the Queensland Government. What will the State Government do to reduce the impact of deregulation for dairy farmers in this State? When asked about using the national competition payment to assist the dairy industry, the Minister responded by saying that there is no $98m payment. There is no indication that any part of the windfall from the competition payment to the State Government will be provided to soften the blow to dairy industry communities. There is no national competition payment being paid to Queensland. Minister Palaszczuk is saying that the Commonwealth Government is not providing any of its money for the concept to restructure the dairy industry. It is collecting the 11c over eight years from consumers for the $1.74 billion package, plus an additional $45m for the Dairy Regional Assistance Program.

Is the Minister aware that Governments, whether State or Federal, do not actually have any money of their own? They collect it in taxes, levies, excise and a whole range of mechanisms to then provide a Budget, from which it is decided how the funds will be spent for the betterment of the community and the provision of services. Generally, good Governments do not spend more than they receive in revenue. The Beattie Government is one exception, when a deficit was created for the 1999-2000 Budget. Does the Minister understand that the State collects money from stamp duty, land tax and gaming machines, to name but a few? The fact is that it is not the Beattie Government's money; it is money that the State has available to use for a whole range of matters, and the Government merely administers it.

In the conservative State Government of Western Australia, the National Party Primary Industries Minister recognised the need for a support package to soften the impact of deregulation on dairy communities. The concept of the additional $45m was not solely generated from Queensland and the Democrats, as we are led to believe. From press statements, I understand that the Western Australian Minister also was supportive of additional funding for communities that would be affected by the deregulation. It is interesting to note that the amount sought by Queensland's Minister was $6m, so if Queensland can provide good, sound projects we will now receive $12m.

More is being done for the industry in Western Australia by the State Government than is being done in Queensland. In Western Australia, a $27m assistance package will support farm and regional adjustment through support for dairy workers and support special assistance to dairy farmers themselves. There is also an asset being passed over to the industry worth $10m. The Dairy Industry Authority and the Herd Improvement Service will top up the Federal Government's package by $37m. It must also be pointed out that the Western Australian industry is only half the size of the Queensland industry. At least that State Government is prepared to assist its rural industries by offering support to the dairy industry.

There will be significant movement of milk around the east coast States of Australia, and even into South Australia, if deregulation occurs. I understand that milk will be delivered to the Rockhampton Correctional Centre from a South Australian supplier. This is the type of outcome that Queensland Labor's State Purchasing Policy for Government departments has created, yet there is an industry and processing plant in central Queensland that has the capacity to supply the correctional centre on a daily basis. We will see more of this ridiculous situation under a deregulated industry. Processors will nationalise their operations, and in many cases it has been forecast that isolated operations will close and more centralised facilities will be developed.

The outcome will be the death knell of small communities. Processing operations, which were the main source of employment in the town, will go. Although the economic rationalists put forward the theory of competition and reducing costs, there are other considerations. How much extra traffic will go onto our roads as milk is moved around Australia—in some cases moving thousands of kilometres in order to pass existing local processors, as in the case of South Australia's milk going to Rockhampton? Who pays for the increased need of improving road infrastructure to conduct this trade? In a period when we are discussing how we can reduce the amount of carbon going into the atmosphere, does it make sense to carry out

the economic rationalists' theories to cater for a perceived benefit? Do these people, when they sell this perceived benefit which only has to account to a bottom line, understand the level of disruption it causes to small communities?

Has the cost of their assessment been accurately accounted for when the use of public infrastructure and the unnecessary movement of product is added up? Governments are swallowing this hook, line and sinker. Many countries around the world are more supportive of maintaining a decentralised system and are conscious of the need to avoid catering for large areas of population. Importantly, when we compete against the rest of the world, our cost of production has to be competitive.

But what is happening to the domestic milk market and its supply system? Should the coalition be successful at the next State election, there would be a range of issues that could be considered by the Department of Primary Industries. Knowing that this Government has run a deficit Budget, and not knowing what is in its 2000-01 Budget and how far we will be going into that Budget before an election, I cannot make promises that are impossible to fulfil. But I can say that I will be looking for opportunities for the dairying communities around Queensland where the Department of Primary Industries can be involved. I will assist in examining the prospects of supply agreements Statewide with dairy farmers on a cooperative basis to facilitate stability to processors of market milk.

Improving the productivity of those farmers who want to stay in the industry will be crucial for their survival. It may be that some dairy farmers may decide to continue on but, at the same time, look for other opportunities. They may look at another form of farming or processing of their milk for niche markets. I have received phone calls from dairy farmers who are interested in looking at such initiatives, either independently or as a group. There may be horticultural crops suited to areas where dairy farmers have been producing milk for a number of years. I believe it is important that Government has an understanding of the level of support within the industry for proposals being put forward.

I am aware that polls were taken in various supply areas, but there was not a clear indication of the level of support for the package by the Queensland industry across the State. I requested Minister Palaszczuk to have this poll conducted, but my request fell on deaf ears. After all, it is the dairy farmers of Queensland who will have to live with the outcome.

One of the main intentions of the package, which is the largest rural support package ever, is to allow those farmers who wish to exit the industry to do so with dignity. The coalition—and particularly the National Party members—is well aware of the ramifications of deregulation. We understand what it means to dairy farmers who believed that they had security with their entitlements. They are involved in a lifestyle that many people would not accept—in some cases it was by choice and in many other cases it was a way of life that they inherited. It is not an easy way of life being tied to a business seven days a week and having to contend with seasonal conditions.

At the present time, most of Queensland has had good—and in some cases excessive—rainfall. However, there are sections of the State that are facing drought conditions. Being faced with a deregulated marketplace will make it very difficult for some farmers to stay in business. I have received phone calls from dairy farmers on the Darling Downs. I attended a conference on the Darling Downs on 12 May this year.

I will be moving an amendment to have the $98m from the national compensation payment spent within the industry to compensate for the loss of income to the end of the year 2003. As I have said, the whole idea—be it flawed or not—of exposing an industry to competition and opening up markets came from the economic rationalist theories of Professor Hilmer, sponsored by Paul Keating, and embraced by the Labor Party in Queensland, of which those opposite are members.

The Beattie State Government has a responsibility to support the consequences of what it supported in relation to the National Competition Policy. It is fair and reasonable that the Government should share with the industry that is affected. We are all aware that the Victorian industry was the catalyst that brought forward the five-year period to the end of 2003. This has caught many dairy farmers off guard. There was a belief that the industry had time on its side to adjust, but that proved not to be the case.

What is not understood by this Government is that it is not like turning a tap on and off. There is often a need for planning that takes years to implement, particularly when a major change takes place. In some cases, there are farmers who would have been ready to retire and the asset they had created

was their superannuation. To some extent, they now have a valueless entity. They have been left with a non-productive asset. In many cases they have been left with virtually nothing.

It is apparent that this Government is going to provide nothing. The Government will use the spoils of the National Competition Policy which it inflicted on sections of Queensland in order to assist it to balance the books. As a political ploy, it has been opportune for the Minister to provide misinformation about deregulation and the $1.74 billion package.

The dairy industry made the approach to the Federal Government to bring in the package, and the Federal Government required all the States to support it. The Queensland Government has done this. Despite my calls for farmers to have a vote on the deregulation package, the Minister refused the dairy farmers the right to have a voice in their future.

The Primary Industry Bodies Reform Bill, which was rushed through Parliament in the latter part of last year, should be a clear indication to anyone who is observing the performance of this Government of just where this Government is coming from with regard to deregulation.

While there was support for the divesting of power allowing statutory bodies to become voluntary, the push has come at a time when many industries, such as the dairy industry, are uncertain of their future.

A family of farmers in Nanango has been very concerned about their future. These people have spent a lifetime in the dairy industry and they feel that they are not going to be beaten by deregulation of the industry. They are spending a considerable amount of money installing a processing plant to take their daily production of between 5,000 and 6,000 litres of milk. There are three married sons who want to remain dairy farmers. The family will sell milk to retailers for less than $2 per 2-litre container. They will have a red map of Queensland on a white background with a dot for Nanango. The family will produce a range of flavoured milk for sale to retailers.

The family does not intend to stop dairy farming. They are to develop the farm and the processing complex into a tourist venture where people can come and acquire an understanding of how milk is produced and the process that it goes through until it reaches the supermarkets. I understand that the slab for the project has been poured and the processing plant should be ready at the end of July. Such people have demonstrated that initiative is alive and doing well in Queensland. They are prepared to take advantage of whatever they can in the face of adversity. It is unfortunate that they are unable to inform the Minister of their aspirations. I know that on a number of occasions they have tried to ring the Minister. Unfortunately, they have not been able to get past his people.

I think that it is extremely important that we recognise the plight of the dairy industry in Queensland. We have seen a major problem develop and, because of what the Victorians have done, there has been a plea by the industry throughout Australia to have deregulation put in place. There is a belief that there is no other option. I think that it is very, very difficult for those many farmers who know very little other than the dairy farming that they have been involved in, in some cases for generations. They are now in a position of operating at a loss. They thought that they had security for the next three and a half years. However, that is no longer the case. Farmers in many areas are going to suffer massive losses. People are absolutely distraught. They do not know where to turn. They are frustrated. They are very concerned.

The Opposition recognises the dairy farmers' plight. They understand fully that this deregulation is not of their making. The options for those dairy farmers are extremely limited. For them, branching out into alternative industries could be a way out of their dilemma. However, those people have been in an industry that, over a long period, has been extremely successful in supplying milk to Queenslanders on a daily basis. The system that we had was sound. There was no concern about shortages of milk in Queensland. However, owing to deregulation, many of those farmers who have put everything into the industry are now facing the prospect of being no longer able to carry on in that industry. Their farms and their other assets are at risk. Certainly, the collateral value of their properties is decreasing at a rapid rate. At present the value of the market milk quota is worth pretty near zero. A few carpetbaggers are going around paying very low prices for those quotas—something like $10 a litre. There is a hope that somewhere down the track there may be a class action, which they will capitalise on. I think that is of great concern.

The Opposition wants to make sure that this compensation package comes into being and that there will be money provided by the State for the dairy farmers. We have considered this $98m that has come from

national competition payments. We are absolutely adamant that the growers—the people who grow the corn, the feed and all of that sort of thing for the dairy farmers—and the farmers themselves are going to benefit from this $98m from those national competition payments. I can assure the Minister that the Opposition is going to be very definite about that. We are not going to see our farmers wither on the vine like so many farmers from the other States have. We are going to make absolutely certain that if those dairy farmers get out, they go out with some dignity. If they have a prospect of staying in the industry, that is going to happen. In that regard, I will be moving an amendment during the Committee stage.

Mr WELLINGTON (Nicklin—IND) (9.54 p.m.): I rise to speak to the Dairy Industry (Implementation of National Adjustments Arrangements) Amendment Bill 2000. Over two years ago, I attended a dairy farmers' meeting at the Kenilworth Bowls Club. Present were more than 45 dairy farming families concerned about the implications of the deregulation of their industry. Since then, I have continued to meet with dairy farmers and dairy industry representatives who have been desperately seeking some solution to the problems associated with the deregulation of their industry.

The deregulation of the dairy industry has the potential to decimate one of our country's major agricultural industries and cause severe hardship in my own electorate of Nicklin. Large farms may survive, but the small family farms may disappear and as a result whole communities will suffer.

Today, I arranged a meeting between the Queensland Premier and dairy farmers from my electorate of Nicklin. I would like to acknowledge the contributions of Shane Paulger and Joe Herron, who today put to the Premier a plan that could be a solution to the current deregulation proposals. This proposal, the Baker plan, was submitted by representatives of the Australian Milk Producers Association and consists of a quota plan involving dairy farmers in all Australian States. Because of the limited amount of time available, I will not go into the details of the plan tonight but will make a copy of notes of the plan available to all members of this House for their consideration if they are interested.

This afternoon, the Premier assured both the dairy farmers' representatives and me that his Government's best legal brains will immediately assess the ramifications and implications of the Baker plan to determine whether it is legally feasible. The farmers who met with the Premier and me this afternoon were concerned that the dairy Bill now being debated will be rushed through this House without the new plan being considered or even investigated. The Premier assured us that, even if the House passed the Bill tonight, that would not be the end of it. The Premier explained to the dairy representatives that in order for the Queensland dairy farmers to be able to access the Federal Government's compensation package, the dairy industry Bill must be passed.

However, I understand that the crucial date for ensuring that this compensation package remains available to Queensland farmers is not the date that this Bill is passed in State Parliament but the date that the Bill is proclaimed. So even though this Bill may be passed tonight—and quite clearly the Government has the numbers as a result of the gag that has now been applied—all is not lost and there is still time for the Government's legal brains to evaluate the Baker plan and, if it measures up, to take the appropriate action. As well, there is still time for members of the Australian Milk Producers Association to continue to muster support for their plan throughout Australia, which I understand has started already.

I do not support the National Competition Policy or the deregulation of the dairy industry. However, I want to make sure that the dairy farmers of Queensland are not discriminated against and do not miss out on the compensation package offered by the Federal Government. The dairy industry Bill that is before the House is not the answer to the problems facing the Queensland dairy industry. However, if all else fails, it does provide our farmers with some dollars in compensation.

Notwithstanding the Premier's sincere assurances to me and the dairy industry representatives this afternoon that his Government will seriously and genuinely have this latest proposal evaluated to see whether it is feasible, I will be voting against this Bill tonight to signal my protest to this Government for the way in which this Bill is being pushed through without allowing proper debate and because this Government is not contributing any money towards the compensation package. Because of the limited amount of time now allocated by this Government for the debate on this Bill, I will say no more so as to allow more members of Parliament the chance to speak to this most important Bill.

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (9.58 p.m.): In addressing this Bill tonight, I remind the honourable member who preceded me of the commitments given to him by the current Premier in respect of the proper operations of this Parliament, for which in exchange the honourable member for Nicklin provided the commission to the current Labor Government in this State. The legislation and the manner in which it is being dealt with by the Parliament tonight places the Opposition in an almost impossible position.

This is one of the most important and significant pieces of legislation to come before the House in a long time. Thousands of Queensland families and dozens of Queensland communities have their future on the line. I would have thought that, out of common decency and respect for each and every one of those individuals, the Government would have been prepared to allow proper debate in this place tonight on this legislation. I know that I speak for every member of the Opposition when I say that we would have been happy to be here all of tonight, all of tomorrow, all of Saturday and all of Sunday so that we could have had a proper and reasonable debate. For this despot, the current Premier of Queensland, to sanction the guillotine on this legislation so that we have two and a half lousy, rotten, stinking hours to debate the future of one of the great industries of Queensland is an affront to democracy and the Labor Party stands absolutely condemned.

During the course of the afternoon there were some very significant developments. We saw for the first time representatives of AMPA and representatives of the QDO sitting down together to try to find some common ground. That apparently was not good enough for the Minister, the Premier and the worst Leader of the House that this Parliament has ever seen. The QDO was prepared to enter into discussions with AMPA in regard to negotiations with the dairy industry in Victoria, and there was a plea for a bit more time to see what we could work out collectively as a community. What was the one thing the industry wanted and the one thing the Government denied it? More time!

Mr Horan: A bit of time.

Mr BORBIDGE: They wanted a bit of time to try to work it out. If we had to come back next week, the week after or the week after that, so be it. We have had special sittings of the Parliament before to debate matters that, in terms of the social fabric of our society, were of far less consequence than this.

One of the avenues of action that the Opposition was going to pursue in this place tonight, which is now denied to us through the enforcement of the gag by the weight of numbers, was to seek the adjournment of this debate so that AMPA, following its meeting with the QDO, would be in a position to enter into negotiations and discussions with the major players in the dairying industry in Victoria. It is all very well for the Premier to give glib assurances about the date of the proclamation of the Bill. The Premier is saying, "Trust me." I would have thought that all of those communities—all of those farmers—would have had a greater degree of comfort if the Parliament had said, "We trust you."

Tonight will go down in the history of the Queensland Parliament as a night of shame. I accept the fact that from time to time there will be differences on matters of principle and policy in this place. But when we deny members the opportunity to canvass, air and debate those differences, we prostitute our oath of office. That is what the Government has done tonight.

Mr Fouras: What difference does 10 minutes make?

Mr BORBIDGE: The former Speaker, who occupied an office in this place where the first obligation was to defend the freedom of speech of honourable members, is the first member to interject to support the gagging of this debate tonight.

I believe it is a tragedy that at a time when the key players in the industry have arrived at some common ground the Parliament will tonight deny them that common ground. All that has happened as a result of today is that people have said, "Give us a bit more time." But that is not good enough for Mr Beattie and his charade of consensus and negotiation. His friendly, hail-fellow-well-met public relations front is revealing itself day by day to be a public relations fraud.

Mr Beanland: The media tart.

Mr BORBIDGE: As the member for Indooroopilly said, he is a media tart.

There were a number of matters that I wished to raise in this debate tonight. I wanted to mention the fact that the coalition Government of Western Australia has committed $37m in State funds to supporting the dairy industry in that State, despite the fact that the importance of the dairy industry in Western Australia is a mere fraction of the importance of the dairy industry in this State. We know that in terms of national competition payments there will be $98m flowing to the Government of Queensland. I know the

Government response, because I heard it on Saturday at Maleny from the Labor candidate for Glasshouse. She stood up at a meeting sponsored by AMPA and said, "But that is $98m that would normally go to schools, hospitals or police."

Mr Seeney: What a lie!

Mr BORBIDGE: It is a blatant Labor lie.

Madam Deputy Speaker, you were not in this place when in the previous Parliament the previous National/Liberal coalition Government passed on $150m in national competition payments to local authorities in this State in exchange for the implementation of National Competition Policy. I and the then Treasurer could have argued that that is money that could go to teachers, police, nurses or schools, but we took the view that, because it was an NCP payment relating to a particular area—local government—the national competition payments should be passed on. All we have asked this Government, this Premier and this Minister to do is follow that precedent. How many dollars has Premier Beattie put into the dairy industry in the State of Queensland?

Mr Veivers interjected.

Mr BORBIDGE: A big zero!

Mr Horan: Just press releases.

Mr BORBIDGE: There have been press releases and media conferences, but there is not one lousy cent from his soon to be handed down Budget of $22 billion—not one lousy cent. Yet the Western Australian Government, under Premier Court, can find $37m to assist the dairy industry in that State, which has only a fraction of the economic importance of the dairy industry in the State of Queensland.

Mr Veivers: And that's on top of the package.

Mr BORBIDGE: That is on top of the package.

Tonight I say to the Minister: he and his colleagues are a pack of collective Judases. They have betrayed the dairy industry. They have not been prepared to put their hands in their own pockets. They have not been prepared to provide some money from the Treasury of Queensland. They want to pocket the $98m in national competition payments because they have run the Budget of the State of Queensland so far into the red that they need every cent they can accumulate.

Mr Seeney: Broke!

Mr BORBIDGE: They are broke.

The dairy farmers and the communities that depend on them will never forget or forgive the Minister for his lack of action in terms of providing any State assistance whatsoever and in terms of the total abrogation of the commitments given by the Premier to the honourable member for Nicklin in exchange for the numbers to go to Government House to get the commission from the Governor—a commitment to proper debate and a commitment to respect the Parliament.

Mr Seeney: What a fraud!

Mr BORBIDGE: What a fraud! If I were the member for Nicklin, I would be alleging massive political fraud on the part of the member for Brisbane Central and his Government. What the Minister and the Leader of the House have done tonight is not only refuse to top up the Federal Government package that the industry negotiated with the Commonwealth as a result of the Victorian decision to deregulate—

Mr Rowell interjected.

Madam DEPUTY SPEAKER (Ms Nelson-Carr): Order! The member for Hinchinbrook will refrain from using unparliamentary language.

Mr ROWELL: I rise to a point of order. I just want to make the point that it is of some concern that members on the other side are laughing about the whole scenario.

Madam DEPUTY SPEAKER: Order! The member for Hinchinbrook will resume his seat.

Mr BORBIDGE: Let it be a matter of record that the honourable member for Springwood, standing out of order in this place, was laughing in respect of the very issues being raised here tonight. I say to the honourable member that he can wipe the stupid grin off his face. He may think it is funny, but we do not.

What we see tonight is the very fact that the Government is not prepared to even debate its position, it is not prepared to even be accountable and open to the people of Queensland through this, the people's House. This is shown by its ramming through this legislation and restricting the right of honourable members in this place to have fair and proper debate in regard to this legislation.

Mr Hegarty: I wonder if they'll be having country Cabinet meetings in dairy areas.

Mr BORBIDGE: I wonder if they will be having any country Cabinet meetings in dairying areas.

To give other members on my side of the House the very limited opportunity that we have to contribute to this debate, I will confine my remarks to what I have said. I would,

however, place on record my thanks to the Speaker, who has indicated that he will extend to me the courtesy tonight of granting approval for the balance of my speech to be incorporated in Hansard. I seek leave to have the balance of my speech incorporated in Hansard.

Leave granted.

Mr Speaker, this is one of the most significant and far-reaching pieces of legislation introduced to this Parliament in recent years. It effectively concludes a process that was initiated under the Goss Labor Government by completely deregulating Queensland's dairy industry.

The warnings over deregulation that the National Party issued during that initial debate back in 1993 were reiterated again in December 1998 when this Parliament legislated to retain the farmgate price and supply management scheme for another 5 years. We warned that deregulation would only benefit the big retailers and processors. We warned that farmers needed protection from the market powers of the few big processors and retailers. Sadly, those warnings are now coming to fruition and we find ourselves debating another Bill to completely deregulate the dairy industry—just 18 months after voting to maintain regulation at the farmgate.

Mr Speaker, the dairy industry is one of Queensland's most valuable primary industries. Queensland's 1,650 dairy farmers and their families produce in excess of $300m worth of product at farmgate values and the industry at the wholesale level makes a contribution of $750m a year. The value of that production is an essential component of Queensland's economy—a contribution that the people of this State all share some benefit in. But as a decentralised industry, the dairy industry also makes a more immediate and extremely significant contribution to regional communities the length of this State.

In areas like the Atherton Tableland, Central Queensland, the Sunshine Coast hinterland, the Darling Downs and south-east Queensland the dairy industry underpins the social and economic fabric of whole communities. The industry supports thousands of jobs in all those communities. It is an industry that supports families who in turn support their local school, hospital, church, machinery dealer, corner store and so on. So while the impact of deregulation, as it is proposed in this Bill, will inevitably have an impact on the Queensland economy as a whole, the impact will be felt most sharply in those rural and regional communities and by those farmers and their families. It is those areas that will be hardest hit and it is those people who have been horribly let down by the deregulation juggernaut.

It has been acknowledged that Queensland will be one of the hardest hit States. Already we have witnessed a number of retail milk price rises totalling 23 cents/litre. At the same time, farmers have seen their forecasted prices for market milk slashed from 58 cents/litre to around 40 cents/litre with every prospect there will be further cuts.

In cases all around the dairying regions of Queensland, farmers tell me they are losing anything up to half their annual income. While the impact has been harsh for all farmers, no group seems to have been harder hit than those farmers in south-east Queensland who supply the Dairyfarmers Cooperative which has also lost access to a third of its traditional market.

But, Mr Speaker, added to those losses, this Bill which we now debate is set to strip farmers of their market milk supply entitlements, or quotas—quotas that were tradeable and required by Queensland law for farmers to gain access to the premium fresh milk market; quotas that were regarded by banks and farmers alike as equity, and in many cases, were effectively the farmers' superannuation. At the time of the release of the Dairy Legislation Review Issues Paper in August 1997 those quotas were trading at $350/litre. But even at half that value, this Bill will strip Queensland farmers of millions of dollars in forgone earnings.

Mr Speaker, the National Party warned about the impact in 1993 and again in 1998. We recognised the threat of deregulation to dairy farmers and made a commitment to maintain the farmgate price and supply management scheme. In Opposition we have repeatedly warned the Beattie Labor Government about deregulation and the need to protect the interests of Queensland farmers.

Many in the industry have acknowledged that deregulation has been on the cards for a long time and many have claimed that "deregulation is inevitable". Certainly, the impetus for change can be traced to the launch of the Kerin Plan in 1986, which led to a shift in the national industry's focus from being a domestic supplier to one with a far greater export focus. There have been some notable export success stories, but in order to develop export markets there has also been the need to boost production.

Nowhere has this been more apparent than in Victoria where production has grown from 3.5 million litres to over 7 billion litres in that time. Now it seems that the massive growth in the Victorian industry, to the point where it now supplies over 60% of the nation's milk, has proved a double-edged sword to other dairying States such as Queensland.

With the demise of the Domestic Market Support Scheme and the fluctuations in the export market, it now seems that the Victorian industry is intent on moving into what it perceives as lucrative interstate markets. Victorian farmers have reportedly been told that this strategy will boost their dwindling bottom

lines and, still to be proven otherwise, have embraced the opportunity of deregulation.

The big retailers have also relished the opportunity to use Victoria's low farmgate milk prices to ratchet down the price paid in other States and boost their margins. But the folly of deregulation and the folly of the supposed added competition in the dairy industry once deregulation occurs is that farmers will have no market power compared to the big two or three processors and those few big retailers. We are already witnessing the grossly uneven balance in that market with the ramping up of retail prices and the forcing down of the farmgate price. If farmers are to have any protection from the abuse of market power by the big processors and the big retailers, they will need the strength of collective negotiations.

Mr Speaker I am aware that the Queensland Dairyfarmers Organisation is investigating the possibility of establishing a cooperative arrangement for dairy farmers to collectively negotiate the farmgate price of milk with processors. The Queensland Coalition will be keen to lend our wholehearted support to such a proposal to ensure that farmers get a fair go from the big processors and retailers. I also welcome the ACCC investigation currently under way and I urge the Minister and the Beattie government to use every avenue of influence available to them to ensure that consumers and farmers are not exploited under deregulation.

Mr Speaker, the National Party has been and remains a staunch supporter of the dairy industry. We have long opposed deregulation and we have been on the public record many times over the years saying as much. We have supported the examination of any feasible alternative. But we have not tried to deny the changes occurring elsewhere and in this State which will have an impact on primary producers. And where the Beattie Government has been bereft of any constructive strategies to protect Queensland dairy farmers from deregulation, we have offered them.

Over the course of the last 12 months, we have variously called on the Minister to—

> consult grass roots dairy farmers as well as the industry organisations;
>
> conduct a poll of farmers, to give them a say on the future of their industry;
>
> complete an impact assessment of deregulation;
>
> introduce State of origin labelling to allow Queensland consumers to choose to purchase Queensland produce;
>
> give dairy farmers ample time to plan their futures in announcing his Government's decision; and
>
> provide a State-based assistance package to supplement the national package once the Beattie Government signed Queensland up to deregulate.

The Minister adopted none of those proposals—proposals that were aimed at actually doing something constructive and providing Queensland with some influence over its own destiny. He refused to adopt those proposals despite the widespread support for them amongst grassroots dairy farmers. From his Cabinet's decision to join with all other States and proceed with deregulation, and in doing so allow dairy farmers to access the Federal Government's national Dairy Industry Adjustment Program, he allowed Queensland farmers less than four months to prepare.

Mr Speaker, I have been absolutely dismayed at the attempts by the Minister and his Government to duck their responsibility to the dairy farmers, the dairying families and the communities that depend on the dairy industry in this State. Queenslanders have grown accustomed to the Beattie line that it is always someone else's fault. And hearing the Minister's speech, the theme was repeated again. He again tried to lay the blame for deregulation at the feet of the Commonwealth Government. But he knows that's untrue, because at the same time he acknowledged the real influences of the Victorian industry's decision to deregulate.

I would have thought that an issue such as dairy deregulation with such serious impacts for one of our most important primary industries and for regional Queensland would have enlisted a more responsible contribution from the Minister and his Government. I would have thought the Beattie Government would at least consult with grassroots dairy farmers, but it didn't. And when they came to see you a few weeks ago, you still refused to go out and talk with them.

Every other State allowed those farmers a vote on deregulation and the Commonwealth's restructuring package except for Queensland. Why were Queensland farmers denied the opportunity to have their say? For months even the Queensland Dairyfarmers Organisation was flat out getting to see you. But now, when it suits you to try to distance yourself from any involvement in this process, you try to hide behind the QDO's skirts.

Everybody knows the influences behind the industry now finding itself at this point. They are no secret; they were documented in the Doumany Review. I know industry leaders have briefed you on them, just as they have briefed us. Most in the industry also know full well what they are. Playing politics is not going to make them go away and it is not going to help our dairy farmers.

What has been needed, what is still needed and what the Coalition has been calling for is some decisive leadership and some positive strategies to ensure that our farmers are in the best position to counter the threat of

deregulation. That is what Governments are elected to do. But through the course of this process, and especially over the last six to twelve months, we have witnessed a Minister and Labor Government completely bereft of any constructive strategies to counter deregulation or, at the very least, counter its impacts. Instead, we have seen a procession of press releases sheeting home the blame for deregulation to anyone else it possibly could and using any opportunity to play cheap politics at the ultimate expense of Queensland's dairy farmers.

Mr Speaker, while the claim has been made that "deregulation is inevitable", I am not sure that anyone who has taken even a slight interest in the future of the dairy industry fully appreciates the extent of the impact that deregulation is already having on our dairy farmers. Whether we like it or not, whether the Minister likes it or not, the Beattie Government was a party to the decision by all States to deregulate their respective dairy industries.Whether the Minister likes it or not, the reality is that this legislation will bring effect to this decision—not the Commonwealth's, not the Victorian Government and not any other State's. And it is this legislation which excludes the payment of compensation for the deregulation of the dairy industry.

Mr Speaker, the Coalition cannot accept that the State does not have any responsibility to offer some assistance to Queensland dairy farmers to adjust to the implications from this Bill. The Commonwealth Government has recognised the impact of deregulation and to its credit, has intervened to offer some assistance to the farmers who will be hurt.Rightly or wrongly there has been criticism of that $1.74 billion adjustment package, but I do acknowledge there was no legal compulsion on the Commonwealth to offer anything. It responded to a request from the Australian Dairy Industry Council and introduced what is claimed is the biggest package of its kind. Queensland's share will be some $220m, providing Queensland farmers with an average $123,000 assistance that will be welcomed by many farmers.

But as big as it is, the package is no panacea for the negative impact that deregulation will have on farmers' incomes, and nor could it be. A similar show of support from our own State Government is essential.

The Report of the Senate Rural and Regional Affairs and Transport References Committee into Deregulation of the Australian Dairy Industry also reiterated the responsibilities of the States on this issue. It stated—

> "The impact of deregulation will be severely felt in most dairying communities around Australia, given the flow-on effects which will manifest within those communities—the farmers themselves will be affected, as will be the businesses which rely on dairying.
>
> In the Committee's opinion, the social and regional impacts will be severe and will need to be given detailed consideration in terms of any structural adjustment assistance, once deregulation occurs.
>
> The Committee is ... concerned at the lack of any compensation commitment by the appropriate State governments for loss of quota entitlement."

Recommendation 4 of that report—a report written by a cross-parliamentary committee including the Labor Party—says that regional adjustment packages for rural and regional communities affected negatively by deregulation should be developed by State Governments. We agree with those statements. We cannot understand why the Beattie Labor Government does not.

The Queensland Coalition is gravely concerned that unless some State support is given, our farmers will be destroyed. All we ask is that this Parliament and the Beattie Government recognise our responsibilities to our own dairy industry and offer some realistic assistance. What we are pursuing is not unprecedented. It is not outrageous. It is not unreasonable. All we are pursuing is a fair go for Queensland farmers—the same sort of assistance that has been provided to other industries when they have been forced to restructure for one reason or another.

We are committed to securing such State-based assistance for our farmers because it is fair, because it is just and because it is needed to allow our farmers a future in the dairy industry.

Mr Speaker, in October last year the Premier, Treasurer and Primary Industries Minister each launched an attack on NCP, the National Competition Council and the Federal Government in the media. The claim was made that the NCC wanted to dock Queensland $113m in competition payments—$15m because the Beattie Government apparently wanted to build the St George dam and another $98m because we would not deregulate the dairy industry. The Beattie Government never wanted to build that dam.

The NCC confirmed as much to the irrigators at St George and on ABC radio on 24 February in a report which stated—

> "... the National Competition Council says the State Government can proceed with the Beardmore proposal if it can demonstrate the dam is economically and environmentally viable."

The whole exercise was another Beattie con job—this time on the irrigators of St George. The $15m came to Queensland, the dam was never built and the money disappeared into the Treasury coffers—no doubt to prop up the ever-increasing black hole in the Beattie budget. And the $98 million that Messrs Beattie, Hamill and Palaszczuk claimed to be under

threat wasn't withheld either. Another Beattie con job—a cruel hoax on the dairy farmers. But where is that money? If the State has agreed to deregulate, why has it not been committed to helping the dairy industry adjust to your Government's decision to deregulate? Has it disappeared into the Treasury coffers as well?

The dairy industry is facing such reform because of a whole range of commercial competitive forces. There is a clear case for those competition payments to be used to assist the industry accordingly, and we have demonstrated that in the past when the former Coalition Government allocated $150m to the local governments to help them adjust to the requirements of NCP.

Mr Speaker, the Queensland Coalition is firmly of the view that if deregulation is to proceed, then the proceeds from those competition payments should be used to compensate farmers for the loss of their quotas under this Bill. But aside from the $98m and regardless of any argument over where the money should come from is the broader responsibility that the State Government has to help our industries adjust to the impact of Government policies and decisions.

There is a clear precedent for the State to assist our dairy farmers. Past State Governments from both sides of the political divide have done so. I remind honourable Members of the $12m Tobacco Industry Restructuring Scheme introduced by the then State and Federal Governments in 1994 to buy back quotas. The assistance to tobacco farmers was maintained by the former Coalition Government with the implementation of another $30m restructuring scheme. Then in the commercial fishing industry the former Coalition Government initiated a $5m buy-back scheme to recover excess licences. More recently I have noted the Beattie Government has now proposed another buy-back as part of the East Coast Trawl Management Plan, this time for $30m.

I ask the Beattie Government: why is there no buy-back proposed for milk quotas? Why has compensation for the loss of quotas been specifically ruled out in the Minister's legislation? Why is the Beattie Government trying to shirk its responsibility to help dairy farmers adjust to the implications of its decision?

The Coalition's position is clear and has not altered during the course of this issue. We oppose deregulation of the dairy industry at the farmgate. We want to see every alternative examined. But if at the end of the day it is to proceed, we owe it to our farmers to help them overcome the impact. The Commonwealth Government has provided assistance. The Western Australian Government has provided assistance. All we ask is for some similar support from the Queensland Government.

Mr Speaker, I have laboured the point that if deregulation is to proceed our farmers must be assisted to the best of our ability. But in doing so I do not want to discount the need, even at this very late stage, of examining every possible alternative to the complete deregulation of the dairy industry. If there is an alternative for an orderly, legally achievable marketing arrangement that has the support of farmers, then we have a responsibility to pursue that to the best of our ability.

At least one alternative has been put forward in recent weeks to the current plan of deregulation. The Australian Milk Producers Association has sought and obtained legal advice supporting an alternative model to the deregulation process proposed. I am aware that the Beattie Government has received contrary advice from the Solicitor-General, as has the NSW Government and the Commonwealth Government. That presents a challenge, but if there is an alternative to the turmoil that will be caused to the Queensland industry under deregulation then it deserves investigation.

At meetings I have held with dairy farmers, there has been an appeal for the State not to rush through deregulation but instead to allow full consideration of every alternative. I acknowledge those calls and would urge that even if this Bill is passed this sitting the Beattie Government should proceed with caution and with the close advice of Queensland's dairy farmers. Even if the Bill is passed today, there should be no headlong rush towards proclamation of it until every State is absolutely certain of the situation that confronts them.

Mr Speaker, the decision faced by this Parliament today is a most difficult one and reflects the complexity and the difficulties surrounding this issue. This Government's Bill is a far from positive one. Thousands of Queenslander's livelihoods, their way of life and the future of their communities hinge to a great degree on this Bill and its contents. The State Coalition acknowledges the forces that have driven the dairy industry to this point. We acknowledge the efforts of those in the industry and in the Commonwealth Government who have sought to manage an awful situation and we commend them for their efforts. But we cannot accept that the State of Queensland has no role to play in this process. We cannot accept that the State of Queensland is simply an observer and cannot carry some influence to carve out a future for our dairy industry.

The State Coalition calls on this Parliament and the Beattie Government to accept its responsibilities to our dairy industry and dairy communities and to play a role in securing their futures. Thank you, Mr Speaker.

Mrs LAVARCH (Kurwongbah—ALP) (10.11 p.m.): I have been closely following the debate on the future of the dairy industry since becoming the member for Kurwongbah three years ago. I have talked regularly with dairy

farmers in my electorate, including Pat Rowley, the President of the Queensland Dairyfarmers Organisation, and farmers such as Greg and Jenny Easlea, Joe Bradley, the Rowe family, the Sellin family and the many other dairy farmers in the Dayboro area. I have paid particular attention to the decisions in the recent months of the Federal and Victorian Governments. I believe that there has never been a more extensive, wide ranging and full debate on change and regulation than there has been on the dairy industry.

The Queensland Dairyfarmers Organisation, or the QDO, through its local, district and State level meetings, has been discussing the issue of the fate of regulation for the past three years. The potential impacts of the Victorian deregulation have been discussed and considered at meeting after meeting, and many articles on the subject have been written in the QDO papers which all farmers receive.

Pat Rowley has played a major role in this debate. In fact, I have seen papers from Pat Rowley going back to 1994 and 1995 in which he has raised the issue of the Victorian deregulation. I know that Pat has been committed to maintaining regulation and has done everything he can to do so. But even he, as a strong supporter of the regulated system, came to see about two years ago that there were forces building in Victoria that could not be stopped. The removal of the Domestic Market Support Scheme on 1 July 2000 would remove the subsidy that encouraged Victoria to export its vast production rather than place it on the domestic market. The processors in Victoria were getting bigger and were becoming players in the world market. As they played in the world market, the competitive pressures of that market were felt.

The entry of the world's largest dairy company, Parmalat, into the Australian market with its purchase of Pauls, Queensland's largest processor, also signalled that the Australian dairy industry was to become more integrated with the global marketplace. Globally, dairy is a fiercely competitive scene. Ironically, our most direct competitors are the New Zealanders. However, Victoria has been able to compete on that market.

When I travelled with the parliamentary delegation to Victoria in February 1999, I was told of a small Victorian processor who was selling cheese to Lebanon. Nonetheless, it has been these world market forces that has led the Victorian industry to resent the high regulated margins of New South Wales and Queensland. In fact, Victoria has absolutely no sympathy for New South Wales and Queensland, and we have to understand that. Even though those margins were for domestic product, it was perceived that the higher profits from regulation were allowing Australian Cooperative Foods, which trades under the name Dairy Farmers, to cross-subsidise its manufacturing activities and win markets from the Victorians. Dairy Farmers, as members are aware, is a cooperative based in New South Wales and Queensland.

So the Victorian industry set its mind to deregulate the national market, wipe away what it saw as artificial profits for its competitors and move into the domestic market in strength with the removal of the DMS. Pat Rowley and other dairy leaders realised this two years ago and since then have been trying to prepare for the worst. What has been widely known in the dairy industry is that individual State regulatory schemes which delivered higher premiums for fresh milk to quota holders could not prevent the flow of milk across State borders. Indeed, since 1991 the Commonwealth has had legal advice that to attempt to maintain the regulated systems in Queensland and New South Wales in the face of Victorian milk flowing across borders would be unconstitutional because of section 92 of the Australian Constitution. Section 92 provides that there must be free trade between the States.

The implications of the entry of Victorian milk have also been widely discussed and understood. Victoria's temperate climate and rainfall make it a much more productive dairying region than Queensland. Here our tropical dairy, whilst producing a high-quality product, cannot produce at the same cost as the Victorian producers. Hence, it has been widely understood that Victorian milk is produced at a much lower cost, which will be difficult for other States to match.

The point I am making tonight is that the debate we are now having is not something that has emerged from nowhere. It is not something that is a surprise or that has been sprung on dairy farmers. Pat Rowley and his organisation have been discussing these changes for years. They have not attempted to hide from this reality or to pretend that it can be stopped. Rather, they have sought to cushion the impacts through the restructure package.

I can understood the concern of ordinary dairy farmers about this change. I have a large dairy farming sector in my electorate and probably represent more dairy farmers than the member for Burdekin does. It is a massive

dislocation and it will bring many unwelcome developments to the industry. What disappoints me is that there is now a group called the Australian Milk Producers Association which is trying to turn back the clock. I have no doubt that its motives are sincere, but what it is doing is cruel. It is so cruel. It is giving false hope, and they cannot give that false hope. I asked where this group had been for the past two years since this issue was first debated. Where was its enthusiasm and anger last year when the Kennett Government announced deregulation and when the Victorian farmers voted for it? Has it not been reading the material that has been sent to it or attending the meetings at which this has been discussed?

That group is now claiming that deregulation can be stopped in Queensland. We may decide not to deregulate in this State, but we cannot stop the effects of the Victorian deregulation. If we do not deregulate, we will lose forever the restructure package, which is worth $220m to our farmers. What the AMPA will not accept is that section 92 of the Constitution makes a mockery of any attempt to stop the commercial forces of Victorian deregulation.

We live in one country—Australia—and free trade between the States was one of the main reasons for the Federation. We cannot put tanks, guns and bricks and mortar at the Queensland border. The AMPA has advanced a scheme which it says can overcome section 92. The Queensland Solicitor-General, an eminent lawyer who has appeared before the High Court on many occasions, has advised that the AMPA scheme will not work.

The AMPA have been told that and yet they persist in trying to convince farmers that we can maintain our regulation and stop the effects of Victorian deregulation. They continue to be so cruel to the dairy farmers of Queensland. It is sadly not the case. If they are honest, get their heads out of the sand and keep the industry united, it has a chance. Pat Rowley would be advocating it if it was possible and the Minister for Primary Industries would have implemented it. We are not proactively deregulating the dairy industry.

The AMPA has arrived on the scene at one minute to midnight. Where were the protests a year ago when there might have been time to work out a different outcome? They cannot claim they were unaware of this issue or its consequences. The QDO has gone to incredible lengths to inform its membership and seek their views. I am confident that the QDO represents the majority of dairy farmers in Queensland when it says—

> "We don't like deregulation, but we recognise it is going to happen and we want the package."

The AMPA is loud and noisy, but they have offered no constructive suggestions and have come too late on to the scene. Now is the time for farmers to be united. Let not the AMPA divide them. They know what is going to happen, and they know that the package is crucial. This Bill allows Queensland to access that package. It is for those reasons that the Bill should be supported.

Mr HORAN (Toowoomba South—NPA) (10.21 p.m.): I do not think that this House has seen anything so cruel, callous and cowardly as the gag being applied tonight to the Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill. This action has treated the dairy farmers of Queensland and all the people they support like a dirty doormat. I would have thought that the dairy industry of Queensland deserved a bit more than a debate of two and three quarter hours last thing on a Thursday night after a long week. Legislation could have been kept until the next session of Parliament, but the Government did not do that. In a sly political move it has kept this legislation until the end of the night. When we go to the next election we will make sure we tell everybody what the Government has done. It did the same thing with tree clearing. It treated the people like a dirty doormat.

The Government has absolute disdain for people in the country. It swans around with all the Labrador-like photos and all its media releases, but when it comes to sticking up for the people it is not worth a cracker. This will go down in history as one of the cruellest, most callous and cowardly acts I have seen in this Parliament. This Bill could have been dealt with on Wednesday. But, no! The Government decided to put it up last thing on Thursday night.

Because of the shortage of time, I am going to get straight to the facts. Dairy deregulation is occurring only because the Victorians want to force deregulation on the rest of Australia. It is also occurring because of the cessation of the domestic marketing scheme, a scheme to which Australian dairy farmers have been contributing so much per litre for something like 10 years in order to forestall dairy deregulation. However, it is going to be a flop for Victorian farmers. Even though farmers in Queensland will be decimated and the industry will probably lose 50% of them, the balance will hang on by their fingernails and produce and produce and produce till the

cows come home. They will match the dairy farmers from Victoria, who, once they add the cost of cartage, will get no more for their milk than they do now. All they have done is destroy a good, decent, honest rural industry, an industry that delivered fresh milk to the supermarkets at a decent price. As a result of this fiasco, milk at the supermarkets now costs 23c a litre more than it did a year ago.

What is going to happen to prices? We have already seen that. The previous speaker castigated the dairy farmers who have recently formed the AMPA. We on this side of the House have a lot of time and admiration for the QDO. I have a lot of personal admiration for Pat Rowley and the decades of service he has given to the dairy industry. He has seen this coming for about 13 years. He says that his worst moment was two years ago when he realised that deregulation was inevitable and something had to be done. Through the good fortune of having a coalition Government, he was able to skilfully negotiate a $1.7 billion package, which helped some farmers for the ensuing 18 months.

The previous speaker said that the AMPA is a Johnny-come-lately and that it just suddenly started to campaign. Why would they not campaign? It was indicated to the dairy farmers that the price would fall from about 58c per litre to around 46c, 47c or 48c a litre for market milk. But what has happened? With one processor it has dropped to 42c a litre and with another it has dropped to 40c a litre. On top of that, for those farmers who supply the dairy farmers cooperative, they have lost at least half of their quota. So they have lost the price of their milk and they have lost the volume of their quota. When one considers that manufacturing milk costs about 24c a litre and seasonal milk costs about 14c or 15c a litre, one can see the massive drop in the price. That is why those people were devastated. That is why they formed this other organisation. They are desperate. Can anyone imagine having a big enterprise which owes money and which employs four or five people, employing another family, and suddenly being hit with a drop in prices like this? That is the reason why the AMPA was formed. That is the reason so many dairy farmers were so desperate to try to do something to rescue their business.

We on this side agree that it is absolutely essential that the farmers receive the Federal coalition's compensation package. We agree with that, but we do not agree with the State Government not providing the $98m that it received as payments under National Competition Policy. Those opposite can shake their heads all they like, but that $98m will be only in the pockets of the Queensland State Treasury and the Beattie Government because of the passing of this Bill tonight. If this Bill is not passed, the Government will not get the $98m. It is being paid out over two years. When we were in Government, we received $153m in payments for the water and sewerage deregulation of the 17 major councils in Queensland, and we got that money only because the councils had deregulated their sewerage and water systems. That money was rightfully theirs, and we handed it over to them. This $98m rightfully belongs to the dairy industry. The pain and suffering they have endured is the reason the Government will get this $98m.

Because the gag has been applied and this Bill will go through tonight, the Beattie Government is $98m better off. Those opposite can go through all the pedantic argument they like and say, "Oh, it's only part of our normal money", but we know that it is part of the bonus moneys the Government will get. This $98m does not belong to the Beattie Government. It belongs to the mums, dads, kids and families in the dairy industry. It is dishonest and wrong not to provide it to them. It is politics at its worst. What those opposite are trying to do tonight is blackmail us into passing this legislation because of the compensation package when we know that what should go through tonight is this legislation, the compensation package and the $98m.

The situation is going to be absolutely tragic for not only our dairy farmers but also their communities. In my own town of Toowoomba people in the milking machine supply areas, in tractor sales, in seed and produce, in irrigation and pumping, in dairy tankers are going to lose work. Just name it, they are going to lose jobs. Some 453 farmers make up the EDROC region of the Darling Downs. They are probably going to lose a minimum of $60,000, $70,000 or $80,000 a year each from their income. That is something like $30m a year which will not come into the Darling Downs. It has gone forever. Meanwhile, everyone is paying 23c a litre more for their milk.

If dairy farmers could get this $98m on top of the compensation package, which is spread over eight years—it is only 75% of what a farmer is entitled to if they take it up front, or even if the Government spent the $98m over two years because it is to be given to it over two years—it would mean renewed lifeblood for some of these farmers. They could either continue or they could get out with dignity. If

one looks at the cost of production and at the price a producer will get for their quota, some dairy farmers will just not be able to continue. We will see quotas slashed in half. Farmers whose quota was 900 litres per day will be slashed to 400 or 450 litres. This is all as a result of the unforeseen aspects of deregulation. Because Parmalat owns Norco in Lismore, the Sydney market will also change. Norco is losing their milk, yet Parmalat is taking 50 million litres of milk. That means that the Queensland dairy farmers cooperative will lose 50 million litres of milk market sales.

What is crucial tonight is this $98m. The Beattie Labor Government has $98m that is there only because of the dairy deregulation. It morally and rightfully belongs to the Queensland dairy farmers. We would only support this Bill if this money were paid out to the dairy farmers of Queensland, because it is theirs.

Throughout this deregulation we will witness some terrible, tragic things. Honourable members should imagine having an enterprise for which they have borrowed heavily and for which they have worked their heart out from dawn to dusk, with their kids helping them to milk and the family helping out—they may have to put on other people to work—in the mud and slush, in the cold, in the drought, in the flood and so on. Despite all of that, because these people have worked hard, they have made a modest profit.

People involved in the dairy industry have contributed to the development of good communities around Queensland. I refer to places such as Warwick, Allora, Clifton, Oakey, Crows Nest, Gympie, Kenilworth, Maleny and places near Mackay, in central Queensland and on the tablelands. The dairy industry has made Queensland, and it deserves better than to have a gag applied to this debate tonight and to have $98m of its money pocketed by the Beattie Government with scant regard for the dairy farming families of Queensland.

There is a lot more that I want to say in this debate, but as my colleagues all want to contribute I will not say any more. On behalf of the dairying families of Queensland, I plead for this $98m, which is theirs. Deregulation is inevitable. The Victorian tide is coming. We have to fight it and hold it back. We could help these good, decent families of Queensland if the $98m, which is theirs, were handed over to them.

Mr MICKEL (Logan—ALP) (10.31 p.m.): It is a pleasure to speak tonight in this debate on the Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill. It is a greater pleasure to see the Premier here in the Chamber listening to the debate—unlike the man who would be Premier, the Leader of the Opposition, who gave one of those academy award winning performances tonight. He was playing up to the public gallery, trying to kid farmers, as he has always done, that the National Party is somehow in their corner. But when it comes down to it, we just have to look at what the Federal coalition Government is doing to see that that is not the case, because this whole process is being driven by Canberra. When the Federal National Party is in Government, what is the colour of its money federally?

Mr ROWELL: Mr Deputy Speaker, I rise to a point of order. The member is misinforming the House. It was not driven by—

Mr DEPUTY SPEAKER (Mr Fouras): There is no point of order. Resume your seat. Before I call the member for Logan, I say to honourable members that the debate tonight has been heard with very few interjections. I intend the rest of the debate to go that way. I warn members that I will use the Standing Orders accordingly.

Mr MICKEL: Thank you for your protection, Mr Deputy Speaker. Those opposite do not want to hear this because they know darned well that the Federal Government has not put in one cent to this process—not one. Those opposite should tell the people in the gallery—the farmers whom they claim to represent, the ones who met with the Honourable the Premier this afternoon—that they have been so ineffectual that they cannot convince their colleagues to put in one cent. Those opposite should go back and say that to their communities.

We have heard all this rubbish about the debate being brought on tonight. I will tell honourable members the reason it has been brought on tonight. It is for the same reason that those opposite could not convince their colleagues to give them a cent. It is because we had a renegade backbencher, completely in defiance of the lack of leadership of the member for Moggill and the member for Surfers Paradise, running a training debate for a day and a half.

Mr HORAN: Mr Deputy Speaker, I rise to a point of order. The member is misleading the House. Throughout the week the Government has brought in legislation that did not need to be brought in this week.

Mr DEPUTY SPEAKER: Order! There is no point of order. Resume your seat.

Mr HORAN: They deliberately brought in—

Mr DEPUTY SPEAKER: Order! I am on my feet. Resume your seat!

Mr MICKEL: The pretender to the leadership is trying to make up a bit of an excuse, but the fact of the matter is that those opposite could not convince the member for Clayfield to sit down and shut up, after a day and a half, about something that those opposite were agreeing with anyway. That is why this debate is being brought on tonight. These academy award winning performances that those opposite are going on with are an attempt to duck the real debate tonight. Those opposite are absolutely relieved at the fact that they do not have to get up and try to defend the Federal Government.

Mr SEENEY: I rise to a point of order. I find this blatant dishonesty offensive and I ask that it be withdrawn.

Mr DEPUTY SPEAKER: Order! Resume your seat.

Mr SEENEY: It is dishonest—

Mr DEPUTY SPEAKER: Order! I am on my feet. I warn you: I am on my feet. I am not going to take any more points of order that are as invalid as that one was. I warn members that I will not hear points of order like that.

Mr MICKEL: Thank you for your protection, Mr Deputy Speaker.

The fact of the matter is that on this issue the members of the National Party are going to the dogs faster than a flea. They have known darned well about this for ages. They have been kidding farmers for years that this was not going to happen, yet it is being driven by the Federal National Party in Government.

Mr SEENEY: Mr Deputy Speaker, I rise to a point of order.

Mr DEPUTY SPEAKER: Order! I now warn the member for Callide for raising an invalid point of order.

Mr MICKEL: Forgive the poor little thing, Mr Deputy Speaker. Those opposite cannot handle it because they know that in their constituencies they are on the nose. Their constituents know about the Benalla by-election and what the dairy farmers did to the National Party there. That is why Opposition members are going to jump up and down like yo-yos tonight.

They do not want to face the truth or the consequences of their actions federally. Not one cent have they given up federally, and not one speech have we heard tonight about the culpability of the Howard/Anderson Government. Every member opposite knows it, so let us not have any more crocodile tears shed about these communities. The poor old member for Southport over there, worrying and whingeing and whining a few weeks ago—

Mr VEIVERS: Mr Deputy Speaker, I rise to a point of order. I have not been whining and whingeing. I would like the member to withdraw those comments.

Mr DEPUTY SPEAKER: Order! I ask the member to withdraw.

Mr MICKEL: I absolutely withdraw, but tonight I want to stoically defend National Foods, which was attacked by the member for Southport a few weeks ago.

Mr Veivers: Absolutely!

Mr MICKEL: "Absolutely", he says. Do you know why? In a high unemployment area such as Logan it had the audacity —

Mr Veivers interjected.

Mr DEPUTY SPEAKER: Order! I ask the member for Logan to resume his seat. I ask the member for Logan to direct his comments through the Chair. I ask members to stop interjecting. Interjections should be relevant, reasonable or witty, and these interjections are none of those things.

Mr MICKEL: Of course the National Party does not want to hear about the success in Logan. National Foods is creating jobs in Logan City, a place with an unemployment rate higher than the national average.

Mr Veivers interjected.

Mr MICKEL: The member for Southport does not like it. He does not like it because there is a Queensland company providing jobs for people in my electorate. That is the way this Government is delivering. That is what the Honourable the Premier and Deputy Premier are doing: providing jobs in Logan City. Those opposite do not like it because they know that at a Federal level the National Party is selling them down the drain.

Mr Veivers interjected.

Mr DEPUTY SPEAKER: Order! I warn the member for Southport.

Mr MICKEL: No, forgive him, Mr Deputy Speaker; I want him to stay here and enjoy this. Opposition members are dying to be thrown out because when it comes time to vote they will vote down a package for the Queensland Dairy Farmers Organisation and Queensland dairy farmers. That is what they are sweating on. There is no doubt about it: they have misled the farmers all the way through. When it comes to reform of the dairy industry, the National Party has a heart the

size of a split pea. It is not prepared to face up to the issues or face up to the culpability of its Federal colleagues.

"I see the restructure package as a huge coup for the dairy industry." I know that the members of the National Party disagree with that comment, which was made by Mick Prendergast from the Queensland Dairy Farmers Organisation. Those opposite have not stood up for the Queensland Dairy Farmers Organisation in this debate. It has been out there trying to carry the debate alone. Poor old Pat Rowley is out there with a nearly broken back from trying to drag the industry along. Those opposite are the jokers who are supposed to be in his corner, representing the dairy industry. Where have they been? They have been scurrying behind the Federal National Party, trying to prop it up with a bit of the old GST but no money—not one cent.

Opposition members interjected.

Mr MICKEL: Listen to them scream, because they want to be thrown out of this Parliament tonight rather than have to face up to and vote on this issue. That is what this pantomime from the Opposition is all about.

The Honourable the Premier and the Minister have been up there meeting with farmers, explaining the options to them, and that is what it is all about. Our Queensland industry represents about 9% of the national industry. The Victorian industry represents over 63%, yet the National Party would have us believe that, on 8%, we can somehow hide it all and hold back the flow.

What members opposite will not do and do not want to do tonight is say to their Federal colleagues, "Show us the money." We heard the contribution by the member for Toowoomba South. He was an absolute failure as a Health Minister. He drove the system into the ground. He was bleating tonight about some more money. Last night he was saying that we did not have any more money. Which is it: tonight's policy or last night's policy? The only thing he can agree on is his inconsistency. He is not consistent about anything. How can these poor people in the gallery believe him? There they are, having voted solidly for the National Party for years, but what has it ever done for them? It has let them down time and time again. That is why members opposite have been trying to avoid tonight's debate like the plague, because the Honourable the Premier has been in there outlining the options.

With those few short, simple words, I would love the opportunity to incorporate my speech in Hansard, as have all the other speakers.

Leave granted.

I see the restructure package as a huge coup for the dairy industry. The many people around Australia who are prepared to compromise to get a national restructure have achieved what other industries either didn't think of or fail to achieve. I know of no other rural or urban industry that received a $1.75 billion package when they suffered from a major change." Those aren't my words; they're the words of Mr Mick Prendergast, the Executive Officer for the Queensland Dairy Farmers Organisation.

Farmers are critical of deregulation and from Queensland farmers perspective, well they might be, because it is Queensland farmers who have a lot to lose. However, their anger at the State Government is misdirected. The Minister, in introducing the changes to the industry 16 months ago, flagged that if circumstances changed in Victoria, then the Government would have to change policy. The State Government has been very consistent about this over a long period.

Victoria is the major player because the regional milk profile presented to this year's Outlook Conference that of the percentage of 98-99 milk production in Australia, Victoria is 63 per cent of the market; New South Wales is 12.6 and Queensland is 8.1 per cent. In other words, Queensland is the third largest in Australia but overwhelmed by Victoria.

The vote for deregulation in Victoria made it inevitable for Queensland farmers can hold out if they wish, but in the end they will be denying themselves access to the $220 million restructure package and some may go out the door with no money at all.

When Mr Rowley from the QDO first came to us with this plan understandably we were sceptical that he could get any money at all out of the Federal Government—especially this Federal Government. It was an ambitious project and what has he been able to achieve for farmers? He won an 11c a litre package—an unprecedented package which gives money to all farmers. It was this aspect—money for all farmers—that I expressed most concern because I couldn't see what signals farmers would be given to leave the industry. Farmers are eternal optimists and I felt that if they could reduce their debt then some who would otherwise exit the industry would vainly try to cling on. As Mr Rowley has indicated to me, and I now agree with him, this amount of money and the price indicators of where the market milk production will end up in eight years time is a sufficient indicator for farmers to make rational decisions.

A Report prepared for the Dairy Research and Development Corporation and what it found about the package is, and I quote:

> "In the absence of a restructure package the effects would be significant in some regions. Dairy intensive regions would bear the pain of a fall in farm income while capturing very limited indirect benefits flowing from a lower retail price of dairy products. But regions that have few or no dairy farms would enjoy any gain from lower dairy prices with no pain from lost production."

This package puts the money to where it is needed—in the dairy-affected areas. It gives a transitional time for those farmers who wish to exit the industry to do so. At the same time it enables them to have some cash to restructure their own operations and to get on with other farming activity. Alternatively, those who want to remain in the industry are going to be given cash over the eight-year time frame to be able to expand or upgrade their operation.

If the National Party Members in this House supported the package at the time when it really needs it, they would be doing themselves and their constituents a huge favour. But they have never ever stood up for the industry; never understood it. If you read the national competition policy debates that are still going on in this House, you will read members of the National Party deriding the Victorians and making all sorts of excuses instead of helping their constituency face up to what is a very very difficult situation.

Members of the Labor Government backbench went down and met with many players of the dairy industry in Victoria last year, and we were left in no doubt—no doubt whatsoever—that Victoria would vote to deregulate its industry. The farmer dominated cooperatives like Murray-Goulburn indicated that they thought their best chance lay in a deregulated system because they were suffering from a regulated system. Just as Queensland dairy farmers fear the Victorians, it is equally true that the Victorian industry fears for its manufacturing from Queensland's regulated market milk prices which causes lower returns on manufactured milk.

Let me quote from the Briefing Paper prepared for us by the United Dairy Farmers of Victoria:

> "A high average price paid to New South Wales and Queensland gives incorrect market signals and is leading to the development of a manufacturing industry with a cost base which is uncompetitive on the world market."

The Domestic Market Support Scheme actually gives New Zealand a competitive advantage of approximately 5 per cent on price in our domestic market.

New Zealand has the benefit of no levy being applied on their imported product for our domestic market. So, with the deregulation environment which began with the Kerin plan in 1987 we have arrived at the point where our domestic market support scheme was disadvantaging the largest component of our industry.

But what of individual farmers? What do they say? Let's take the case of the Hetherington family who have moved their dairy operations from Goomeri to Wheatlands in the South Burnett. The Hetheringtons who run a property in Wheatlands outside Murgon made a conscious decision to establish a dairy enterprise that can survive and thrive in a deregulated industry. Two years ago, faced with what they considered undeniable evidence that the industry would deregulate, the family decided to sell their Goomeri dairy operation and shift to a property with adequate water and land to provide sufficient feed year round for a 500-cow milking herd.

In the National Competition Policy Debate, National Party Members trying to use the dairy industry to support their arguments, have said it is National Competition Policy alone that caused the contraction in dairy industry. History suggests differently. The Queensland dairy industry was at its height in the 1930s and 40s, when there were 33,000 dairy farmers in Queensland and during those years Queensland produced as much product as Victoria and New South Wales combined—mostly cheese and butter which was exported to the United Kingdom. After World War 2 the industry went into decline as butter and cheese export markets collapsed and dairying families tried desperately to hang on to their dwindling fortunes. It was a time of total industry restructuring—without this type of package.

The dairy industry contracted as insufficient supplies remained to keep factories viable and cooperatives were amalgamated into larger, more efficient units. From the 1950s right through to the 70s, the industry contracted, leaving farmers who tended to be more professional and more concentrated around local markets—the ones who exited carried the debts with them unassisted.

The other big change happened during the Bjelke-Petersen years when Australia was locked out of the European Market. That decision meant a reduction in dairy farms in south-east Queensland by 38 per cent between 1970 and 1974, and half of those turned over to beef production.

And what was the Bjelke-Petersen Government's response during that time—the time when the Member for Keppel and the Member for Cunningham were in this House—absolutely nothing in terms of money on the table for industry restructuring or to help our farmers. People simply turned to other things without any financial assistance whatsoever.

The immediate aftermath was the Milk Quota System which, as was explained in this House in the 1980s, was presided over by some of the greatest rorts in the dairy industry, while some farmers had access to the metropolitan market

and some didn't. These rorts were presided over by leading members of the National Party organisation of the day.

Mr Speaker, the National Party can't face up to this debate today; can't give meaningful support to the Queensland Dairy Farmers organisation, because they can't face the ghosts of the past. They aren't at peace with the past because they are at war with the future. In the past, they offered farmers nothing. Now they have no credible policy alternative but a bit of rhetoric.

Rhetoric won't secure the future for farmers—this package helps.

There are some fundamental changes going on in the Australian society at, large which is having an impact on the market milk sector. For example, overall consumption of milk Australia wide is quite flat. There have been major segmentation changes associated with the growth of modified and new UHT milk products. The consumption of soy milk products is growing strongly. The channel movement towards domestic supermarkets has continued to the extent that supermarkets now represent 46 per cent of all milk sales. House brand or generic products are growing strongly.

But this is not to say that the industry as a whole is in terminal decline. This year Australia will pass the 11 billion litre mark in national milk production. Even with deregulation, 12 billion litres is likely within three years. In the past two years Australia has successfully moved its increased production into export sales by taking an increased share of a static world market, and if you look at the figures for Asia you can see that in 1991-92 dairy exports to Asia totalled roughly $700 million and in 98-99 they will reach $1.5 billion. In other words, they have doubled in the last eight years. That's why there is every reason to be confident about this industry.

It has diversified widely in the range of dairy products that it can now provide. But consumer patterns are changing as well. There is out of home and pre-prepared meal consumption which will influence the future sales for the traditional dairy products. So, whilst that's a problem, it does open up a number of opportunities for local firms to work to develop new value-added product lines for the growing food service and food ingredient sectors, and it is the food ingredient sector that is one of the most encouraging sectors for all our food products.

Let's have a look and see what is happening on the Queensland scene to see if the despair of the National Party is actually shared by the industry. The overall cost for upgrades in the Queensland dairy factory and distribution centres in the last few years is a total of $40 million; $38 million of this was spent on factory upgrades, while $2 million went to distribution centre upgrades. And it is shared throughout the regions. For example, in Toowoomba the cost of the factory upgrade there was $4 million and I understand from media comment that they plan to expand the cheese range that they are offering there. In Booval the company offered a $31 million upgrade to the factory. In Malanda it was a $3 million upgrade, and it my own electorate in Logan City, National Foods which has entered the market spent $26 million building a new factory. I put it to the House that none of these companies would have invested in this sort of money if they didn't believe that the Queensland industry had a future and a dynamic future at that.

And if you ever doubt the National Party's inability to grasp what is happening with the industry then I invite honourable members to read the contribution of the member for Southport in this House on 17 May this year. He embarked on a self-serving attack on National Foods because it established itself in my electorate. Amongst some of the accusations he made, and I quote: "It supported the building of a processing plant at Logan without any dairy farmers supplying it."

No new milk processing company needs to have suppliers, as the Member for Southport suggested, prior to entry to Queensland, an allocation of the Queensland Milk is administered by the Queensland Industry Authority. When a licence to process is granted by the Board of Authority, so follows supply.

This situation will change in a deregulated market. The fact that somebody who passes himself off publicly as "The Farmer", couldn't even tell the House this most basic information, leads you to understand why people who have been listening to the Member for Southport now find themselves in dire financial difficulties.

He later claimed that National Foods went out and started to poach and pillage suppliers. I am told that National Foods haven't poached or pillaged any suppliers from anyone—they are making offers. Farmers decide whether or not they wish to take them. National Foods informed me that not one of the producers they signed up is from the Gold Coast, they come from throughout Queensland, and they have had an interest not just from National Party members in this House, but also from many dairy farmers who want to supply milk to them in the post-deregulation environment.

I have been concerned about the lack of competition in the processing market. This was because under the Nationals QUF (Pauls, now Parmalat) had had a monopoly in the Brisbane Metropolitan Area. In an area with high unemployment like mine, I can assure you any investment like National Foods is welcome. As a direct result of National Foods coming, a bottling company was attracted and even more jobs have been created locally.

Queensland dairy farmers have the absolute right, should they wish, to direct their milk to the processor of their choice. That processor,

in turn, under a deregulated market sets the price it will pay for fresh milk and manufacturing milk.

Should National Dairies or any other processor deem to offer a difference in price, under deregulated markets, why shouldn't the individual dairy farmer choose the best deal available to them. The Member for Southport was suggesting that should that occur, less milk will be available for processing at Dairyfields and therefore employees at that factory will lose their jobs. But it is up to the owners of the factory to offer a good enough deal to ensure loyal dairy farmers continue to supply their factory and therefore retain the jobs. What does the National Party want? A better deal whereby dairy farmers can hunt around for the best price, or is he just trying to contract the industry by saying farmers should accept any deals regardless of whether they can get a better one or not. He spoke in derisive terms about multi-nationals. But to what multinationals does he refer? Surely not to Pauls Parmalat, which owns Dairyfields.

The only question marks I think we should all have of this is collusion by processors.

Some time ago there was a price hike. All processors put up their prices simultaneously.

The general consumer believes there was collusion. There is a perception that the processors colluded and it is up to the ACCC to ensure that the public is getting a fair go.

Above all consumer choice is needed. Consumer choice should be about market prices and getting the best price. In the post farm gate deregulation there is already plenty of examples of price fluctuation. Any trip to the Lockyer Valley will show you that milk now is becoming a loss leader for consumers to encourage people to go in and buy other produce in the stores up there. If you go into any of the supermarkets you will see great product variation between the various products. That's what post farm deregulation was meant to deliver.

I believe that the dairy industry has a great future in Queensland in some regional areas. In the next 10 years Queensland will be the second biggest State, therefore it has an expanding and growing market for market milk. It is the drive by the Victorians to protect their manufactured milk at a time when they control over 63 per cent of the market which has forced deregulation on our farmers.

The package—the restructure package—allows transitional arrangements and for that the Queensland Dairy Farmers Organisation deserves full credit for coming to Government with that scheme. I congratulate the Minister for fighting the Federal Government for extra funds for an adjustment package.

As a Government we have been reluctantly dragged into this decision. However, I believe whilst it will hurt some farmers, the restructure within the dairy industry has been going on since the 1930s and this is the first time ever that a major restructure has gone on which affects the dairy farming population where there has been money on the table.

Dr KINGSTON (Maryborough—IND) (10.41 p.m.): During the past 20 years I have worked in the dairy industry in six countries, and it was not until tonight that I learned that an industry or a State could not change its mind and its plans because of prices that were lower than anticipated. It is the first time in my life that I have been to a policy meeting for an industry where people played politics rather than thought about the people who will suffer as a result of the way this Bill is carried or not carried.

Over the past month, I have personally spoken to over 200 dairy farmers in south-east Queensland. I can assure this House that not one of those farmers—not one—wants deregulation. All the farmers I have spoken to—all 200—have done their budgets, and they know that they will go broke under deregulation, even with the compensation package. All the compensation package does, if it is added into their income side, is prolong their agony for one to two years.

Those farmers—and some of them are in the gallery tonight—prefer not to have deregulation and to go without the compensation package. In other words, they prefer to go down fighting if they have to, but on their own terms, not on terms imposed on them by the outdated QDO, the Victorian cooperatives or this or any other Government.

I realise that the problem we face today was not conceived by our Minister or our Premier. But making the best decision in the interests of our Queensland dairy farmers will severely test their ability, their understanding of the industry and their support for rural communities. But what a great chance for them to show their leadership, and what a great chance to show their willingness to listen to the grassroots people and to put the interests of those people first.

Mr Hayward: Turn the page.

Dr KINGSTON: I am turning the page—rapidly.

Alfred Deakin must be turning in his grave tonight. At the start of Federation, Alfred Deakin uttered speeches that made the lucky country the social lighthouse of the world. He gave people the knowledge and the conviction that the State would be the most likely protector of individual rights against other agencies of social coercion. In this instance, we do not see the State standing up for its

citizens. To take that point further, the modern State apparatus should stand between programs of structural adjustment and public sector reform, because those public policy-making institutions stand alone between individual citizens and market structures.

I want to make the point that the Queensland industry has already been through a rationalisation process, and we have lost 82% of our dairy farmers. The people we have left are the efficient survivors.

Finally, I would like to say a little on the dairy industry in the Netherlands. It is highly organised. It is highly reliant on exports. It has produced a planning paper called "Outlook on a Diversified Future". The objectives of that are that the income of dairy farmers and their families has top priority; a system of import levies and export subsidies and a common vision of the future dairy policy shared by the entire production chain; and regular calculations of the income effects of European policy on farmers' incomes.

In summary, I support a moratorium. I ask that the rest of my speech be incorporated in Hansard.

Leave granted.

Thank you, Mr Speaker. The decision that we make today will impact economically on Australia, on the Australian dairy industry, the rural communities which depend on dairying throughout Australia, and on Queensland dairy farmers in particular.

The results of the poll concerning the attractiveness of deregulation to dairy farmers in Queensland, NSW, and Western Australia were announced yesterday. In Queensland 85% of those who responded do not want deregulation. In the last month I have personally spoken to over 200 dairy farmers in Sth East Queensland, and I can assure the House that not one of those farmers wants deregulation. All said they would go broke under deregulation with the compensation package added in as income (and I have checked about 20 farm budgets) so they prefer to fight against deregulation and, if necessary, go without the compensation package. In other words, they prefer to go down fighting, if necessary, on their own terms, not on terms imposed on them from QDO leaders, Victorian Cooperatives, or governments.

The Queensland dairy industry has already undergone its process of adjustment, efficiency audit, and downsizing. In 1950 we had 21,000 dairy farmers in Queensland—in 1999, we had 1,600—a 92% reduction. During the same period, the number of dairy cows has gone from 963,000 to 203,000—a 79% reduction. But milk production in litres has gone from 1,300 million to 822 million, a reduction of only 36%. Thus the dairy farmers we have left are the survivors—the efficient operators, who have increased their investment—an investment now at threat.

In 1998 our Queensland dairy farmers produced $700m worth of dairy products, and employed 10,000 additional employees. It is important that members of this House realise that Queensland producers produce all the year, whilst Victorian farmers produce seasonally—in the easy, more profitable months of the year; in effect Queensland dairy farmers have subsidised the Victorian industry for the last 5 years.

In NSW 83% of dairy farmers voted against deregulation. In WA, where there was an 80% response, 66% do not want deregulation. An alternate and more equitable plan is currently under development by farmers throughout Australia. I understand that members of that group hoped to meet with the Premier today—more on this plan later.

Australia has not had a trade surplus for 25 years. Our highest trade deficit published was in 1998-99 at $32.4 billion. Our overseas debt is around $228 billion, or $42,000 for each of Australia's 5.5 million families. Australia has 13,500 dairy farms, 98% of which are family owned. As the third largest exporter of dairy products in the world, our Australian dairy industry generated, export earnings of $2 billion in 1998-99, despite being the only dairy industry in the world without Government assistance. Dairying is the largest rural industry in Australia at the wholesale level with sales of $7 billion. The Australian dairy industry directly employs 60,000 regional inhabitants at farm and manufacturing levels.

Mr Speaker, the decision taken from this debate will have a great impact on the future of this industry and the future of many rural communities. Can Australia afford to decrease its exports? Can Australia afford to throw a large majority of these 60,000 dairy workers into the ranks of the unemployed and decimate further rural communities?

I firmly believe that we are not only debating the deregulation of the dairy industry; we are also debating the impacts of the philosophy of globalisation and deregulation. Few definitive impact studies have been done on dairy deregulation. A study on the Bega Valley showed that with a 15 cents farm gate price fall, 81% of the farms would become unviable, and the very existence of the dependent rural communities would be seriously threatened. Individual studies in the South Burnett and the Cooloola regions have shown that the compensation package will delay bankruptcy by one to two years.

I recognise that the problem we face today was not conceived by the Queensland Minister, nor our Premier, but taking the best decision in the interests of our Queensland dairy farmers is going to severely test their ability, their understanding of the industry, and their support

for rural communities. But what a great chance to show their leadership!

Through you, Mr Speaker, I invite the member for Inala to accompany me to the Cooloola and Maryborough hinterland to examine the budget predictions of the best producers. I can assure the House that the consistent recommendation arising from these budgets is to leave the industry or go bankrupt. I repeat that the Queensland dairy industry has already been rationalised and the survivors operate efficient agribusinesses.

If we allow these farmers to go into liquidation, then what will happen to their land, some of the best land in Queensland? What rural industry will replace dairying? Will new farmers grow trees and sell carbon credits? Currently, the carbon credit market is not well developed, nor are carbon credits highly enough valued. Will the land become national parks? But already our national parks are not maintained and are havens for animal and plant pests. My property is constantly reinfested with dingoes, pigs, and groundsel, and that reinfestation comes from nearby national parks and State forestry.

At the most basic level, what we are debating today are the impacts of blind adherence to a particular economic theory—the free market theory of Milton Friedman, the WTO, the OECD, the IMF and our Federal Treasury. Encapsulated, this theory postulates that Governments should abdicate their roles in maintaining employment and the welfare of those industries that generate employment and leave it to market forces. This current gospel replaced the interventionist theory of Keynes, used to such good effect by Menzies and McEwan, and in the "steel and rye" policy of the newly united Germany.

The movement to market economics started under Prime Minister Fraser, was continued by successive Labor Governments, and may have intensified under the Howard regime. Irregardless of political persuasion, the political rhetoric and justifications to drive the reforms are the same: "eliminating waste and inefficiency", "saving the taxpayers' dollar", "benefiting the consumer", "lean and mean" ,and so on.

Michael Pusey in "Economic Rationalism in Canberra" states that this bipartisan consensus is due to the new breed of economists who have taken over the key departments in Canberra. In general they come from wealthy families, exclusive schools and a particular university. That particular university economics curriculum has had the strongest hand in casting our current economic policies.

In the crucial post-war period, the Canberra bureaucracy was largely built on the reputation of a very small and enormously powerful influential group of generously minded economists. They came from modest social backgrounds, and had some historical memory of the Great Depression, of economic crisis and unemployment, of war service, and of ordinary life in Australia. They practised a more practically orientated "hands on" economic calculus grounded in the earlier norms of practical cooperation with domestic Australian industry.

Following personal interviews with 215 senior executive servants Pusey concludes: (a) that the new breed of senior executive service economist has acquired a trained incapacity to learn from later experience; (b) that those who come from the most privileged social backgrounds are likely to have the most "anti-social" policy attitudes; (c) that they may have corralled the reformist and economically orientated Hawke Labor Government into a narrowing and increasingly exclusive commitment to an economic rationalism that is at odds with the broad thrust of the Australian Labor Party's policies; at odds, too, with some of the key redistributive "social wage" clauses in its Accord with Australia's highly disciplined and "economically responsible" trade union movement that is increasingly run by talented but ambivalent econocrats in business suits; and (d) that those who are most likely to gather expertise overseas are not the people who need to learn how to run programs more effectively but rather those who want to learn how to close them all down.

Alfred Deakin, a founding father of the Australian Federal State, said in 1890: "Instead of the State being regarded any longer as an object of hostility to the labourer, it should now become identified with an interest in his works, and in all workers, extending to them its sympathy and protection, and watching over their welfare and prosperity." Deakin uttered these words when the "Lucky Country" was the social lighthouse of the world.

For the first 50 years after Federation, Australia was the model social democracy of the world. These were the benefits of a nation that was "born modern" from a knowledge and conviction that the State would be the "most likely protector of individual rights against other agencies of social coercion" and, indeed, "that the major constraints on individual liberty were not public but private".

One hundred years later, as Canberra is swept by a locust strike of economic rationalism, the fate of this social experiment would seem to be in the unfriendly grip of ideas that come instead from Britain and the United States—the two great "stateless societies" as Nettl once described them.

Pusey continues: "the Australian experiment and its trials in this last quarter of the twentieth century have some universal significance. In the first place, these trials measure the impact of modern economics on the destiny and integrity of a nation that has set great store both on the capacity of a State to steer the private economy and, equally, on the capacity to shape and to shelter Australia's own distinctive social

democratic "labourism" in the face of external pressures.

Second, it points to the inner workings of a modern State apparatus and to the significance that programs of "structural adjustment" and "public sector reform" can have on those bureaucratic and public policy making institutions that alone stand between individual citizens and market structures.

And third, since Australia was indeed "born modern", these trials pose questions and perhaps even some practical answers about the fate and the social meaning of modernisation, culture and public morality in a supposedly "post-modern" world.

Paul Krugman in his best seller "Peddling Prosperity—Economic Sense and Nonsense in the Age of Diminishing Expectations" traces the adoption of the interventionist theory of Lord Keynes, the rise of Friedman's market theory, and the quite recent return of intervention in the USA and other countries whilst their politicians preach a free market theory.

He starts by repeating the personal theory of reincarnation of an Indian economics lecturer. He told his graduate class: "if you are a good economist, a virtuous economist, you are reborn a physicist; but if you are an evil, wicked economist, you are reborn as a sociologist." The reborn socialist is committed to repairing the damage to communities caused by bad economists. (I guess that that implies that there will be an outbreak of sociologists in Canberra in the future).

Krugman says that this reincarnation belief shows what is wrong with economists: they want a subject that is fundamentally about human beings to have the mathematical certainty of the hard sciences. He continues that economics is harder than physics; luckily it is not as hard as sociology.

Krugman traces the productivity slowdown in the USA. Depression, runaway inflation or civil war can make a country poor, but only productivity growth can make it rich. So why are we currently endorsing legislation which can only decrease productivity? In the long run, barring some catastrophe, the rate of growth of living standards in a country is almost exactly equal to the annual increase in the amount that an average worker can produce in an hour. At the end of World War II, the productivity of US workers was about 40% of what it is today. But only 54% of families owned cars, only 44% owned their own houses; even in 1950, 40% of the population lived below the considered poverty line.

By the early 1970s productivity had doubled. 63% of families owned cars, there were as many private cars as families and only 10% of families lived in poverty. The USA had become a middle-class nation. This growth was expected to continue. Alvin Toffler's "Future Shock" and Charles Reich's "Greening of America" took rapid economic progress for granted and worried only about the social changes that such progress could bring.

Growth was stopped in 1974 by inflation and oil prices. For the last 30 years US productivity growth has not improved and the inequality of incomes has grown. Paul Kelly and an impressive research team from "The Australian" have just identified that distribution gains in Australia form a U-curve, with the very rich on one side, the needy and unemployed on the other, with what remains of the now angry middle class at the centre and bottom of the "U".

There are three main broad explanations of productivity—technological, social and political. Continuous technological progress is the main source of productivity increase. There is a long lag time between the development of a new technology and the resulting productivity gain.

The political reasons centre around taxation, incentives and growth. If a Government decided to spend an additional 1% of national income, it may be thought that it would only have to increase tax by 1%, but this is not correct. Because additional tax burdens induce at least some people to work less, the rise in tax to compensate for a 1% rise in expenditure is usually around 2%. Lately, political economists and many journalists in the USA have become "supply siders". This school believes that the demand side does not matter, and that Governments should avoid trying to control demand. Krugman and a host of other authors have shown that the "supply siders" have damaged the US growth rates substantially. Those authors also illustrate the return to interventionist economic policies in many countries.

To trace the return to interventionist policies we should look at support for primary production industries in the midst of the global market.

Harry Shutt in "The Myth of Free Trade" states that it is progressively more difficult to maintain the fiction that world trade is governed by a system of rules which assures the open and non-discriminatory exchange of goods and services, as it is supposed to be according to the principles of the GATT.

Indeed, it has become clear that Governments see less merit in adhering to the concept of open trade where they perceive that it is manifestly damaging to their own or their country's interests to do so, particularly when it is apparent that other countries are showing progressively less respect for the idea of free trade. The temptation to follow their example is all the greater once it is recognised that to do so does not necessarily entail flouting the rules of the GATT. Thus the contrast between official theory and official practice—between rhetoric and reality—is becoming more blatant than ever.

Shutt concludes that the disjunction between demand and supply in world markets seems set to increase to the point where it precipitates a major world financial collapse, with potentially catastrophic consequences for rich and poor nations alike. His study presents substantial arguments that such a disaster can only be averted and stability restored if it is openly accepted that world trade must be to a large extent planned, instead of being left at the mercy of increasingly unfree and unfair market forces.

The alternate plan being developed by AMPA members for the Australian dairy industry is progressing with the philosophy that dairy production should be planned and agreed on a fair and logical basis, and for this reason, I strongly recommend to the House that we give these farmers time to further develop their plan. Not to do this risks the destruction of the dairy industry certainly in Queensland, and probably in Australia.

If we lose the Australian dairy industry we lose $2 billion in dairy exports. Our industry achieves these exports without Government assistance. The USA dairy industry has received US$450 billion in direct support to US dairy producers during the years 1989 to 1999. Additionally, the US Dairy Export Incentive Program pays cash to exporters as bonuses, allowing them to sell certain US dairy products at prices lower than the exporters' costs of acquiring them. The stated objective is to develop export markets where US products are not competitive. Allocations under this program will fall under the Uruguay Round agreement from 101,000 tons to 68,000 tons. But the US Government has just committed a further $19 billion to reduce the risks of primary production within that country.

The dairy industry in the Netherlands is highly organised and heavily reliant on exports. The industry is intensive and is recognised as a significant polluter of waterways in Holland. The industry has produced a planning paper called "Outlook on a Diversified Future". It contains some objectives of interest to this debate:

1. the income of dairy farmers and their families has top priority;

2. a system of import levies and export subsidies, and a common vision of the future dairy policy shared by the entire production chain;

3. regular calculations of the income effects of European policy on farmers' incomes, etc.;

In summary, I support a moratorium for the following reasons—

1. to give the AMPA group, which I think is now more representative of the grassroots farmers, the time to further develop their alternative scheme;

2. because the preliminary AMPA scheme is based on a more realistic and modern economic framework;

3. to give our dairy farmers who have proven their efficiency and ability in a distorted marketplace a better chance not just of survival, but of earning a reasonable income;

4. to restore equity to the Australian industry, and stop a selfish group in Victoria dictating to the whole industry.

Mr MULHERIN (Mackay—ALP) (10.46 p.m.): I heard the Opposition Leader waffle on in a pious manner about the sanctity of this place and how dreadful it was for the Government to gag this debate, but the fact of the matter is that we wasted a day and a half while the member for Clayfield dominated debate on a training Bill that both sides of the Parliament supported.

Mr Lucas interjected.

Mr MULHERIN: I take the interjection from the member for Lytton.

Mr Hegarty: Well, why didn't you gag that one?

Mr MULHERIN: Why couldn't the member for Redlands control the member for Clayfield?

I support this Bill. The Queensland Government does not support dairy deregulation, but deregulation in Victoria is forcing all States, including Queensland, to accept it. The State Government is being forced to deregulate the Queensland dairy industry to ensure that local farmers get access to the $1.78 billion national dairy restructure package in the wake of deregulation in Victoria.

Like all Queensland dairy farmers, the Government wants to keep dairy regulation in Queensland. In fact, the Government introduced legislation to do just that in November 1998. The Minister for Primary Industries fought against deregulation and tried to encourage Victoria to shelve its deregulation plans. But Victoria is pushing ahead. When Victoria deregulates, dairy regulation will not work and, indeed, it will deny Queensland farmers access to the restructure package that they will need.

If there was a way to keep regulation once Victoria deregulated its massive industry, we would do it and we would do it immediately. But it is not possible. The Government's priority is to ensure that dairy farmers access the restructure package to offset the impacts of the very low-priced Victorian milk unleashed onto national markets. To deny Queensland dairy farmers $220m in assistance would be irresponsible.

National dairy deregulation is due to start on 1 July. All States must deregulate their respective dairy industries for the restructure package to be available. All States have given in-principle support to accept the Federal Government's national dairy deregulation plan. Members opposite have called on the State Government to pump in a $98m pot of gold in national competition payments. The National Party has invented this mythical pot of gold that it claims the State Government has and argues that the pot of gold should be distributed to the farmers. There is no pot of gold for the State Government at the end of the deregulation rainbow.

This alleged $98m in national competition payments does not exist. The magical $98m is a myth. It is a flight of fancy. It is made up. It is a cruel joke being played by the National Party. The butt of the joke is the farmers. Only last night the Opposition moaned that the State Government had spent all the money. Now those opposite are saying that we should send the Budget into deficit and spend some more money.

The National Party claims that the Western Australian Government is allocating $35m to assist the industry in Western Australia. As everybody knows, the Government in Western Australia is on the nose. It is under siege and is facing a huge electoral defeat and is pathetically trying to buy a few votes. Farmers deserve better from the party that purports to represent them.

There are only two explanations for the National Party's constant harping on the non-existent $98m—either those opposite are incompetent or they are dishonest. Perhaps they are incompetent, because the National Party is unable to understand Commonwealth/State financial relations. Members of the National Party do not understand that the National Competition Council's threat to take $98m from Queensland if it does not deregulate does not mean that Queensland will get $98m if it does deregulate. That is fallacious logic.

Perhaps the National Party has invented the $98m to cover up for its shameful failure to assist the Minister for Primary Industries when he secured from the Federal Government an additional $12m for rural communities affected by deregulation. Honourable members will remember that the National Party in Queensland has done absolutely nothing by way of gaining support from their Federal colleagues. It took a Labor Government to do that. Whether it is because they are incompetent or because they are dishonest, the Nationals have deceived farmers over the $98m. It does not exist. The only way of finding $98m is to divert it away from the Government's normal Budget expenditure. That would mean taking money away from teachers, nurses and police, because that is what the Budget is used for.

I would not support Queensland taxpayers paying twice for dairy structural adjustment—once through the Federal Government's tax on milk and a second time through the Budget. I note that the Federal Government is not spending any of its normal Budget expenditure on dairy; instead it is raising a special tax to do so. After all, this is the largest structural adjustment package for any industry ever in the history of Australia. $220m is a very large sum of money—about $130,000 for every farmer. This is the amount of money asked for by the industry and agreed to by the Federal Government. While the State is obviously using existing schemes to support farmers, there is no case for additional taxpayer support to the dairy industry.

I would like to focus on what the State Government is doing to address the effects of the Victorian-inspired deregulation. A wide range of State Government programs will be available to the dairy industry and communities in addition to Queensland's $232m share of a national dairy deregulation restructure package. The programs and initiatives across a range of State Government departments include on-farm support, business development grants, counselling, training and community assistance.

Importantly, we have established a Dairy Information Service to refer dairy farmers and others who are affected to the services available from Government as well as the community and the private sector. The Dairy Information Service can be contacted toll free on 13 25 23. In addition, the State Government will provide the secretariat to a Government/industry working group to monitor the impacts of dairy deregulation in Queensland and report back to the intergovernmental task force established by the Council of Australian Agriculture Ministers.

Queensland Government programs and initiatives include—

an industry development scheme offering assistance of up to $150,000 over three years for businesses to assist businesses to be globally competitive, develop export markets, attract investment, adopt new technology, develop innovative products and services, and develop environmental management plans;

a program to assist regions to adjust to structural industry change by undertaking sector analysis and setting industry priorities and strategies as well as developing industry sector plans and clustering that support for existing and developing industries;

services for small business, including offering advice on building and improving business, consultation with business advisers and seminars;

access to business resource centres to provide specific tailored information on market research, industry benchmarks, industry trends, demographics, needs assessment and access to industry-specific information;

15 DPI farm financial counsellors across the State to help farmers assess their options and strategies for adjustment and to help farmers access the restructure package and other programs as well as negotiations with financial institutions and referral to commercial providers and welfare services;

DPI dairy extension officers based around the State offering on-farm advice;

FarmBis grants of up to $4,000 to farm families and operators to help them access professional business advice for farm-related business planning;

a range of services for dairy farmers to provide good quality information and to develop business management skills of dairy farmers with group workshops and one-to-one assistance, computer training and the Queensland dairy accounting scheme program, which analyses the physical and financial aspects of dairy farm performance;

access to assistance under the Primary Industry Productivity Enhancement Scheme, which is administered by the Queensland Rural Adjustment Authority, for farm build-up, rationalisation of partnerships, diversification into other on-farm activities and on-farm development;

a range of employment programs for re-skilling for growth industries, community activities for long-term unemployed, targeted assistance for retrenched workers;

a wide range of services for individuals, families and communities including counselling, support services, information and referral, parent education, improving family relationships and emergency relief; and

prioritised applications from local government authorities for subsidies and grant funding for infrastructure projects in affected communities.

These existing programs will be used by the Queensland Government to provide help to dairy farmers. The Department of Primary Industries has also made available a number of staff full time to assist in accessing the $12m for dairy communities that Queensland secured earlier this year.

Recently, I visited the dairy farmers of Eungella, in the upper reaches of the Pioneer Valley. The Minister for Primary Industries came with me. There are 12 farmers at Eungella. They supply Pauls under long-term supply contracts. Their milk is processed at Mackay in a factory employing 26 workers. Those farmers have a high proportion of their production in market milk—around 70%—which means that with deregulation they will feel the effects.

The price paid for market milk is expected to drop from 58.9c a litre to around 44c a litre. The average return per litre for the Eungella farmers is expected to drop from 48c a litre to 37c a litre. Those farmers expressed concern about the uncertainty of even that price. They will be on contracts under which the price can change every three months. The farmers said to me that the restructure package will come in very handy for them. Some will use it to retire debt. Most will hang on and keep dairying, but will look for opportunities for diversification. Tourism offers such a chance. I am not sure whether many members have been up to Eungella, but let me assure them that it is a most beautiful and picturesque place. It would be ideal for farmstays and for day trips out of Mackay. Peter Woodland and his fellow farmers are creatively looking at these opportunities.

I want to make sure that the area consultative committee for the Mackay region looks at using some of the $12m allocated to Queensland under the Dairy Regional Assistance Program to assist the Eungella farmers in developing tourist options for their area. This is a very difficult time for the dairy industry. With the money from the restructure package and through existing Government programs, I hope that dairy farmers such as those at Eungella will be able to weather this storm and continue producing good quality milk for Queensland. I commend this Bill to the House.

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (10.59 p.m.): Before I get into the debate proper on the Dairy Industry

(Implementation of National Adjustment Arrangements) Amendment Bill, I want to say something about remarks made in this place by the member for Mackay and the member for Logan. They indulged in absolute prattle in accusing members on this side of the House of not being able to run the business of the Parliament. The Government has the numbers. It is the Government that sets the agenda. The Training and Employment Bill was concluded yesterday morning.

Mr Lucas interjected.

Mr Kaiser interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member for Woodridge and the member for Lytton will interject from their correct seats.

Dr WATSON: Since that time, we have had about 14 or 15 hours of debate, including four hours of debate last night when debate on private members' Bills was postponed in favour of Government Bills. That is the reality. If there is any complaint about not being able to debate this Bill properly, the fault lies wholly and solely with the Government. Let us not hear any more such nonsense.

At 9.15 tonight, the Leader of the House moved the gag. There was no discussion beforehand. There was no indication that possibly the other Bills could be debated within a shorter time frame. There was no indication whatsoever that the speeches on the other Bills could be curtailed. There was none of that at all. We were led to believe that this Bill was going to be debated to the end. Yet at 9.15 tonight the Leader of the House applied the gag. What hypocrites they are! The member for Logan and the member for Mackay cannot get away with that kind of nonsense.

As a Liberal and as a supporter of competitive markets, I understand the benefits that a deregulated industry can bring. Deregulation can bring greater competition and choice for consumers. It can bring lower prices and better quality products. Competitive industries are generally more dynamic and better prepared to cope with technological and market changes than are protected industries.

Although I am a supporter of competitive markets, I am unable to support the dairy industry Bill that is before the House. I see little benefit to the consumer or to the producer in this proposed deregulation of the dairy industry—far from it. In Victoria, where the dairy industry deregulated its processing and retail sector some years ago and where the bulk of the dairy industry is concentrated, the price of milk is the most expensive in Australia. In fact, the price of milk in that State is equal first with the price of milk in Western Australia, where the transport costs push up the prices of groceries that are produced in eastern States.

At the moment, there appears to be choice on supermarket shelves, but the reality is that most of those brands are owned or controlled by one or two companies. Over the past few years in Queensland, we have seen a partial deregulation of the dairy industry and new milk brands have come onto Queensland's supermarket shelves. Despite the small increase in competition with southern milk producers, we have not seen a drop in the price of milk. In fact, since June 1998, the price of milk has increased by over 15c a litre. Although I welcomed the announcement on 12 July by the major milk producer in Queensland, Pauls, that they would drop the retail price of milk by 3c a litre, I do not expect to see any further drops.

Mr Springborg: It is still 21c more than it was on 1 January.

Dr WATSON: That is exactly right. In Brisbane, the price of a litre of milk is now $1.35, yet the farm gate price is 40c a litre and falling. On 1 July, the farm gate price will drop to 25c a litre. However, the retail price of milk will come down by only 3c a litre. To me, that is not enough of a price benefit for the consumer to justify the impact on the dairy farmer.

According to the Primary Industries Minister, this is a juggernaut that cannot be stopped. Yesterday on the ABC's AM program, the Minister said—

> "I believe that dairy deregulation in Australia is inevitable, especially here in Queensland because of the domino effects of what's happening in Victoria."

Although I recognise the commercial reality of that statement, I believe that we should slow down and take stock. While our dairy farmers have adopted new technology and increased the quantity and quality of their milk, they have yet to reach price parity with their Victorian counterparts. As I said earlier, since June 1998 the retail price of a litre of milk has increased by just over 15c while the farm gate price has been falling.

I see the problem of milk pricing lying somewhere between the farm gate and the supermarket fridge. The only people who will make money from the complete deregulation of Queensland's dairy industry will be the middlemen who have been skimming the cream off the profits for years. There is a problem with any system when the wholesale price is reduced but the retail price is increased. It raises concerns about the concentration of the industry between the

farmer and the consumer. We should also try to ensure there is competition in that sector.

The Beattie Government appears to want to keep the $98m in competition payments. The member for Mackay mentioned that particular point, but forgot to mention the points that were made by the Opposition spokesman, the Leader of the Opposition and the member for Toowoomba South about the kinds of things that the coalition did when it was in Government. It passed on to local governments the $150m in competition payments in relation to local governments. The same kind of rationale should apply in this case. The Beattie Government appears to want to keep that $98m in competition payments from the Federal Government rather than regard it as an opportunity to help farmers who have been caught by policy changes that are outside of their control.

I want to make the point that deregulation does not have to mean the end of Queensland's dairy farmers' livelihoods or the communities that have developed as a result of the dairy industry. Under the national competition payments scheme, the Federal Government has allocated $98m to Queensland in recognition of increased competition. This allocation should be used to supplement the assistance package provided by the Federal Government to help those farmers who want to continue dairy farming by restructuring, or to help those who wish to do so to diversify into other areas, be that into other rural industries or commercial ventures.

That would assist communities such as those in Maleny, where the Cork family has been dairy farming for five or six generations—a family that will surely be hurt on 1 July when the farm gate price drops by 18c a litre. Rob Cork has done his sums and found that he will lose about $650,000 in capital value. That is the total value of his land, dairy cattle and the milk quota. Over the life of the Federal Government's restructure package, he will lose $1.9m. That is not just dollars; that is money spent in the small regional community of Maleny. Maleny vets will suffer; Maleny small businesses will suffer; people will sell up or, worse, just shut their doors. People will move away. For such a close-knit community that has been built by generations of dairy farmers—like many other agriculture communities around Queensland—the loss of family and friends as they move away to look for work will be devastating.

So what can we do for Maleny and other dairy communities throughout Queensland? We can restructure the industry or help dairy farmers diversify. The grass should be greener on the other side of deregulation. The State Government needs to look at choice programs such as those that were undertaken in the tobacco growing areas of the Atherton Tableland. Those programs assisted those tobacco growers who could no longer participate in the industry to diversify into alternative crops. The State Government also needs to look at encouraging farmers into value-adding activities such as those of the downs cotton farmer's wife who is spinning the cotton that they grow and making bedsheets. She is adding value to their products.

The Federal Government is offering a compensation package, but the Beattie Government is yet to show the colour of its money to the dairy industry. The member for Logan said, "Show me the money." That is what we should ask this Beattie Government, "Show me the colour of your money to help the dairy industry."

The dairy industry in Queensland needs a plan for the future. The Beattie Government ought to be taking that $98m in competition payments and using it not to plug up Treasurer Hamill's black hole—and, of course, we have seen plenty of that over the past few weeks—but to help restructure the dairy industry. At the moment, the Beattie Government is not lifting a finger to help Queensland dairy farmers. It is just rushing through this legislation to make sure that it keeps the $98m in competition payments from the Federal Government. The Government has applied the gag to ensure that this debate is limited to late on Thursday night. This is not the action of a Government that is concerned about ordinary Queenslanders. It is not the action of an honest, open accountable Government. Of course, on this side of the House, that is what we have come to expect from it, and we expect to see that in the future also.

Mr VEIVERS (Southport—NPA) (11.06 p.m.): Tonight, we heard the member for Logan and the member for Mackay say that there is no such thing as the $98m for the dairy farmers in Queensland. How peculiar that on 22 July 1999 during question time none other than the Premier said—

> "I table a copy of a letter that I have written to the Prime Minister seeking his personal intervention to preserve the $15m payment to Queensland for the St George dam and the $98m that this State should receive in compensation payments in relation to the dairy industry."

That is what the Premier said. You are a lying pack of mongrels.

Mr Seeney interjected.

Mr DEPUTY SPEAKER (Mr Reeves): Order! The member for Callide! I think that it is highly inappropriate for those members on my left to interject on their own member. The member for Southport will speak through the Chair.

Mr VEIVERS: I am absolutely delighted to do so. I am glad to see the member for Logan back in the Chamber. His contribution was a load of rot. A factory was built in his electorate with taxpayers' money, and it was done so that—

Mr MICKEL: I rise to a point of order. That is incorrect. They used $26m of their own shareholders' money.

Mr DEPUTY SPEAKER: Order! There is no point of order. The House has been warned about frivolous points of order.

Mr VEIVERS: Mr Deputy Speaker, thank you for your protection. Taxpayers' money was put into that factory so that the member for Logan could gather some votes and win his seat. That company did not even have any dairy farmers to supply it. It had to go out and find some.

This is the sort of rot that we have had to put up with. Why is it that at 11 o'clock at night we are allowed to speak? The dairy farmers cannot be here for this debate. Those members opposite can be present for this debate, but the dairy farmers are home milking their cows. The members knew that they could not be here for this debate at this time. The Government would not dare hold this debate in the middle of the day. No! The members opposite are so low that they could go out under a closed door. They are lower than a snake's belly.

The Premier said, "Good on you, Prime Minister. Send us the $98m. Beauty!" They have got it and they are not going to give it to these blokes. That money is on top of the $220m they are receiving from the Federal Government.

Mr Mickel interjected.

Mr VEIVERS: This Government would not give them anything. But over in Western Australia Richard Court is giving them an extra $34m.

An honourable member interjected.

Mr VEIVERS: It is giving just 400 dairy farmers $37m on top of the package. Up here we have 1,600 of them. The Government does not care one bit about them; they do not vote for this Government. They might vote for the former One Nation members. If they have a bit of sense they will vote for us or give us their second preferences. The Government does not do anything for them. It has never done anything for those people. What will the Government tell the people in Maleny when they go broke? That $98m could have sustained them. What will the Government do for those little places after the dairy farmers have gone? What will the shopkeepers do?

Mr Mickel interjected.

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

Mr VEIVERS: They should get themselves bailed out; that is all they are good for. The Government is putting up terrible stuff in this place tonight. It is a pack of lies.

Mr MICKEL: I rise to a point of order. Surely that is unparliamentary? The word "lies" is unparliamentary. I seek a withdrawal.

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

Mr VEIVERS: How many more frivolous points of order will we have to cop from members opposite? Mr Deputy Speaker, you better march one of them shortly.

Dr John Kingston did not have the chance to say this, but he wrote a letter to the editor of Queensland Country Life and stated—and I agree with it—that deregulation of the Australian dairy industry will mean that it will be the only major dairy industry in the world without Government support for dairy farmers. There is nothing from this Government. The World Trade Organisation is not worth two cups of cold water. We are selling our dairy produce on the world market against all of those protectionist policies, and we can do it quite easily given half a chance.

Tonight the Government applied the gag so we could not debate this legislation. All of those poor guys came down to see the Leader of the Opposition and the Premier. The Premier must have booted them out. I do not know what he told them. The Minister for Primary Industries cannot look me in the eye. He is looking down, because he knows that he has been rolled well and truly. To dairy farmers all throughout Queensland he will be known as the "Minister for poverty". He is a disgrace. He should resign. He has not fought for them one bit. He has been piously answering questions during question time and dancing around, but he is all words. When he has to fight, he does not have one bit of fight in him. He has a heart like a caraway seed. He should stand up for

the people up in the gallery. That is what we in this place are supposed to do.

Dr Kingston further stated that the dairy industry is a major rural employer. Those dairy farmers will fall over because the Government is not going to give them the $98m. It is in the coffers. Mr Hamill identified that in July 1999 a figure of $98m was set aside for the dairy industry. Even the dodgy Treasurer has admitted that there is $98m on top of the $220m package that should be coming to the dairy farmers of Queensland.

I should not take up much more time, because many more Opposition members wish to speak. The Deputy Leader of the National Party and the Independent members want to speak. We are being short-changed in terms of speaking time, because the Government applied the gag. It was not game to face the people and to debate this Bill openly.

Mr Sullivan: Let's have more on the training Bill.

Mr VEIVERS: You had a chance to gag that, but you did not have the ticker to do it. You were looking after your union mates.

Mr DEPUTY SPEAKER (Mr Reeves)**:** The member for Southport will address his remarks through the Chair.

Mr VEIVERS: Yes.

I want to warn the dairy farmers around Queensland that this mob opposite will come out and make them all the promises in the world, just as they have up to this point, but they will not deliver a cracker. They are not into this; those people out there do not vote for them. The Government does not care about rural Queensland or the infrastructure of those small towns. What will happen to places such as Boonah, Beaudesert and similar places? Who will buy the tractors? What will happen?

The previous speaker said that prices will drop to about 27c a litre—and the average price is about 29.5c or 29.8c right now—once deregulation comes in. I do not know too many dairy farmers throughout Queensland who can sustain dairying when they will have to produce milk below that price. That is what they are getting. Members opposite could have covered it. They could have done something for them. But, no, they guillotined this debate. They are sitting opposite piously thinking that it will all go away. It will not. The people in the bush have woken up to them. If they have not, members on this side of the House will have to take the message out there that this Minister and this Government are not worth any salt at all.

Hon. K. W. HAYWARD (Kallangur—ALP) (11.16 p.m.): Tonight I wish to take the opportunity to say a few words about this Bill. The Dairy Industry (Implementation of National Adjustment Arrangements) Amendment Bill 2000 is very important. I can understand the emotion that this sort of Bill can generate. We have seen that tonight in this Parliament. That is something that we expect.

We have to understand what this Bill is about. That was made clear by the Minister in his second-reading speech when he said that this Bill paves the way for Queensland's participation in the National Dairy Industry Adjustment Program, which is proposed to commence on 1 July 2000. Tonight some members have argued that the whole process of deregulation should be opposed, although not everybody agreed. There is a bit of a mixed message. But it should also be understood—and the Minister said this in his second-reading speech—that this is being done at the Commonwealth's insistence. We hear silence on that point from members opposite. At the Commonwealth's insistence, the Bill provides for the deregulation of the Queensland dairy industry. I have not heard one member opposite—not even the members at the back of the Chamber—say anything about the National Party or the Labor Party in Canberra.

Mr Veivers interjected.

Mr HAYWARD: I am happy to concede to the member for Southport—

Mr PAFF: I rise to a point of order. That is not correct. That has been said many times by members on this side of the House.

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

Mr HAYWARD: I have had conversations with the member in the corridor. I know his position. The corridor can be slightly different from this place, as we know—as the member sitting next to the member for Southport knows and as a lot of other members know. I am prepared to accept that the honourable member is sure that he has been dudded by his Commonwealth colleagues. There is no doubt about that.

Mr VEIVERS: I rise to a point of order. What the honourable member just said is a total fabrication. I ask that it be withdrawn.

Mr HAYWARD: I will withdraw it. But I will say that he has been dudded by his Commonwealth colleagues. I will say it; someone has to say it. We cannot get anyone opposite to acknowledge that this Bill is here because of the Commonwealth's insistence. It

is not here for fun. It is here because the Commonwealth insisted that it be here. It is here because of the lack of leadership by Howard from the Liberal Party and Anderson from the National Party. They have not been able to do anything.

Mr DEPUTY SPEAKER (Mr Reeves): Order! In accordance with the motion passed earlier this evening, I now call the Minister in reply.

Opposition members interjected.

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (11.19 p.m.), in reply: I have yielded 20 minutes of my time to allow members opposite to have a chance to speak, so they might as well give me a chance.

Mr Borbidge interjected.

Mr Johnson interjected.

Mr DEPUTY SPEAKER: Order! I warn the members for Surfers Paradise and Gregory.

Mr PALASZCZUK: I have listened very carefully to all the contributions of honourable members in this most important debate.

Mr Rowell interjected.

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

Mr PALASZCZUK: Once we take all the rhetoric out, concern for the welfare of our dairy farmers has been foremost in every speech. I think it is something to be proud of that members from both sides of the House recognise the enormous changes that will take place in the dairy industry and how these changes will affect our farmers, their families and their communities.

Mr ROWELL: I move—

> "That the Minister's speech be incorporated in Hansard so that we have more time for debate."

Mr DEPUTY SPEAKER: Order! That motion is disallowed because it is not the appropriate time for it.

Mr PALASZCZUK: I thank all members for their comments. If there is one theme that has unified the debate today, it is our profound scepticism about the benefits of deregulation. Members will know my position on this topic. I have made it clear on countless occasions in this House and in many meetings in small halls in dairying communities around Queensland. I was and still am sceptical about deregulation. I am not convinced that it will deliver better outcomes for our farmers or our consumers. But, as many speakers have highlighted in this debate, there is no choice in this matter for Queensland. As I said in my second-reading speech, the options are quite stark. Victoria is determined to deregulate. I think their farmers will end up ruing the day they voted for this. Before the ballot in Victoria, Minister Richard Amery from New South Wales and I jointly urged Victorian farmers to think again. They did not and the die was cast. They voted 89% in favour of deregulation.

With deregulation will come irresistible commercial forces. We in Queensland cannot maintain our regulated system in the face of that challenge. Neither the market nor the Constitution will allow us to do so. So we are faced with a central problem of a deregulated environment, with much lower farm gate prices either with or without the national package. The payments to farmers under the national restructure package will assist our producers. There has never in our history been such a massive package of assistance for an industry facing deregulation. I trust that access to the $220m will help ease the transition for Queensland farmers. Of course, as has been mentioned, we already have secured an additional $12m for Queensland for our rural communities.

I assumed the Rural Communities portfolio at the end of last year, but I have been travelling around our country towns for many years. Those towns in dairying areas will hopefully be able to access funding to use in dealing with the effects of deregulation. Queensland will access $232m by accepting this package and deregulating our industry. The Federal Government has made it quite clear that the package is available only on the condition that all States deregulate their industry, and all States have said that they will do so. This legislation comes into effect only if that occurs. If it does not, if one State stays out and the Federal Government withdraws the scheme, then we will not deregulate.

I want to take this chance to thank all the dairy farmers who have spoken to me or written to me on this issue. I have met them and I have admired their strength and spirit in dealing with this major change. The Queensland Dairyfarmers Organisation has been most prominent in representing the views of its members, and I thank Pat Rowley for his advice and counsel in the past 18 months. As Pat and his members well know, this is a decision over which I have agonised and to which I have come most reluctantly. Nonetheless, we have no choice. Victoria has crossed the Rubicon and there is no going back.

Mr Johnson interjected.

Mr DEPUTY SPEAKER: Order! I remind the member for Gregory that he has already been warned under Standing Order 123A.

Mr PALASZCZUK: I am going to be very, very interested to see the way in which the Opposition and the people up the back of the Chamber vote in relation to this piece of legislation.

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! The member for Callide!

Mr PALASZCZUK: They have one choice, and that choice is to support the legislation so that this legislation is in place just in case.

Mr Healy interjected.

Mr Seeney interjected.

Mr DEPUTY SPEAKER: Order! The member for Toowoomba North! I remind the member for Callide that he has already been warned under Standing Order 123A.

Mr PALASZCZUK: I commend the Bill to the House.

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

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Committee

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

Clause 1, as read, agreed to.

Clause 2—

Mr MICKEL (11.32 p.m.): Clause 2 is the one that concerns us on this side of the Chamber. Clause 2(1) states—

> "This Act commences on a day to be fixed by proclamation."

Given the doubts about the passage of the Bill through the New South Wales Parliament, is it the Minister's intention at this stage to delay proclamation of the Bill? If the National Party in New South Wales votes down the Bill in that Parliament, we will not have a national agreement as is required by the Federal Government. Accordingly, this would have a knock-on effect to each and every other State, especially if we pass this legislation here tonight. I would be interested in the Minister's ideas as to whether we should wait to see what New South Wales is up to before we proclaim this legislation.

There is another aspect that concerns me. I understand that there were discussions today between either the Minister or the Premier with the AMPA and the QDO. Certain undertakings were given in the course of those discussions in which it was decided to get legal advice on the proposals put forward. Accordingly, while going through this process, is there any concern on the Minister's part to make sure that this document is given due consideration and, accordingly, that there may be a delay in proclamation? I ask the Minister to comment on that.

Mr PALASZCZUK: The honourable member has raised two very important issues. The first one involves the decision that is about to be taken in the New South Wales Parliament. My understanding is that the legislation went through the Lower House. It went to the Upper House and was amended by the Opposition and has been returned to the Lower House. At this stage, the legislation is locked in the Lower House. My understanding is that the Upper House will sit tomorrow. Whether the Lower House will sit tomorrow, I am not too sure, but I can get that information later.

However, my problem is this: if the legislation does not get through the New South Wales Parliament by tomorrow, my understanding is that the Lower House will not sit again until after the Olympic Games, which is way past the deadline. What does that mean for our dairy farmers? If one State does not deregulate, it means simply this: under the Federal Government's dairy industry restructure package the 11c per litre levy will be struck on milk in supermarkets from 8 July. Who is going to pay for that? Are consumers going to pay the extra 11c or will I face the pressure of having to reduce the farm gate price by 11c? Those are the issues which are taxing my mind at present.

The reason I want this legislation to pass through this House tonight is so we have a safeguard there for our dairy farmers just in case. All we need to know is that the Victorian

industry is going to deregulate whether we like it or not. Once they deregulate, whether there is a package or whether there is not a package, the forces and domino effects of that decision in Victoria from 1 July will reverberate throughout Australia. That means that if we do not pass this legislation our dairy farmers will not be able to access the $220m that will be made available to them through the dairy industry restructure package. That is the first thing we have to do. That is very important.

The second issue that the honourable member raised relates to the meeting between the Premier, the QDO and the AMPA. I believe it was a very cordial meeting. As a result of that meeting, Crown Law advice has been sought urgently on the AMPA proposal. I understand that there will be a meeting tomorrow afternoon when the QDO, the AMPA, Crown Law solicitors, the Attorney-General and myself can go further through this proposal. I implore all honourable members to think of what is happening in New South Wales.

An honourable member interjected.

Mr PALASZCZUK: Yes. Think of our dairy farmers in Queensland. We need to pass this legislation to ensure we have a safeguard for our dairy farmers in Queensland.

Mr HAYWARD: I have a question following on from what the member for Logan said about clause 2. Is the Minister saying that on the evidence now he does not know when proclamation will occur?

Mr BORBIDGE: I rise to a point of order. The member for Hinchinbrook has circulated an amendment to clause 16 which deals with the $98m. The Committee is to report within 10 minutes.

The CHAIRMAN: Order! There is no point of order.

Mr BORBIDGE: It is very clear that there is a filibuster on by members of the Government to prevent a vote being taken on the allocation of the national competition payments to this State.

The CHAIRMAN: Order! I am on my feet. I warn the member—

Mr BORBIDGE: Mr Chairman, this is an absolute outrage. The Government members are seeking to filibuster to prevent a vote being taken on the $98m of national competition payments that belong to the industry in this State. We are getting dorothy dixer after dorothy dixer addressed to the Minister in order to try to prevent the vote being taken. We have 10 minutes in which to report the progress of the Committee under the gag that was applied earlier this evening.

Mr MICKEL: Mr Chairman, I rise to a point of order. I have never seen an act of greater defiance from anybody in this Chamber than that of the Honourable the Leader of the Opposition. The Leader of the Opposition was openly flouting your ruling.

The CHAIRMAN: Order! We had a frivolous point of order from the Leader of the Opposition. I allowed him to be heard. I did not see one side of the Chamber screaming at him.

Mr Borbidge: I was speaking to the clause.

The CHAIRMAN: You were speaking to which clause? I call the member for Kallangur.

Mr HAYWARD: My question relates to clause 2. I am sure that the Minister will not take 10 minutes to answer it.

Mr LAMING: I rise to a point of order. Is it not normal procedure to give the shadow Minister precedence, after the Minister?

The CHAIRMAN: I would be happy to. I call the shadow Minister on clause 2.

Mr ROWELL: I would like to move an amendment to clause 16.

The CHAIRMAN: We are dealing with clause 2.

Mr BORBIDGE: I move that the Committee proceed to clause 16.

The CHAIRMAN: The motion is out of order. I call the member for Kallangur.

Mr HAYWARD: As I said, the answer from the Minister will not take 10 minutes. Basically what I want to know is: does the Minister know when the proclamation will occur? In his second-reading speech the Minister made the point that the National Dairy Industry Adjustment Program is proposed to commence on 1 July 2000.

Mr PALASZCZUK: The honourable member is correct in his assertion that the national dairy industry restructure package is to commence on 1 July. However, I must reiterate: if not all States in Australia sign up to the dairy industry restructure package or pass the legislation by the end of this month, unfortunately, the dairy industry restructure package of 11c a litre on milk will commence from 8 July this year, and then I as Minister have to make a decision about whether I reduce the farm gate price by 11c a litre with nothing at all for our dairy farmers. That is the problem I am faced with. I expect members opposite to support me.

Mr MICKEL: I listened very carefully to the answer of the Minister—

Mr Elliott: You are a disgrace! That is what you are. It is an absolute disgrace what you are doing tonight.

The CHAIRMAN: The member for Cunningham will cease interjecting. I cannot hear the member for Logan. I will have order.

Mr MICKEL: I thank the honourable member for Cunningham for his diligence. That was the longest speech we have ever heard him make in this Chamber!

In view of the fact that this national agreement may fall over, is it the Minister's intention to prevail on the Federal Government to immediately call all of the primary industries Ministers together to make sure that we do get a national agreement? Unlike members opposite, it is my intention to make sure that the dairy farmers in Queensland and Australia actually benefit from what the Queensland Dairyfarmers Organisation has called an historic agreement. Out of this package they do get payments of $1.75 billion. This package stands in stark contrast to what the National Party in Government did in 1970, when Queensland dairy farmers were forced out of the EU. There was not one cent of Queensland National Party State Government money for the dairy farmers in Queensland. That stands in sharp contrast to this package. That is why the member for Cunningham is so aerated and coming out with all of this personal abuse.

Mr BORBIDGE: Mr Chairman, I move that clause 2 be agreed to.

The CHAIRMAN: That is out of order.

Mr MICKEL: I am seeking an answer to a very serious proposition because what is at stake is $1.75 billion. If the New South Wales National Party is behaving as reprehensibly as the National Party here in Queensland is, I would like to see the convening of a national meeting of primary industries Ministers. That is not a difficult proposition. This is of the utmost urgency for the Queensland industry. It bothers me not in the least that the National Party is not interested in this. It has never been interested in Queensland dairy farmers, as it showed in 1970 when people such as the member for Cunningham were running for preselection—

Mr BEANLAND: Mr Chairman, I rise to a point of order. I dare say that this is totally irrelevant to clause 2 of the Bill. It has nothing whatsoever to do with clause 2 of the Bill.

Mr MICKEL: It is absolutely relevant, Mr Chairman, as you know.

Mr BORBIDGE: Mr Chairman, I rise to a point of order. This is a deliberate attempt by the honourable member to prevent the Committee from dividing on the $98m of national competition payments. We have fewer than five minutes before the Committee is required to report under the gag that was moved by the Leader of the House. We see a concerted effort to filibuster because the honourable members opposite do not have the guts or the decency to face the people and explain why they are putting $98m of national competition payments, which should be going to the dairy industry in this State, into their pockets to fill a black hole in the Budget.

This is a blatant abuse of the Committee of the Whole House. It is being used for Dorothy Dix questions by honourable members who have totally sold out the dairy industry in this State. Mr Chairman, for the sake of decency I ask you to enforce the Standing Orders so that the amendment to clause 16 proposed by the honourable member for Hinchinbrook, of which notice has been given, can be properly debated and voted upon in the very short time that we have left.

Mr MICKEL: This from the Leader of the Opposition, who allowed the member for Clayfield to run around for a day and a half holding up the proceedings of this Parliament on a Bill that basically the whole Chamber agreed upon!

Mr SANTORO: Mr Chairman, I rise to a point of order. I find the comments of the not-so-honourable member for Logan offensive and ask that they be withdrawn.

The CHAIRMAN: I ask the member for Logan to withdraw.

Mr MICKEL: The whole Parliament should—

The CHAIRMAN: I ask you to withdraw unequivocally.

Mr MICKEL: I withdraw.

Mr SPRINGBORG: In speaking to clause 2, I can help the member with his benign remonstrations. There is one simple way for him to fix the concerns he allegedly has, that is, to adopt the same sensitivity and heart that the National Party in the New South Wales Upper House has, along with the other Independent members, and to actually move to put in place a scheme which will see some sort of decent State-based compensation. Then he will not have to come into this place crying crocodile tears and he will not have to be worried about the scheme falling over. At the end of the day, those opposite know that they have the numbers in this Parliament. The

National Party in New South Wales has some concern—something those opposite are not demonstrating in this Parliament. That is the way to solve his problem.

Mr BORBIDGE: I move the following amendment—

> "That clause 2 be subject to the $98m of national competition payments being made available to the dairy industry."

Mr MACKENROTH: Mr Chairman, I rise to a point of order—

The CHAIRMAN: The motion is out of order. Resume your seat.

Mr BORBIDGE: Why is it out of order, Mr Chairman? Have you been told that it is out of order by the Leader of the House?

The CHAIRMAN: I am told by the Clerk. I ask you to withdraw.

Mr BORBIDGE: Mr Chairman, I can move an amendment to a clause—

The CHAIRMAN: Sit down. I warn you under Standing Order 124.

Opposition members: You can't.

The CHAIRMAN: I can.

Mr MACKENROTH: I rise to a point of order. Mr Chairman, under the resolution agreed to in the House, you must put the motion.

Question—That clauses 2 to 16, as read, be agreed to—put; and the Committee divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Hamill, Hayward, Hollis, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

The CHAIRMAN: Any further divisions will be of two minutes' duration.

Reporting of Bill

Mr PALASZCZUK (11.56 p.m.): Mr Chairman, I move—

> "That you do now leave the chair and report the Bill, without amendment, to the House."

Question—put; and the Committee divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Hamill, Hayward, Hollis, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Third Reading

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (11.59 p.m.): I move—

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

Question—put; and the House divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

Title

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (12.04 a.m.): I move—

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

Question—put; and the House divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

SPECIAL ADJOURNMENT

Hon. T. M. MACKENROTH (Chatsworth—ALP) (Minister for Communication and Information, Local Government and Planning and Minister for Sport) (12.07 a.m.): I move—

> "That the House, at its rising, do adjourn until 9.30 a.m. on Tuesday, 18 July 2000."

Question—That the motion be agreed to—put; and the House divided—

AYES, 40—Attwood, Barton, Beattie, Bligh, Boyle, Braddy, Bredhauer, Briskey, Clark, J. Cunningham, Edmond, Fenlon, Foley, Fouras, Hamill, Hayward, Kaiser, Lavarch, Lucas, Mackenroth, Mickel, Miller, Mulherin, Musgrove, Nelson-Carr, Nuttall, Palaszczuk, Pitt, Reeves, Roberts, Robertson, Rose, Schwarten, Spence, Struthers, Welford, Wells, Wilson. Tellers: Sullivan, Purcell

NOES, 35—Beanland, Black, Borbidge, Connor, E. Cunningham, Dalgleish, Davidson, Elliott, Feldman, Healy, Hobbs, Horan, Johnson, Kingston, Knuth, Laming, Lingard, Malone, Mitchell, Paff, Prenzler, Quinn, Rowell, Santoro, Seeney, Simpson, Slack, Springborg, Stephan, Turner, Veivers, Watson, Wellington. Tellers: Baumann, Hegarty

Resolved in the **affirmative**.

The House adjourned at 12.11 a.m. (Friday).

R. G. GILES, GOVERNMENT PRINTER, QUEENSLAND—2000