

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 24 AUGUST 1949

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The ACTING SPEAKER (The CHAIRMAN OF COMMITTEES, Mr. Mann, Brisbane) took the chair at 11 a.m.

DEATH OF MR. P. K. COPLEY.

REPLY TO MOTION OF CONDOLENCE.

The ACTING SPEAKER: I have to inform the House that I have received a letter from the widow of the late Mr. P. K. Copley conveying thanks for the motion of condolence passed on 2 August.

DEATH OF HON. T. C. BEIRNE.

REPLY TO MOTION OF CONDOLENCE.

The ACTING SPEAKER: I have to inform the House that I have received a letter from a daughter of the late Hon. T. C. Beirne (Mrs. E. Hooper) conveying thanks for the motion of condolence passed on 2 August.

QUESTIONS.

REPORT ON MOURILYAN HARBOUR.

Mr. NICKLIN (Murrumba—Leader of the Opposition) asked the Treasurer—

“1. Has Mr. Fison’s report on Mourilyan Harbour yet been received?”

“2. If so, will he lay a copy of the report on the table of the House for the information of hon. members?”

“3. Is any action pursuant to such report proposed in the current financial year? If so, what portion of the proposed works will be included in the estimates for 1949-50?”

Hon. J. LARCOMBE (Rockhampton) replied—

“1. Yes.

“2. I lay on the table of the House a copy of a Special Report, a copy of which I presented to the hon. member for Herbert (Mr. S. Theodore, M.L.A.) on 28 July, 1949.

“3. This information will be made available to the hon. member for the district and to Parliament in due course.”

Whereupon Mr. Larcombe laid upon the table of the House a copy of the Special Report referred to.

SLOW TRAFFIC IN MIDDLE OF ROADS.

Mr. MORRIS (Enoggera) asked the Secretary for Health and Home Affairs—

“Has he noticed when driving in the city and suburbs of Brisbane, how traffic is very frequently obstructed, and dangerous situations are often created, by slow-moving vehicles holding to the centre of the road? If so, will he arrange for the

public-address patrol cars and traffic police to try and educate drivers not to adopt this dangerous policy?”

Hon. A. JONES (Charters Towers) replied—

“The existing law requires the driver of any vehicle upon a road to keep such vehicle as near as practicable to the left side of the road at all times. Police personnel on patrol duty are constantly on the roads giving advice to road users against indulging in practices which might obstruct other traffic.”

AGRICULTURAL BANK AND WAR SERVICE HOMES.

Mr. MACDONALD (Stanley), for Mr. PLUNKETT (Albert), asked the Treasurer—

“1. What was the total amount of loans approved through the agency of the Agricultural Bank in 1948-49?”

“2. Of such amount, how much was approved under the Commonwealth’s Re-establishment and Employment Act, 1945, and the State War Service Land Settlement Acts, 1946 to 1948?”

“3. Of the latter amount, how much was provided from (a) Commonwealth, and (b) State sources?”

Hon. J. LARCOMBE (Rockhampton) replied—

“1. £1,716,387.

“2. (a) £207,675; (b) £385,529.

“3. (a) Nil; (b) The whole of the amount advanced by the Agricultural Bank under the War Service Land Settlement Act is provided by the Queensland Government; however, losses are shared by the Commonwealth and State Governments.”

IMMIGRANTS SETTLED ON LAND.

Mr. MACDONALD (Stanley), for Mr. PLUNKETT (Albert), asked the Secretary for Mines and Immigration—

“Of the 5,385 new settlers from the United Kingdom mentioned in His Excellency’s Opening Speech, how many have been settled on the land, and in what primary industries, respectively?”

Hon. W. M. MOORE (Merthyr) replied—

“The 5,385 new settlers mentioned comprise men, women, and children, of whom 2,329 were breadwinners. Of the total 5,385 new settlers, 2,466 have gone to nominators who reside in the country, and, of the 2,329 breadwinners, 829 were nominated by primary producers in the country. Other breadwinners sent to the country comprised carpenters, mechanics, &c. Information is not available as to numbers settled on the land or absorbed in any particular primary industry. If any primary producers require to nominate migrants for work in their particular industry, the Immigration Department will be pleased to make the necessary arrangements.”

DRILLING ON CALLIDE COALFIELD.

Mr. BURROWS (Port Curtis) asked the Secretary for Mines and Immigration—

“1. What area of land on the Callide coalfield has been systematically drilled for the purpose of proving the extent of the deposits?”

“2. How long has the drilling party been engaged on this work?”

“3. Are there any indications when the work may be completed?”

“4. As a result of the drillings to date, has any estimate of quantity of coal available on this field been made?”

Hon. W. M. MOORE (Merthyr) replied—

“1. The Callide seam underlying an area of some 400 acres on Dunn's Creek has been tested by 20 boreholes for the purpose of estimating within reasonable limits the tonnages of coal and quantities of overburden present in an area suitable for open-cut mining. The seam has been tested in one borehole on Petersen's Gully, a quarter of a mile to the west of the area, and work is now proceeding to prove the extent of the seam under increasing overburden in a northerly direction along Dunn's Creek. To date, four holes have been put down in a distance of some one and a-half miles.

“2. Drilling commenced in October, 1947. Work on the area of 400 acres mentioned above was completed in January, 1949, while boring to the north is still in progress.

“3. It is proposed after testing the extent of the seam to the north to carry out drilling to the west and north-west to determine its limits under cover in those directions. The time necessary to carry out this work cannot be indicated at present.

“4. For the Callide seam, in the area tested on Dunn's Creek, actual reserves of coal, overlain by overburden in thickness not exceeding three times that of the coal, have been estimated as 21,191,000 tons, with overburden of 34,138,000 cubic yards. In addition, within the area of 400 acres, some 8,081,000 tons of coal occur, overlain by an overburden thickness in excess of three times that of the coal. On the Callide coalfield as a whole, the evidence to date, though meagre, is sufficient to indicate that extensive reserves of coal exist beyond the present likely limits of open-cut mining, but systematic testing by the drill can alone give information regarding reserves in such areas since there are many factors which might upset premature conclusions.”

WATER SUPPLIES, SHIRES OF LANDBOROUGH AND MAROOCHY.

Mr. LOW (Cooroora) asked the Secretary for Public Lands and Irrigation—

“In reference to tests for the purposes of a water supply for the shires of Landsborough and Maroochy—

“1. What are the results to date of the tests in the vicinity of Mooloolah River, and what has been the expenditure to date?”

“2. What are the results of the tests in the vicinity of Paynter and Petrie Creeks, and what has been the expenditure to date?”

Hon. T. A. FOLEY (Normanby) replied—

“1. and 2. Six bores, involving 939 feet of drilling, have been put down in the vicinity of the Mooloolah River. Water which rose to within a few feet of the surface was struck in both the river sands and the underlying sandstones. Owing to the presence of a large proportion of fine silts and some clays only low yields of water were obtained during pumping tests in the river sands. Better supplies were obtained in the sandstones and pumping tests indicate that yields of about 5,000 gallons per hour are obtainable. In the vicinity of Paynter Creek the first bore is in progress and has reached a depth of 58 feet. Sands and silts overlying the sandstones yielded only limited water supplies. Water was struck in the sandstone at 54 feet, but as yet no pumping test has been carried out. The expenditure to date on the whole investigation is £2,786 12s. 3d. Separate costs of the Mooloolah and Paynter Creek sections have not been kept.”

PORT FOR CALLIDE COALFIELD.

Mr. PIE (Windsor) asked the Premier—

“1. Does he not consider that the proposal to spend £400,000 on a deviation to avoid the rack railway on the Mount Morgan line, the statement of the Queensland Transport Minister that this would allow considerably heavier loads to be carried between Biloela and Rockhampton, and also his own statement in Canberra that linking Callide with Biloela to connect with the Dawson Valley railway line could best encourage the development of this coalfield, all tend to convey the impression that the Government had decided to abandon Gladstone as a port for the shipment of Callide coal?”

“2. If he has not abandoned Gladstone, will he inform the House if it is intended to carry Callide coal via the Dawson Valley, Mount Morgan, and Rockhampton to Gladstone?”

“3. If it is not proposed to do this will he state whether any survey has been made with a view to linking Callide by rail with Gladstone, through the Calliope Valley, joining with Many Peaks line at Calliope, or by any other route?”

Hon. V. C. GAIR (South Brisbane—Acting Premier), for **Hon. E. M. HANLON** (Ithaca), replied—

“1. No.

“2. Yes.

“3. The quickest means of developing the Callide coalfield is by building a line from Biloela to Callide and reducing the grades on the Mount Morgan line. No recent survey has been made of the country between the Callide coalfield and Gladstone. Owing to the fact that the construction of the track would involve the crossing of two

ranges, considerable engineering difficulties would be encountered which would necessitate a complete survey being made. This would take months to make, and the line, if feasible, would take several years to build."

VISIT OF FEDERAL MINISTER TO CALLIDE
COALFIELD.

Mr. PIE (Windsor) asked the Premier—

"1. In view of the Commonwealth Government's realisation of the value of the Callide field as a source of coal supply and of the Prime Minister's action in sending Hon. J. J. Dedman to Callide to examine, on the spot, proposals to encourage development of the open-cuts, did he not consider the matter of sufficient importance for him, or another Minister, to accompany the Federal Minister on his mission?"

"2. Did any State Minister or official accompany Mr. Dedman to the Callide?"

"3. Why were arrangements not made to introduce Mr. Dedman to Callide through the front door, namely Gladstone?"

Hon. V. C. GAIR (South Brisbane—Acting Premier), for **Hon. E. M. HANLON** (Ithaca), replied—

"1. The hon. member for Windsor seems to be quite unaware of the fact that it was the Premier himself who was instrumental in arranging for the Minister for Post-War Reconstruction (Mr. Dedman) to visit the Callide field.

"2. Yes. The Minister was accompanied during the course of his investigations at Callide by the Deputy Co-ordinator-General of Public Works (Mr. G. W. Watson), the Chief Engineer of the Railway Department (Mr. H. Walker), and Mr. I. Evans, a member of the Queensland Coal Board.

"3. It will be recalled that Mr. Dedman visited Callide last Monday. He was, however, previously committed to engagements in Rockhampton at the week-end and on the Monday night. In order to keep his other engagements it was necessary for him to travel from Rockhampton to Callide by the shortest and most convenient route."

REGISTRATION OF S.P. BOOKMAKERS.

Mr. PIE (Windsor) asked the Premier—

"1. In view of the illegal starting-price bookmaking operations in every town and hamlet of Queensland, will he reconsider the suggestion made by me previously in Parliament that starting-price bookmakers be registered so that present illegal practices can be controlled, and thereby bring increased revenue to the State?"

"2. Is he aware that many police officers in the country have recommended the registration of starting-price bookmakers so that they can better deal with the present unsatisfactory position?"

Hon. V. C. GAIR (South Brisbane—Acting Premier), for **Hon. E. M. HANLON** (Ithaca), replied—

"1. The laws of the State prohibiting persons from acting as bookmakers elsewhere than on racecourses have been framed in the interests of the community generally, and every possible action is taken to curb the activities of persons who contravene those laws.

"2. The Commissioner of Police does not recommend the registration of off-the-course bookmakers."

TEACHING SERVICE OF MR. T. R. HAYES.

Mr. AIKENS (Mundingburra) asked the Secretary for Public Instruction—

"Further to my question regarding Mr. T. R. Hayes at present employed as a teacher at the Hermit Park State School, and his reply that in the 14 years since his appointment to the Education Department, Mr. Hayes has been attached to no less than eight schools, will he inform the House the reasons or causes why Mr. Hayes has been transferred so often in such a relatively short period?"

Hon. H. A. BRUCE (The Tableland) replied—

"There is no single cause or reason to account for the transfers of Mr. Hayes. There has been a variety of reasons for his transfers, but, in each case, the transfer was effected to meet the exigencies of the Department, and to place Mr. Hayes in a school where he could most suitably and profitably be employed."

COMMONWEALTH AID, BURDEKIN DAM.

Mr. AIKENS (Mundingburra) asked the Premier—

"Have the Commonwealth Government definitely promised at any time to make a grant or financially assist the State Government in their proposal to erect a dam on the Burdekin River for irrigation purposes? If so, what is the amount of the grant or financial assistance promised by the Commonwealth Government, and under what terms and conditions will it be made available to the State Government?"

Hon. V. C. GAIR (South Brisbane—Acting Premier), for **Hon. E. M. HANLON** (Ithaca), replied—

"Whilst the extent to which financial assistance will be given by the Commonwealth towards the Burdekin Dam Project has not yet been determined, the discussions which have taken place between the Premier and the Prime Minister from time to time indicate that Commonwealth assistance will be forthcoming. Following further discussions with the Premier in Canberra last week the Prime Minister decided to set up a small expert committee to immediately examine the whole project in detail, and to confer with the appropriate State officers. When this committee's report is furnished to the Prime Minister,

a decision will be made as to what contribution the Commonwealth should make towards the cost of this important project."

BUILDING SUPPLIES ORDERED ABROAD.

Mr. MAHER (West Moreton) asked the Premier—

"1. What quantity of galvanized iron, cement, iron and steel, for building and other purposes, has been ordered outside Australia by the State Government and its instrumentalities?"

"2. What is the cost thereof?"

Hon. V. C. GAIR (South Brisbane—Acting Premier), for **Hon. E. M. HANLON** (Ithaca) replied—

"The information is being obtained."

RAILWAY ROLLING-STOCK ORDERED ABROAD.

Mr. MAHER (West Moreton) asked the Minister for Transport—

"1. How many locomotives and what quantity of rolling-stock for the Queensland railways has been ordered outside Australia?"

"2. What is the cost thereof?"

Hon. J. E. DUGGAN (Toowoomba) replied—

"1. Forty locomotives (with some spare parts) and 600 wagons.

"2. £3,393,181 (including duty and primage), £2,571,447 (excluding duty and primage)."

COSTS OF VISITS OF MEMBERS TO GULF AREA.

Mr. TURNER (Kelvin Grove), without notice, asked the Acting Premier—

"Has his attention been called to the statement in this morning's 'Courier-Mail' headed 'M.L.A. tour cost' which states—'Expenses of the party which visited the Gulf Mission Stations were £1,497 7s. 3d.' Is this the figure that he gave in reply to the question asked by the hon member for Oxley?"

Hon. V. C. GAIR (South Brisbane) replied—

"The reply to the hon. member's question is as follows:—Yes, my attention has been drawn to the incorrect figure published in the 'Courier-Mail.' The figure given by me yesterday was £149 7s. 3d. I hope the 'Courier-Mail' will make the necessary correction."

PERSONAL EXPLANATION.

Mr. MAHER (West Moreton) (11.15 a.m.), by leave: I wish to make a personal explanation. The Press report of the speech I delivered in Parliament on Tuesday, 16 August, in regard to the Queensland-British Food Corporation credits me with saying that the original aim of the Peak Downs project

to raise pigs had not been realised and had been abandoned. I do not know how the Press got what I said mixed up. I certainly did not say that the pig-raising scheme had been abandoned. I looked through the "Hansard" report and I could not find any evidence of a statement by me that the pig-raising scheme had been abandoned. What I did say was that the original aim of the Peak Downs project to raise pigs had not been realised. I notice that the Queensland-British Food Corporation is proceeding with the pig-raising scheme but I greatly question the results thereof.

ADDRESS IN REPLY.

EXTENSION OF TIME FOR DEBATE.

Hon. V. C. GAIR (South Brisbane—Acting Premier): I move—

"That under the provisions of Standing Order No. 17, the period allotted to debate on the Address in Reply be extended to eight full sitting days."

Motion agreed to.

RESUMPTION OF DEBATE.

Debate resumed from 23 August (see p. 207) on Mr. Jesson's motion:—

"That the following Address be presented to the Governor in reply to the Speech delivered by His Excellency in opening this, the Third Session of the Thirty-first Parliament of Queensland:—

'MAY IT PLEASE YOUR EXCELLENCY,—

'We, His Majesty's loyal and dutiful subjects, the Members of the Legislature of Queensland, in Parliament assembled, desire to assure Your Excellency of our continued loyalty and affection towards the Throne and Person of Our Most Gracious Sovereign, and to tender our thanks to Your Excellency for the Speech with which you have been pleased to open the present Session.

'The various measures to which Your Excellency has referred, and all other matters that may be brought before us, will receive our most careful consideration, and it shall be our earnest endeavour so to deal with them that our labours may tend to the advancement and prosperity of the State.'

on which Mr. McIntyre had moved the following amendment:—

"Add to the question the words:—'We desire to inform Your Excellency, however, that this House disapproves of the continuance of the agreement between the Premier and The Electric Supply Corporation (Overseas) Limited—or assignees thereof—regarding the mining of coal deposits at Blair Athol or elsewhere in Queensland and expresses the opinion that the Premier should forthwith take action under the provisions of The Electric Supply Corporation (Overseas) Limited Agreement Act of 1947 to determine such agreement.'"

Hon. V. C. GAIR (South Brisbane—Acting Premier) (11.20 a.m.): I listened with great interest to the speeches delivered yesterday on this unwarranted amendment and I believe that most of those delivered by hon. members opposite were notable for the extravagance of the language employed, disregard of facts and truth, and the irrational and irresponsible statements. Of course, as the hon. member for Mundingburra participated in the debate it was not free of personal abuse, libellous innuendoes, and statements calculated to damage the prestige of the Premier and the Government of the State.

Mr. Aikens: That is not true; I never said anything about him personally.

Mr. GAIR: The hon. member for Mundingburra, in the course of his remarks, said that many rank-and-file members of the Government were very dubious about the Premier's veracity in regard to the Blair Athol franchise. He went on to say—

"I know what I said was true because many rank-and-file members of the Government have since said to me, privately of course, 'You were right, Tom, when you said that Blair Athol stinks.' And so it does stink."

Mr. Aikens: So they have.

Mr. GAIR: In the first place I am going to say that I do not believe the statement of the hon. member for Mundingburra but in case it is true I am going to say also that if any member of the Parliamentary Labour Party has been responsible for communicating such matter to the hon. member for Mundingburra then he is mean and cowardly to the worst degree. The matter of Blair Athol has been debated at Parliamentary Labour Party meetings on innumerable occasions and if it is true that a member of this party has communicated such stuff to the hon. member for Mundingburra then that member or members should have had the guts to question the veracity of the Premier and say that the whole project stank when this matter was being discussed in the party of which he is a member—

Mr. Aikens: I said members; I used the plural.

Mr. GAIR: I feel that every decent member of this Parliament will agree with me when I say that it is mean and cowardly for a man who lacks the fortitude and strength to rise in his place and give expression to his opinion on any issue and particularly to question the veracity of another to go away behind doors and communicate his feelings there. I say that is very mean and despicable and certainly not worthy of a member of a great political party such as the Australian Labour Party is. However, I repeat that I prefer not to believe the hon. member for Mundingburra.

Mr. Aikens: It is the easiest way out.

Mr. GAIR: The hon. member for Windsor displayed unusual solicitude for the Premier and he wondered why members of

the Government Party did not rise in their places to points of order when these disparaging remarks were made by the hon. member for Mundingburra. The hon. member for Windsor should know by now that speeches delivered in this Parliament by the hon. member for Mundingburra since his arrival here have been characterised by abuse of someone or other. However, abuse and criticism based on ignorance and prejudice can be disregarded and those who indulge in the destruction of the character of others are invariably people without any themselves. They measure people by their own standards.

I said at the outset that the debate was remarkable for many things. It was notable for the irresponsible and irrational statements by some hon. members opposite, some of which were not in accord with fact. I will take the last first. We shall find amongst those statements the repeated statement by the hon. member for West Moreton, who on two occasions in this Parliament said that the Theodore Government refused to accept the offer of a private concern to build a railway from Blair Athol to Broad Sound. The hon. member for Logan has also made similar statements in the Press. The proposal was made to the Government in November, 1923. I have seen the file on the subject. It concludes with a declaration of Government policy on the matter in a letter dated 3 January, 1924. The text of the letter is—

"Adverting to previous correspondence respecting the proposed development of the Blair Athol coalfield I have the honour by direction to inform you that the Government does not desire to stand in the way of any legitimate proposal for the development of the coal resources of the State, more especially when the object of such proposal is to build up an export trade.

"The Government, however, does not wish to enter into an agreement to confer valuable concessions upon private individuals or company promoters whose object may be merely to canvass the proposal amongst the general public, and incur considerable risk of failure in the attempt to raise the necessary funds.

"The Government is prepared to give reasonable consideration to the proposal if it can be shown that the proposal is strongly backed financially. The Government would feel that it could proceed with consideration of the proposal when guarantees are given that, say, two-thirds of the requisite capital will be underwritten by reputable financiers."

Later correspondence did not carry the proposal beyond that but it tells us an entirely different story to that told by the hon. member for West Moreton, who declared that Mr. Theodore said—

"No, this cannot be done. This is contrary to our socialistic policy. Only the State can build a railroad and you cannot have your franchise."

I submit that is completely false and is the figment of the disorderly mind of the

hon. member for West Moreton. My statement is borne out by the last letter on the file, which I have just read to the House.

Now we come to the hon. member for Mirani. First of all, he represented himself here yesterday—and he was supported by the hon. member for Mundingburra—as being the only one who knew what was going to happen in this matter of the agreement, that he not only knew but he warned the Government and the House of what was going to take place. He further said that he did not remain for the vote, and that he refused to vote in favour of the Bill. By way of interjection yesterday I asked him why he did not have the courage of his convictions and remain and vote against the Bill. However, his statement yesterday was not in accordance with fact, for this reason: it is not consistent with his remarks in the second reading debate on the Electric Supply Corporation (Overseas) Limited Agreement Bill on 4 December, 1947. The hon. member for Mirani is reported at page 1816 of "Hansard" as having said—

"I admit there are advantages. I admit that industries that need cheap coal will be created. I think it is necessary that industry should have the opportunity of buying cheap coal."

On the same page of "Hansard" the same hon. member for Mirani, who represented himself as being, together with the three musketeers, the only hon. members who opposed this Bill—this man who knew everything and who brought forth the interjection yesterday that modesty was his telegraphic address—said—

"There are many benefits to be gained from the Bill, of course. I believe it will help Queensland considerably. . . ."

What an inconsistency of argument! Yet we have the hon. member, with all the front and confidence coming here yesterday and representing himself as being entirely opposed to the Bill! Do these statements, as reported in "Hansard" when the Bill was being considered by this House, confirm that statement? Of course not.

It shows the hon. member is really humbugging. The hon. member for Mundingburra, instead of charging the Opposition, with the exclusion of the hon. member for Mirani, in the way he did yesterday, should have included the hon. member for Mirani in the somersault they made on this very important measure.

The hon. member also made a great mouthful of what he termed the sinister Clause 17 of the agreement, wherein it is provided:

"The company shall have the right in accordance with the provisions of section 54 of the Companies Act, 1929 (England) to pay interest on share capital during the period of construction and to charge the sum so paid by way of interest on capital as part of the cost of construction of the works."

He represented that to be an irregular provision. He created a suspicion around that clause. He could well be excused for not knowing the company law—like many more of us—but he represented himself as

being an expert business man, a man who formed companies and a man who built five miles of railway, so he can scarcely be excused if he knows company law as well as he represents he does. The position is the section is in accord with the Queensland Companies Act and is quite in order. The section of the Queensland Act is taken from the English Act; they are identical; and it is not unusual for such a provision to be included in a company's articles. As a matter of fact, the North Queensland Cement Co. is a recent example. That company takes advantage of this Section. Clause 17 of the agreement actually provides for what most companies provide when they undertake a big project.

Mr. Maher: The consent of the Attorney-General has to be secured in such cases.

Mr. GAIR: I do not think so. What I have said I have confirmed. Yesterday the hon. member for Mirani made quite a song and dance about this section, but there is no question about it—he is wrong, just as he was wrong in stating that he was the only one opposed to the Bill.

Now we come to all the inconsistencies that run through the speeches of hon. members opposite. Members of the Government were charged by members opposite with being Socialists, particularly the hon. member for West Moreton, who referred to Mr. E. G. Theodore as a Socialist, whereas the hon. member for Oxley represented us as being ultra-conservative and monopolists. What can we believe of hon. members opposite when they themselves cannot make up their minds whether the Government are an ultra-conservative Government or an ultra-socialist Government? The hon. member for West Moreton, when speaking the other day, talked about the Labour Party as having one leg on the socialist horse and one on the private-enterprise horse, but before I am finished I will show him many examples in which private enterprises in this State have one finger on the private-enterprise horse and all the burden on the State; and they are content to have it that way. When they are unable to obtain capital privately they are not too proud to come to the Government for it. And if the project is sound and in the national interests and the interests of the State, the Government have been ready to help to the best of their ability. The records of the department assisting industry will show that.

A great deal has been said about the hawking of licences or leases. It is true that this is not desirable—that people to whom we issue licences or leases should hawk them round the State, the Commonwealth of Australia, or other countries of the world—but unfortunately there is nothing in our Mining Act to prevent it. As Minister for Mines, I issued two leases for the Callide field to two different parties. There was nothing to stop these parties, both of whom had very little capital, I am given to understand, from hawking these leases—leases issued by the Government for a nominal fee or rental over the people's coal—far and wide and selling them for profit.

That is a weakness. Men to whom a lease is issued should be required to show that they have sufficient capital, equipment, capacity, and ability to develop the mine, whether it is coal, gold, or any other mineral it is granted for.

Mr. Aikens: There is a vast difference between a lease and this franchise.

Mr. GAIR: I will deal with that later.

Let me give the history of Blair Athol, Mr. Acting Speaker. There is no dispute about the vastness of the Blair Athol field and the richness of its coal. These facts are accepted. For more than 50 years coal has been won at Blair Athol; at any rate, we have known coal was there for over 50 years. The Blair Athol Coal and Timber Co. has been operating since 1910 and the Blair Athol Open-Cut Collieries, formerly Newcastle Coal Ltd., since 1912, and it would not be unfair of me to say that private enterprise has had fair opportunity to show what it can do for the development of the coal in one of the world's greatest coalfields.

We find that over these years these two companies have had very chequered careers, that for some of the years their production was very low. Let me give hon. members the production figures—

	Tons.
1920	137,922
1925	Only 51,295
1930	35,340
1935	79,233
1940	119,953
1941—The year we entered the war	110,409
1942	142,589
1943—A rise to	147,179
1944—A decline to	145,237
1945—A rise to	177,331
1946	161,077
1947	240,564
1948—A decline to	216,610

I give these figures to place on record the production of Blair Athol over the years. These companies worked these mines in a piecemeal fashion for many reasons and it is good that we should know the reasons when we start to discuss the coal question today. I have said it previously in this Parliament on appropriate occasions. Today, when coal is in great demand because of the great industrial development and the arrears of the war to be picked up, we should have a true picture of the coal position.

I am not going to blame these companies at Blair Athol for not having sunk a lot of capital into those mines, but at the same time I am going to say they have no reason for complaint, if they have not the capital to invest in the development of that coalfield in a way commensurate with its size and importance, and they should not stand in the way of others who can spend large sums in developing it to its proper standard.

When I was Secretary for Mines I went to Blair Athol and saw the open-cut mine being worked with a couple of old, antiquated steam shovels—one was out of order at the time—and two old trucks. Just about that

time, with the aid of the Commonwealth Coal Commission, the companies had received some rippers and scoops. On my return I said that although I had never been out of Australia, I believed I had seen one of the greatest if not the greatest coalfield in the world being worked with a meccano set. That was during the height of war and I was urging increased production. I was there to ask the miners to step up production, because we wanted every ton of coal for war purposes, for the transport of our troops, and for our ships. I said I would recommend that the Commonwealth Coal Commission take over Blair Athol and supply equipment appropriate for the working of an open-cut mine. I even suggested that the Commonwealth Coal Commission might use its influence to have transferred from the Mackay Harbour a big steam shovel that was there, but we were not successful.

Immediately I said that I had a visit from Messrs. Corrie, Bowly, and Hall, three gentlemen whom I had met on several occasions, and three very decent men. They said to me, "Mr. Minister, how can you expect us to invest a lot of capital in Blair Athol?" I said, "Why not? You have a Government lease over the best coalfield in the world." They said, "But what guarantee have we that after the war we shall be able to sell our coal? Prior to the war we could not sell our coal and we had no encouragement to produce any more than we did. We were unable to obtain markets sufficient to enable us to give our men a full week's work." They were working a couple of days a week, and I could understand why they did not want to put money into their mines. They had the same psychology as the miners themselves. The miners were opposed to building up stock piles because they had suffered immeasurable unemployment, and the owners of the mine felt that if they put a lot of capital into the mine they would never get their return.

Have companies with that mental attitude to the development of the coal resources of Queensland any ground for complaint if another company comes to the Government and says it is prepared to spend something in the vicinity of £18,000,000 in developing this coalfield, in building its own railway and its own ports for the development of coal for Queensland and Australia and for the export of coal to other parts of the world where it is needed? Do hon. members think the Government would be worthy of the name if they repulsed such people and said, "No, we cannot consider your proposal because two financially weak companies have leases, have had them for a number of years, and we are reluctant to disturb them?"

Mr. Decker: What about the weakness of the company you were dealing with?

Mr. GAIR: I will deal with that, too. I am dealing now with the history of these companies.

I say that we should be recreant to our trust if we did not accept the proposal of such a company with a view to developing the

coal resources on a large scale for the good of the Commonwealth and for other countries in the world in need of our coal. I repeat that the companies holding these leases have been well treated by the Government. We have not interfered in any way with their administration or control of the leases; rather, State and Federal Governments have assisted them financially and guaranteed markets for their output. The Government carried out drilling operations to prove the thickness of the seam; they provided cheap railway freights to points of consumption—not a bad effort for a socialistic Government helping private enterprise to do the job it set out to do. I repeat also that the signing of the agreement with the corporation has not been the means of denying any local company the right of undertaking similar work. I have no recollection since I have been a member of the Government or before—and Blair Athol has been there a long time—that any company has come along to the Government with a proposal similar to that submitted by the corporation. I say also that I am prepared to bet that in the event of the cancellation of this agreement—if and when that event takes place—if the same offer and the same franchise and conditions are offered to any other Australian company, there will be no takers.

Immediately an agreement is signed and something is given by the Government in good faith for the development of Queensland and Australia everybody becomes actively interested in Blair Athol. It is said, "Why didn't they give it to us?" It has been there for the asking for years and years and nobody was sufficiently interested. The open-cut company was unable to obtain capital to help it in the further development of the field. It came to the Government and we helped it. I say very definitely—and my statement is proven by the figures I have quoted—that there has been greater activity round Blair Athol since the signing of the agreement than for many years before. I appreciate that the prospective sellers to the corporation are naturally building up their assets and I say good luck to them. The Government has provided in the Bill that the corporation with which they have the agreement is not to be permitted to snatch the leases from the hands of these people but that they shall receive a sum of money commensurate with their assets and in consideration of the work they have performed. They are well protected in the Act.

A great deal of suspicion was created yesterday by hon. members opposite about the Electric Supply Corporation (Overseas) Ltd. and it was suggested by some speakers that Mr. Hirst, representing this overseas company, just came like a thief in the night into Queensland and took charge of the mental resources of the Premier of the State and sold him a proposition that had no merit and no backing. It was even suggested by the hon. member for West Moreton that it was similar to a confidence trick and that we took the hook, line and bait without examining the thing at all. No statement has been made in this Parliament that is further from the truth.

I ask the hon. member for West Moreton, the hon. member for Windsor, and other business men in this House: if a proposal was put to them by an individual or a company, what would be the first thing they would do?

Mr. Pie: Get a report.

Mr. GAIR: Get a report on their credentials and their stability—an elementary business procedure. And that is just what the Government did. That information has already been supplied to this House, but a good thing bears repetition without limit. That is what the Government did. They took the matter up with the Commonwealth Bank and they got a letter from Mr. Armitage, the then Governor of the bank, dated July, 1947. It is as follows:—

"I acknowledge receipt of your letter of 7 July and have had inquiries made of the Bank of New South Wales regarding the general standing of the Electric Supply Corporation (Overseas) Ltd.

"Their report suggests that the company is considered undoubted for its engagements and further verbal reports obtained in Sydney are to the effect that the parent company, Electric Supply Corporation Ltd., has at its command ample reserves for any undertaking.

"I am forwarding to our Brisbane manager all the relevant details regarding the standing of the company and its directors that I have been able to obtain quickly in Sydney, and am instructing our Brisbane manager to pass this information to you."

No-one would for a moment suggest that the Bank of New South Wales is an irresponsible, unstable and unreliable organisation. Its reputation is world-wide and its reliability unquestionable.

The letter proceeds—

"The Bank of N.S.W. have advised that they have information from their London office regarding the above company to the effect that it has a paid-up capital of £681,000 and is undoubted for engagements. Their Professor Hytten has interviewed the chairman of the company in London and has advised that the Electric Supply Corporation have at their command ample reserves for any undertaking."

Mr. Kerr: But that is not the company to which the franchise was granted.

Mr. GAIR: Just wait a moment. The letter goes on to say—

"Mr. T. J. Hirst is also known to them by virtue of a letter of introduction to their assistant manager, which mentions his association with the Electric Supply Corporation, that his bankers in the United Kingdom are the National Provincial Bank and that he is also undoubted for engagements."

Mr. Aikens: You could get such a letter from a bank about me if you liked.

Mr. GAIR: I question that.

In view of that letter, is it fair for some hon. members to get up in this Parliament—and it is not done in ignorance because this information has already been supplied to the House—and deliberately misrepresent the case and, very designedly, create the impression of wrongdoing on the part of the Government, of the Government's accepting something without proper examination and careful scrutiny? I say it is cowardly. No reputable business man could have done more than we did.

Having got that, we proceeded confidently with the negotiations. As recently as 15 March this year the Premier made a statement in this House setting out the latest developments in relation to the Blair Athol project. He said—

“Representatives of the Electric Supply Corporation (Overseas) Ltd. waited on me when I was in the United Kingdom recently, and, after full and careful consideration of the various factors involved, it was agreed that the Electric Supply Corporation (Overseas) Ltd. would enter into an agreement with the Power and Traction Finance Coy. Ltd. whereby the technical and financial resources of that company and of its associates would be applied to the next stage of the investigation.

“The chairman of the Electric Supply Corporation (Overseas) Ltd. submitted a proposal to me that, in order to separate the Blair Athol project from the other activities of the Electric Supply Corporation (Overseas) Ltd. and to facilitate the actual financing of the project, when it is necessary to raise the required capital for the development of the scheme, a company should be registered in Queensland to which the Electric Supply Corporation (Overseas) Ltd. with the approval of the Governor in Council, would assign its rights and obligations under the Electric Supply Corporation (Overseas) Agreement Act of 1947. These proposals were concurred in by representatives of the Power and Traction Finance Co. Ltd.”

“On 25 February last Mr. A. D. Marris of Lazard Bros. & Co. Ltd.—”

I suppose there will be no doubt of Lazard Bros.' reputation. They are not a struggling weak financial organisation—

“who, as already stated, are associated with the Power and Traction Finance Co. Ltd. called on me and stated that subject to the approval of the Government, it was proposed forthwith to register a private company in Queensland to be known as the Central Queensland Coal Development Co. Pty. Ltd., with an authorised capital of £250,000 and an issued capital of £50,000. With the agreement of the Queensland Government the Electric Supply Corporation (Overseas) Ltd. would assign its rights and obligations under the Act to the new company in consideration of the allotment to it of £50,000 of issued share capital in the said company. It was proposed that the Power & Traction Finance Co. Ltd. should have an option for a suitable period to acquire this issued capital,

which option it would exercise should the investigations which its consultants are now conducting prove satisfactory.”

The Power and Traction Finance Co. Ltd. would then be responsible for the provision of finance for the development of the coal measures.

I submit that is a straightforward statement by the Premier on the transaction in connection with the change-over or assignment of the provisions of the agreement from one company to another.

Mr. Pie: Did he say what the original company was to get?

Mr. GAIR: Not in that statement, but he has supplied that information to this House. The Premier has been forthright and open, not only to members of his own party but to hon. members as well.

Government Members: Hear, hear!

Mr. GAIR: Let us examine the matter a little further. What do we find?

Mr. Decker: There is no provision there for the fulfilment of the contract.

Mr. GAIR: There are plenty of provisions in the agreement for the cancellation of the contract at any time. If the Government are not satisfied with the expedition with which the company is carrying out its undertakings the Government can just cancel the agreement at any time.

Mr. Pie: You have to give notice.

Mr. GAIR: That is so. There are certain provisions, but that is the fact in short.

It has been represented here that the company has been long in going about its job. I am not going to deny that the Government are altogether pleased with the position up to the present. I am going to say that we are disappointed a real start has not been made on this work.

Opposition Members: Hear, hear!

Mr. GAIR: However, what is to be gained by scrapping the agreement at this stage? We have to appreciate that anyone engaged in or undertaking a big project today has a mammoth task and innumerable difficulties to surmount. Technical advisers are at a premium and equipment is difficult to get. Whilst I am not making any excuses I repeat, that we are disappointed, as the Premier has already said, and he has indicated to representatives of the company that he wants some definite information as to what it is doing. On top of that information we find the Opposition moving an amendment to the Address in Reply that I class as unnecessary and unwarranted.

Mr. Maher: We are entitled to know why the transfer of the rights of the company has taken place.

(Time, on motion of Mr. Jesson, extended.)

Mr. GAIR: I thank the hon. member for Kennedy and the House for the courtesy they have extended to me. I promise I will not encroach on that privilege at any great length.

I was saying that there are real difficulties we have to take into account. If we were not living in these abnormal conditions and if circumstances were more favourable the Government probably would not have been so patient. But what is to be gained by scrapping the agreement at this stage? What would be the position of Blair Athol on the cancellation of the agreement? The position would be as it was prior to the signing of the agreement—two small companies with limited capital would go on scratching away, being supported financially by Governments, and endeavouring to wring small profits and dividends from their investment. For that reason I repeat that no damage has been done and no individual or individuals or the State itself will suffer if the company with which we have the agreement never does anything about it and the agreement is cancelled.

Mr. Pie: It will hold things up.

Mr. GAIR: What has been held up? There is more activity there today than at any time prior to the signing of the agreement.

Mr. Pie: What about your handling methods? You know they are antiquated.

Mr. GAIR: Of course they are, but what has the company done about it? After years of holding of leases they become enthusiastic as soon as there is a probability of a prospective buyer. These were men of little faith. They said to me, "What guarantee have we that we can sell our coal after the war ends?" I was willing to concede that they had a point there, because the future is obscure to us all.

Now we come to some features of the Act to which members opposite took exception. I dealt with Section 17 in the early stage of my speech. Now we come to the agreement and the taking over of the lease in the event of the company's not going on with the proposal. There is nothing in the Act to say that those who hold the leases shall be sacrificed. Much was said about that. Who is going to suggest that we should preserve the rights of these individuals to the detriment of Queensland and hold up a company that was prepared to spend an unlimited amount of money in the full development of the resources of this State.

Mr. Maher: Why were they ignored altogether by the Queensland Government?

Mr. GAIR: They have not been ignored. The leases have been undisturbed; and until the buying company purchase the shares they will not be interfered with. It is not the responsibility of the Government, it is the responsibility of the purchasers to go to the lessees—and say, "Now you know all about our agreement, what is your price?" How can we say that the present lessees are injured? A director of one of the companies at Blair Athol said to me on one occasion, "I have no objection to the transfer or the sale of our leases, so long as they are prepared to pay," and I believe that represents the attitude of all members of the companies at present holding leases at Blair Athol.

Mr. Pie: Which company said that?

Mr. GAIR: The original open-cut company. To say that private enterprise has not had every opportunity at Blair Athol would not be stating the position fairly.

The failure of the present lessees to take any positive measures to assess the importance of the Blair Athol field led to the Government's being attracted to the proposal by this overseas company, which the hon. member for Windsor the other day elected to refer to as a foreign company. It was the desire of the Government to develop this great national asset.

Mr. PIE: I rise to a point of order. I have no wish to interrupt the Acting Premier in his informative speech but I do wish to say that I never said it was a foreign company but that it was a British company seeking foreign capital.

Mr. GAIR: I accept the hon. member's statement but I conscientiously believed him to have said that. If he now says he did not I am willing to accept his denial.

I say that that is what attracted the Government to this new company and made the Government entrust to this company the development of one of the natural resources of Queensland. At no time have the Government placed any obstacle in the way of these companies for the development of Blair Athol but everyone will agree that the problem of Blair Athol is the scale of development and the cost of transport to the consumer, and therefore, I contend, the overall problem is one of vast capital expenditure.

Hon. members must have read the report of the Co-ordinator-General of Public Works on the vast Blair Athol field and having read it will remember that he indicated that it would cost in the vicinity of about £18,000,000 to provide railways and other things—costs of ports was additional—for its proper development. Notwithstanding the fact that that report was circulated far and wide I have no recollections that any financial group in Australia interested themselves in it or came to the Government and said they would take on the job of developing this field. No person can dispute that statement, yet it is said we are robbing a couple of struggling companies of something. If they are standing in the way of national development, they have to be moved on. In view of the fact, the Government were not only justified in encouraging the new company but could have been charged with dereliction of duty if they had repulsed rather than encouraged it.

I conclude with the statement: that in spite of all the criticism levelled at the Government on this question I conscientiously believe that the attack on the Government based on Blair Athol was not prompted by the motive of advancing the welfare of Queensland but was based on political prejudice. The hon. member for Windsor let the cat out of the bag yesterday when he said the Government received a great deal of political impetus and a great fillip from the signing of this agreement and the proposed development

of the Blair Athol field. Because we did, it is the purpose of the Opposition to destroy the political gain that the Labour Government have received. That is the purpose of this amendment.

I repeat in conclusion that if nothing ever is done under this agreement and if the Government see fit to cancel it or the company with which we have the agreement refuses to go on, no damage will have been done to any individual or to the State itself. Rather has it brought Blair Athol under the searchlight and has shown up its extensiveness and great wealth of coal. It has given the field world-wide publicity, which will attract interest and capital from at least someone who has better faith in Blair Athol and Australia than a number of local people, from whom, I repeat, the necessary capital for its development, development commensurate with its size and importance, would not be forthcoming if the agreement was cancelled tomorrow.

Government Members: Hear, hear!

Hon. T. A. FOLEY (Normanby—Secretary for Public Lands) (12.10 p.m.): Having worked underground for a number of years on the Blair Athol coalfield, I know something about it and have some idea of the extent of the field and its importance. The working history of the field, dating from a little before 1910 and continuing up to the date of presentation of the agreement to this Parliament, discloses slow progress and very small production as a result of the operations of the existing companies.

The deposit was first mined by the underground method of bord and pillar. Anyone visiting the field who had some idea of the extent and thickness of the seam realised that that method of mining resulted in very great losses of coal. The first attempt at open-cut mining that I know of on the field was made by Mr. Jack Hetherington, who was managing director of the old Blair Athol Coal and Timber Company. An attempt was made at what was known as No. 2 mine to remove the overburden with a view to winning the coal by the open-cut method. The contract was given to M. R. Hornibrook (Pty.) Ltd. at what was then thought to be a very high figure, and unfortunately, instead of reaching the coal at 30 or 40 feet, as was expected, they did not reach it until they had gone down 70 feet, and by that time funds were exhausted and they could not raise any more capital.

The next move was made in 1935 by the old Newcastle Mining Company, which has now become the Blair Athol Open-cut Collieries Ltd. under the management of Tom Jones, a very efficient mine manager under whom I worked for a long time. Although he was not an engineer he had sufficient practical knowledge and common sense to know how to approach this seam of coal and mine it successfully. Unfortunately he started with very poor equipment indeed, the best he had being secondhand machinery supplied by the company. With a very old steam shovel and a few other implements he plodded along for a long time stripping the

coal and eventually was able to develop a face of some proportions when the war broke out.

The main outlook of the directors at that time was not so much the production of cheap coal for export to other States or overseas as to reduce costs to enable them to earn some dividends from the operations. Had the Commonwealth Coal Commission not come to the rescue of that company during the war by supplying it with some plant and equipment, the position would not have been improved to any great extent. There was, however, some little improvement as a result of that additional equipment. To increase production to 500,000 tons or even 1,000,000 tons a year was evidently not the ambition of the directors of that mining company at that time.

Although the previous speaker mentioned some tonnages from Blair Athol, I should like to quote a few figures as to the production from 1914 onwards. In that year it was 102,980 tons. Progress varied to 123,000 tons and 124,000 tons and 132,000 tons and in 1921 we find it dropping down to 75,000 tons. In 1924 it was 50,700 tons.

Mr. Morris: Are you speaking of one company or from the field?

Mr. FOLEY: That is the production from the three mining companies—the Newcastle Mining Company, the Blair Athol Coal and Timber Company, No. 2 Mine and No. 3 Mine.

We find that some little improvement had taken place by 1929, when production jumped to 97,500 tons. In 1935, when the open-cut method was started, the production was in the vicinity of 79,000 tons. It improved slightly as a result of the open-cut method from 1935 to 1939, when it went to 108,388 tons. It jumped during the war years, because production was as follows:—

Year.	Tonnage.
1940	114,458
1941	118,918
1942	151,199
1943	157,033
1944	160,726

and in 1947, as a result of further development on the field, we find that the output was 240,000 tons. Last year, 1948-49, it was at a slightly higher figure.

Mr. Luckins: From all mines?

Mr. FOLEY: From the operations on the field. There are mining operations at other places than Blair Athol, but I have quoted the complete operations from the Blair Athol field in the earlier years from underground mining operations. The open-cut method was first used in 1935.

Mr. Sparkes: On your figures they have been doing a pretty good job.

Mr. FOLEY: No. I am trying to point out that this production, although it has been sufficient to meet local requirements, has not been sufficient to build up an export trade to the other States or overseas.

Mr. Maher: Did you provide transport? (Opposition interjections.)

Mr. FOLEY: I am endeavouring to point out that there has been no hindrance, but on the contrary every assistance has been given and I ask hon. members to let me approach this matter in a proper way.

I emphasise that the last company that started operations on the field could not, or would not, raise sufficient capital to equip the mine with modern plant. That is the type of mining company we had on the field. Its approach to the whole matter was to sub-let the stripping and mining operations to another firm, Thiess Bros., contractors, who operate in many parts of the State. They were able to bring some modern equipment to the field and I give them credit for the fine way in which they carried out their work. At the moment a very fine face of coal has been exposed. The statements by the hon. member for Windsor and, particularly, the hon. member for Mirani that the Government did not encourage the development of Blair Athol by providing adequate transport facilities are not correct. Long before war broke out the Government approved of a freight rate on coal exported outside Australia of a farthing per ton per mile, amounting to about 10s. 9d. a ton from Blair Athol to Gladstone. With the exception of a few parcels of coal no production for export purposes resulted from that assistance. During the war period coal was urgently required, not only for the railways but also for bunkering and for industrial purposes, and Mr. Tom Jones, who was in charge of operations at Blair Athol for the whole of the war period, said that the only hold-up that took place was for 20 minutes waiting for coal wagons from Emerald. That is a feat never performed by any railway system or railway men in any other part of the world—a hold-up of only 20 minutes waiting for coal wagons during the whole of that period. Of course, that happened when we had the necessary engine power and wagons, but because of the heavy wear and tear upon this rolling stock much of it is now out of commission but the Government have anxiously endeavoured to meet rolling-stock requirements by offering contracts to any firm that can undertake the work in Queensland or Australia.

I do not blame the Blair Athol mining companies for the fact that the progress has been as I have described it. Between 1930 and 1934 the Newcastle Mining Company paid no dividend whatever. It paid a 5 per cent. dividend in 1935 and none for the next three years. In 1939 it paid 2½ per cent. on capital, and ever since the dividends have been in the vicinity of 7 per cent. The Blair Athol Coal and Timber Company was similarly situated. Its shareholders waited for 14 years from 1920 without getting a dividend at all. In 1933 it wrote down its capital by £56,000 by reducing the value of its shares from 10s. to 5s. In 1935 it paid a dividend of 10 per cent. That was because of the assistance given to every coal-mining company in the Central Division as well as in the rest of the State by the passing of the Coal Production

Regulation Act, which stabilised the coal-mining industry. From that point the companies gradually grew and developed until the war broke out.

As a result of the low production I have described the Premier asked the Co-ordinator-General of Public Works, Mr. Kemp, to make a report on the matter. Mr. Kemp made his report in 1947, and it has been tabled in this Parliament. It deals with the question of big-scale mining operations at Blair Athol, and gives estimates of the capital required and operation costs on a 24-hour basis for 300 days per annum for the production of 1.3 million tons, 1,000,000 tons of which was for export purposes, and also for the transport of the coal to the coast. All these costs were gone into by the Co-ordinator-General. He reported that with some assistance the company could, at an outlay of £10,472,000, land coal at Gladstone at a cost of in the vicinity of 23s. 6d. a ton. The report also disclosed that, even at this cost, coal landed at Gladstone when freight from Gladstone to Sydney, Melbourne, or Adelaide, was added, Blair Athol could not possibly compete with the Newcastle or Maitland mining companies.

The only thing that was in the favour of the Blair Athol companies was the fact that a big demand existed in the South for coal. It was estimated that in the vicinity of 1½ million tons of their coal would be eagerly sought after if it could be provided. The same demand exists today as existed at the termination of the war. I myself had the experience at one time of working one and a-half days a week, with a maximum of two days per week over a long period of time. That was the order of the day that prevailed during the early period of the working of those mines. After the war the outlook for the coal industry became brighter with the increased demand for coal. Queensland wanted more coal and the Australian States, including New South Wales, Victoria, and South Australia, wanted it. At the present time they are at what may be described as the famine point for coal.

Taking those factors into consideration, the Government were naturally anxious to obtain the fullest information as to how coal-mining operations could be stepped up by open-cut methods at Blair Athol. That was their reason for seeking the report from the Co-ordinator-General of Public Works. He pointed out that with an expenditure of £10,472,000 we could step up production to about 1,300,000 tons a year and land it at the port of Gladstone for about 23s. 6d. a ton, which is a reasonable price. None of the local companies could possibly hope to raise that enormous amount of capital, or at least no offer was made by them to do so.

At this point we had a visit from Mr. Hirst representing what is known as the Electric Supply Corporation (Overseas) Ltd. He submitted proposals for greater production, a direct line to the coast, a new port, and the possible stepping-up of production to the vicinity of 3,500,000 tons a year. As the Acting Premier has pointed out, confidential inquiries were made through the

Commonwealth Bank, which elicited the fact that this company was a reputable firm and had access to fairly large supplies of capital. The Premier, supported by his Ministers and the Government would, I contend, have been lacking in their duty to the people of Queensland and to Australia if they had not encouraged Mr. Hirst to investigate the possibility of putting the company's proposals into operation. No-one else made any offer until Mr. Hirst made this proposal. Naturally, a deposit of 206,000,000 tons of some of the best coal in Australia lying there undeveloped was so important that we should have been lacking in our duty had we not moved in this direction. Out of these proposals came the agreement we are discussing today. The Premier and the Government, as has been emphasised by the Acting Premier, did not go behind closed doors to enter into this agreement. Many conferences were held. The Co-ordinator-General's report was submitted to this gentleman to give him some information in advance as to the prospects of the field and the possibilities of a direct line to the coast. I should say that this agreement stirred the imagination of the people of this State and Australia and, as a matter of fact, the people of the world. It has been responsible for at least advertising in a world-wide degree that we have one of the largest deposits of clean coal in the world. The question of lifting production from 300,000 tons today up to 3,500,000 tons is another factor that merits consideration.

Why all this objection against this agreement? Why this demand at this late stage to have the agreement cancelled? When it is all said and done, the whole crux of the agreement is contained in Clause 11, which states—

“After the acquisition of the necessary lands the company will without unnecessary delay—

(a) Construct any necessary railways from or from the neighbourhood of the coalfield to or to the neighbourhood of the port;

(b) Construct or provide on the coalfield all such plant, machinery, and other works as are necessary to excavate coal from the coalfield by large-scale operations;

(c) Construct all such works as are necessary for—

(i.) The crushing, screening, and grading of coal; and

(ii.) The economic and expeditious loading of coal into railway wagons and ships after such treatment as aforesaid;

(d) Establish a port and construct all necessary harbour works or alternatively cause all necessary harbour works to be provided at an existing port.

“(2) The said works shall be of adequate capacity to handle all coal which the company is required to supply and sell under the provisions of this Agreement and shall be soundly constructed for the purposes for which they are required and shall

possess adequate factors of safety and the system of handling coal shall be such as to be technically sound, safe, and suitable.” There you have the crux of this agreement, which has been challenged by this amendment. What Government could face the electors of this State if they turned down a proposal submitted by the representatives of a reputable firm in Great Britain to develop this deposit on a big scale, as I have outlined? No Government could face the people with an adequate argument in favour of turning down such a proposal; consequently that agreement was presented to Parliament and Parliament ratified the agreement in all its clauses.

We come to the next stage. Apparently some circumstances, whether financial or not, have made it impossible for this firm to go on with this project.

The point is that this company was honourable enough, finding itself in that position, to submit a proposal to another powerful group in Great Britain, who made representations asking that the original company be allowed to assign its interests in the agreement to them, the new group. What is wrong with that?

Mr. Evans: What about the consideration?

Mr. FOLEY: I think the Premier has already said that the consideration involved will be sufficient to cover the expenses of the original investigations of the first overseas company.

One has only to think of the capital involved. The present company had to be formed to comply with the provisions of the Companies Act. The capital of the company is not sufficient to carry out investigations and expend an unlimited sum of money in development, but I would emphasise that there is no difference between the transfer of the rights contained in the agreement from one company to another and the transfers that take place in other business undertakings. This goes on every day in Brisbane and throughout Australia. It takes place in every form of business life, land, property, &c.

The Government decided, after advice from the Crown Law Office, to allow the original company to assign its interest to the company formed in Queensland. That company is carrying out operations throughout the State to enable it to determine whether the original proposals, which are embodied in the agreement, are economic or not. No firm working on sound business lines would undertake the building of a railway line to the coast, the equipping of a port and the doing of all the other things necessary for large-scale operations to work 3,500,000 tons of coal a year without having thorough investigations made by consulting engineers and other technicians. I would emphasise that only an organisation with world-wide contacts, control of great capital resources, and a knowledge of the world's coal export markets would be capable of launching such a gigantic proposal involving the building of a railway line to the coast to reduce transport costs. To be successful

in its operations it would have to land coal at the coast at approximately 20s. to 23s. a ton. Costs of transport to the markets of the Southern States, on say, 1,750,000 tons to 2,000,000 tons a year would be additional and eventually when the southern markets were satisfied the company would have to depend on the export trade.

Mr. Maher: Only a direct railway would give them lower costs.

Mr. FOLEY: I believe that it is only by having a direct railway specially constructed with special bridges to enable loads of from 800 to 1,000 tons to be carried that this can be done.

Mr. Maher: You have lost confidence in Australian enterprise.

Mr. FOLEY: I have not lost confidence in Australian enterprise but I am pointing out that the Government would not be worthy of its name had they not allowed investigation to be made into the possibilities of developing this field. The present companies working on the field cannot do it, consequently the Government were justified in entering into this agreement. What does all this mean? It means that cheap mass or large-scale production, cheaper haulage costs by way of larger loads, cheap harbour dues, cheap loading and small overhead costs are necessary to enable this corporation to make good.

I should like to quote from an authority in North Queensland, the "North Queensland Register," which is not a Labour journal. On 6 December, 1947, it said that the Blair Athol Bill was one of the most important industrial moves made in Queensland's history. For the life of me I cannot see where anybody has been led up the lane or taken down over this project. First of all, everyone agrees that it is desirable that we develop this deposit. Now, because a company that was prepared to do it failed through circumstances best known to itself and has agreed to assign its interest to another company, we are told this other company should not be allowed to continue its operations.

Mr. Evans: Why are they boring in Nebo?

Mr. FOLEY: If the hon. member reads Clause 3 of the agreement he will find that it is provided that the company will, as quickly as possible, conduct such boring and other tests as are necessary to determine the site or the extent of the sites and the area of the coalfield. Information that we have at our disposal discloses that there is a chain of deposits running north from Blair Athol. This has been learnt from bores and wells on various properties. This company started from behind Collinsville and has followed the line of the various deposits of coal in its efforts to map out thoroughly the extent of the coal deposits from there right through to Blair Athol.

Mr. Evans: They have not got a lease to do it.

Mr. FOLEY: They do not need it. The agreement provides that they shall map out

the extent of the site or sites by boring operations. It does not say that the field is centred round Blair Athol. Blair Athol is only part of this deposit. The "North Queensland Register" has this to say—

"It is reasonable to presume that within a few years this State will experience boom conditions unprecedented in its history. This means more than assured employment for Queenslanders for generations. It means that this State will attract much-wanted population which will not necessarily congregate around Brisbane. Most industrial and commercial organisations are now planning a policy of decentralisation which means that rural areas will be given factories that will bring their quota of new residents. Apart from actual workers engaged in new industries, whenever there is a large-scale influx of new population a percentage is invariably attracted to the land. If this happens when Queensland begins to develop in a big way, our sheet anchor for prosperity, primary produce, will expand and individual avenues of rural endeavour will become as powerful as any in Australia.

"The prospects for Queensland's future are indeed dazzling; the public should now be able to fully realise the stakes at issue in the fight to keep Queensland's coal deposits free from southern control."

Then it goes on to deal with the yellow metal, and points out that gold has never stoked factory furnaces—that, in the final analysis, gold is worthless without unlimited coal for fuel and power.

And so the article goes on, pointing out the possibilities of the development of these tremendous deposits and their results to Queensland, yet hon. members opposite, apparently because of their desire to embarrass the Government in some way, are taking up the attitude of humbugging little Queenslanders endeavouring to kill what has already been done, and trying to stop the present development of Queensland industries. I say that they are trying to score politically if they can by damning this enterprise and preventing development and driving this capital that we know exists out of the country. By their manoeuvres they hope to achieve what they call a big political win over Labour at the next elections. It seems to me, seeing that the Communists tried to hold up the coal industry in this State recently, and did so for quite a number of weeks, that hon. members opposite are prepared to come in at this stage and carry on the fight of holding up Queensland coal industry by preventing the development of this deposit. Their actions can only be described as sabotage of the State's development because they are endeavouring to prevent this agreement from being carried out as suggested and possibly as the result of their manoeuvres forcing this company to have nothing to do with the proposal and scrap the whole thing.

You, Mr. Acting Speaker, know very well that it has been done before. I recall a delegation going to London and telling a story to the London financiers, and that

Queensland suffered as a result thereof. We suffered for a number of years on account of lack of funds to carry on our developmental work. It is possible that exactly the same result will be achieved by the attitude adopted by hon. members opposite, because it will be the means of damning this proposal and probably discouraging this company from carrying on operations.

I again ask: what difference is there between the transfer of the rights contained in this agreement from one company to another and the transfer of similar rights between ordinary companies? They are exactly the same. The whole agreement was arrived at aboveboard and not behind closed doors. It was presented to Parliament and every opportunity was given to hon. members to examine and analyse it. They debated it and eventually a great number of hon. members opposite supported it. Because of some delay, first on the part of the original company and now possibly as a result of investigations by the present company, which do take time, their attitude is that we should scrap the whole agreement. The "North Queensland Register" has pointed out what tremendous development this deposit will mean to Queensland. If hon. members are determined to kill the efforts of the present company investigating the matter, let the sin be on their own heads and not upon mine.

Debate, on motion of Mr. Hiley, adjourned.

The House adjourned at 12.51 p.m.
