

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 2 DECEMBER 1952

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Mr. SPEAKER (Hon. J. H. Mann, Brisbane) took the chair at 11 a.m.

ASSENT TO BILLS.

Assent to the following Bills reported by Mr. Speaker—

Milk Supply Bill.

Diseases in Stock Acts Amendment Bill.

Second-hand Fruit Cases Acts Amendment Bill.

Appropriation Bill No. 2.

QUESTIONS.

VOTING QUALIFICATIONS, POTATO MARKETING BOARD.

Mr. SPARKES (Aubigny), for Mr. AIKENS (Mundingburra), asked the Secretary for Agriculture and Stock—

“Owing to the fact that the deplorable market conditions prevented many potato growers from harvesting all their crop this season, thus rendering them ineligible on the tonnage basis to vote on the proposal to increase the powers of the Potato Board, would he favourably consider the suggestion of the Northern growers that all registered growers who planted an acre or over of potatoes be allowed to vote in such ballot?”

Hon. H. H. COLLINS (Tablelands) replied—

“Representations on behalf of the potato growers in North Queensland have been made by the hon. member for Haughton as well as by the hon. member. No potato grower will be disfranchised because of the Board's inability to accept delivery of his potatoes.”

ADDITIONAL CLASSROOM, BOWEN SCHOOL.

Mr. WATSON (Mulgrave), for Mr. COBURN (Burdekin), asked the Secretary for Public Works and Housing—

“In view of the expected increase in the enrolment of the Bowen State school in 1953, will he kindly give early consideration to the provision of an additional room to accommodate at least sixty pupils in order to avoid having to accommodate classes on the cemented area under the school building?”

Hon. P. J. R. HILTON (Carnarvon) replied—

“The question of providing additional classroom accommodation at the Bowen State school is at present receiving consideration by the Department in conjunction with a number of similar proposals at other schools.”

MOSQUITO ERADICATION, NORTH MACKAY.

Mr. LLOYD ROBERTS (Whitsunday) asked the Treasurer—

“Would it be possible to declare Mackay, North Mackay, and surrounding areas a benefited area for the purpose of mosquito eradication? If so, what would be the procedure to bring same about?”

Hon. E. J. WALSH (Bundaberg) replied—

“For the hon. member's information, a benefited area can be defined under the local government law for either of the following purposes only:—(a) In connection with the raising of loan funds by a local authority; or (b) In connection with the levying of a separate rate (i.e., a rate levied over part only but not the whole of a local government area or a financial division in such area) to defray the expenses of undertaking a particular function of local government. In view of the foregoing, I am at a loss to understand the purport of the hon. member's question.”

SCHOOL SITES, BALD HILLS AND ASPLEY.

Mr. DEWAR (Chermside) asked the Secretary for Public Instruction—

“Will he kindly advise what plans his department has for land owned by the department at Bald Hills and Aspley?”

Hon. G. H. DEVRIES (Gregory) replied—

“1. At Aspley the Department owns one site only, that is, the Reserve for the State school on which the school stands. The area of this site is 4 acres 2 roods 8.6 perches. 2. At Bald Hills the Department owns one site only, that is, the Reserve for the State school on which the school stands. The area of this site is 7 acres 2 roods 19.6 perches. The Department has no plans to use them for any other purpose.”

AYR-RITA ISLAND ROAD.

Mr. WATSON (Mulgrave), for Mr. COBURN (Burdekin), asked the Minister for Transport—

“With reference to his letter to me of 20 November advising that the Commissioner of Main Roads had arranged with the shire chairman for the submission of schedules for special maintenance schemes for the more urgent works on the Ayr-Rita Island road, will he kindly give the proposed work the very highest priority and endeavour to have it completed before the commencement of the next wet season as it serves one of the most densely populated farming areas of the Lower Burdekin?”

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

“As the hon. member is aware, it would be a physical impossibility to complete the whole of the work required on the Ayr-Rita Island road before the next wet

season. However, the needs of the farmers on this road are fully appreciated, and every endeavour will be made to have the more urgent works completed as soon as practicable."

KEEBAH-WANGARATTA CREEK ROAD.

Mr. WATSON (Mulgrave), for **Mr. COBURN** (Burdekin), asked the Minister for Transport—

"As the Keebah-Wangaratta Creek section of the Northern Highway is in a deplorable condition, will he endeavour to expedite the completion of the plans for this section so that the proposed work may be completed and ready for use before the next wet season?"

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

"As the Keebah-Wangaratta Creek section of the Northern Highway is part of a long section of the highway, which up to a few years ago was merely a bush track and on which many bridges and road works are at present under construction, the completion of the section will be given consideration in conjunction with other sections of construction required on the road."

SOUTHERN ELECTRIC AUTHORITY OF QUEENSLAND BILL.

SECOND READING.

Hon. V. C. GAIR (South Brisbane—Premier) (11.12 a.m.). I move—

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

Hon. members have had an opportunity of perusing the Bill and studying its contents, and I feel that those who have been interested enough to do so will see that on introducing this Bill I gave a reasonably full outline of its major principles. I am very pleased to have the support of the Leaders of the Opposition to its principles. They have indicated their concurrence in the policy of the Government in converting this private enterprise into a public authority. They recognise, as the Government do, the necessity that a public utility such as this shall be publicly controlled and directed. I believe that the public generally, including the shareholders of this company, will recognise the desire of the company to put this public utility on a proper basis, as they will recognise, too, I am sure, that it is the desire and aim of the Government to deal with them equitably and justly.

It is not my intention to recapitulate the argument I advanced on introducing this legislation a few days ago. However, it would be of interest to the House to be informed of some particulars indicating the great growth of the City Electric Light Co. Ltd. since 1939. The size to which this company has grown is a very strong argument why it is desirable, if not necessary, that the undertaking should be converted into a public authority.

From 1939 to the present time the total capital of this company has increased by more than £10,500,000. The total units sold in 1939-1940 were 73,348,328 and in 1951-1952 359,874,687, an increase of 286,526,359. The total units sold outside the metropolis in 1939-1940 were 5,428,992; and in 1951-1952 that number had increased to 191,771,836, or by 186,342,844. These are illuminating figures and speak volumes for the work of this company in the reticulation of electric power, particularly outside the metropolis.

As we agreed here a few days ago when the Bill was introduced, it is important—indeed, it is imperative—that electricity expansion should be undertaken with every expedition and that the people, especially the people settled on our lands, should be provided with electric power, which is an essential second only to water in their proper development.

Members expressed the opinion the other day, with which I heartily agree, that electric power can no longer be regarded as a luxury; it is an essential, an essential inseparable from the proper development of this State and the proper settlement of our people, which is the desire of this Government. There is much evidence to support our policy and we are desirous of expediting electricity expansion as much as is humanly possible, and it has been given a very high priority on the Government's programme of works. Within our financial resources the reticulation of electric power will be carried out with all expedition.

I wish to give the House a few more figures as to the company's development. At 31 January, 1939, the number of consumers connected was 21,538 and at 31 January of the current year 69,046. In the same period the company has increased the installed capacity of its Bulimba A power-station from 42,500 k.w. to 92,000 k.w. Interconnection has been effected with the Brisbane City Council's New Farm power-station. This is a very important interconnection and one that shows the co-ordination that has existed between this private company, operating under an agreement with the Government, and a public authority such as the Brisbane City Council. That co-ordination has existed not only in this connection but, I believe, in many other spheres, to the public interest.

For the purposes of this interconnection, it was necessary for the company to install 33 kV underground cables from Bulimba A power-station to New Farm. The interconnection has allowed the plant capacity in both stations to be used effectively in meeting the combined loads in South-eastern Queensland and has facilitated the overhaul of plant. A new major power-station, Bulimba B, is under construction on Gibson Island, for which an installed capacity of 180,000 k.w. has been planned. The first three turbo-alternator sets, each 30,000 k.w., together with six boilers, each 160,000 lb. evaporation capacity, with associated auxiliary equipment, are on order. Large quantities of equipment have been

delivered and are being installed. The company has already spent £2,500,000 on the Bulimba B station without having generated a single unit of electricity there. It is expected that the first section of this station will be placed in service during the winter of 1953. Because of protracted delays in obtaining plant, steel, foundations and buildings, the Government helped the company to buy a 10,000 k.w. packaged power plant from U.S.A. This is being installed at Abermain, outside Ipswich, to cope with load development before Bulimba B comes into service. The plant is situated right alongside a coal-mine and the coal will be fed direct from the mine to the bunkers of the station.

The substation capacity of the company has been similarly increased over the period I have mentioned. Thirty-three main substations have been constructed to step down the transmission voltage from 33 kV to either 11 kV. or 5 kV. In addition, old ones have been expanded, with the result that the substation capacity has increased to 92,400 K.V.A. In addition, the company has begun transmitting at 110 kV and the programme for the installation of 110 kV substations is nearly complete. There will be a transformer at the power-house to step up the electricity generated at 33 kV to 110 kV for transmission. This will have a capacity of 120,000 K.V.A. At the end of each of the 110 kV lines there will be 110 kV/33 kV step down substations at—

Abermain (near Ipswich)	40,000 K.V.A.
Postman's Ridge (near Helidon) 40,000 K.V.A.
Nambour 30,000 K.V.A.
Burleigh 30,000 K.V.A.

The construction of the transmission lines at 110 kV from the power-house is now nearly complete.

During the period the company has constructed approximately 1,530 miles of transmission lines and 550 miles of low-tension lines. It has only been construction on this vast scale under difficult conditions that has enabled the company to stimulate the use of electricity in the countryside and to keep up with the demand.

Many areas, of course, are supplied with electricity that have not been supplied before. In the areas outside Brisbane that were previously supplied, the increased demand has been staggering. In the town of the South Coast for instance, the demand has increased from 1,000 K.V.A. to 10,000 K.V.A.

This is a story of remarkable progress and confirms what we all agreed on when the Bill was introduced—that this company has certainly played its part in conforming with the requirements of the agreement between the Government and itself.

Mr. Sparkes: It has done a mighty job.

Mr. GAIR: It has, and we have to have regard, as I said when introducing the Bill, to the times through which this company has

passed. Great difficulty was experienced in obtaining the plant and materials that were essential to enable it to proceed with the work at the rate the company desired to maintain and it must be of great satisfaction to the men who were responsible to know that their efforts have been so successful. We know that people do complain about various things connected with electricity and although I am not saying that those complaints are without foundation—we cannot discard them as merely worthless—it has to be remembered that great cost is involved in reticulating electricity today and extreme difficulty is being experienced by the company in obtaining the plant that is essential to enable it to push on with its important work.

When the company extended its areas, it took over no fewer than seven other electricity undertakings; Gympie, Southport, Coolangatta, Nambour, Beaudesert, Redcliffe, and Boomah. Three of these, those at Nambour, Beaudesert, and Redcliffe, were local authorities.

It is intended that the new authority's area shall be extended to include that now being supplied by the Toowoomba Electric Light and Power Company, and I have no doubt that it will soon be extended to other areas in which electricity is not yet available. Like the City Electric Light Company, the Toowoomba Electric Light and Power Company has operated under an agreement with the Government since 1939, under which the Government have power to resume the undertaking as from 1 February, 1954, and we hope that as a result of negotiations a mutual arrangement can be arrived at before that time to bring that company within the control of the public utility that is being established by this Bill. I feel that such a course will be of advantage to the consumers at present being served by that company. At the present time the City Electric Light Co. Ltd. is supplying power in bulk to the Toowoomba company, something like 47,000,000 units having been supplied for the year ending 1 January, 1952. This bulk supply is used in turn to reticulate electricity to Toowoomba, Warwick, Allora and districts.

As from 1 February, 1953, the City Electric Light Co. Ltd. is to be converted into a public authority, which is to be the successor to the company and the Bill provides that the transmission is to be effected without the necessity of execution of transfers or other legal formalities. Of course, ordinary matters will go as they are at present. Consumers will not be required to sign forms of application, nor will contractors be required to make new contracts. On the passing of this Bill, all these things will be transferred from the company to the public authority, which is important because it will save a great deal of irritation and unnecessary work that otherwise would have been occasioned. We are aiming at causing the least possible disturbance to the existing state of affairs, because it would be a serious matter if there was any interference with

the continuity of service given by the company. As far as can be seen all necessary provision has been made against disturbance and for continuity of service.

On the establishment of the public authority, it will take over the whole of the business carried on by the City Electric Light Co. Ltd. without exception. One of the duties of the authority will be to continue to trade in electrical apparatus, which is being done by the company. That is an essential part, I contend, of the recognised business of an electric authority. The company was required to do it by the terms of its franchise of 1939, Clause 68 of which provided that the company would undertake the sale or hire of electric apparatus and would undertake wiring work. It further provided that all revenue from this source was to be treated as part of the company's revenue from its undertaking. That principle is not to be altered. At one time there was some opposition to trading by publicly owned electric authorities just as there was a school of thought which believed the electric-supply business could best be handled by private enterprise. There has been a change of thought in that connection and those ideas went by the board long ago. People have recognised that the public have rights in these matters and that public utilities in the hands of private enterprise can become monopolies, so that it is desirable that there should be some control over them. The sale of electrical apparatus to consumers is and for years past has been a recognised part of the functions of electric authorities all over the world, including both England and the United States of America. So long as an electric authority trades fairly I do not see that there can be any real objection to its engaging in this type of business.

This company, as has been common with other companies, has been handicapped by a shortage of capital. The Capital Issues Board placed an absolute limit on the capital the company could use in its retail trading department. The company, too, on almost all lines sold, has received considerably less discount than most of its competitors and for its success it has had to rely on its efficiency and service. The company has traded in fair competition with other traders and the new authority will continue to do so. There is plenty of room for all vendors of this kind of equipment and so long as electrical traders run their businesses as efficiently they will, each and every one of them, get their fair share of the trade and the consumers of electricity will benefit.

Mr. Hiley: How will you overcome the problem of income tax on profits from the sale of electrical appliances?

Mr. GAIR: It will be an advantage that the authority will enjoy. We have had many cases such as this and consumers have benefited. There is a good deal to justify the benefits that the authority will enjoy by reason of the fact that it is a public authority. We have companies in Queensland operating in competition with others that

do not pay income tax and I give as an illustration the Canberra Hotel. It does not pay income tax and it is competing with other hotels.

Mr. Sparkes: And doing a mighty job.

Mr. GAIR: I am not disputing that. We do not hear much complaint or squeal in that direction.

I come now to the question of subsidiaries. City Electric Light Co. Ltd., as I have said previously, owns the whole of the shares in Queensland Industries Pty. Ltd. On 30 June, the last balance date, this investment amounted to £810,000. Queensland Industries Pty. Ltd., in turn, owns all the shares in Queensland Contractors Pty. Ltd. and the Bonnie Dundee Coal Company Pty. Ltd. The authority takes over all the assets of City Electric Light Co. Ltd. Therefore, on 1 February next, it automatically becomes the sole owner of the subsidiaries and will remain the sole owner of these until they are separated. At no time, however, will the interest paid to the V. I. stockholders be increased because of the profits of the subsidiaries. Any dividends paid by the subsidiaries become part of the general revenue of the authority. They will not increase the rate of interest paid to V. I. stockholders but will be used to reduce charges for electricity.

Mr. Macdonald: And what about the losses?

Mr. GAIR: If subsidiaries do not make profits, the consumers of electricity will not be burdened. The subsidiaries will pay with interest at full rates. The directors of City Electric Light Company believe that a period of five years will be sufficient to enable the subsidiaries to reach a profitable basis. After this period, whether they become profitable or not, the Government can require them to be separated from the authority. If they have not paid the interest with which they have been debited, the deficiency is a charge against the V. I. stockholders.

Mr. Hiley: Where is that provided? Is it deficiency in operation?

Mr. GAIR: If they have not paid the interest with which they have been debited, that is, if there is a shortage, the charge is against the V. I. stockholders and not against the consumers.

Mr. Hiley: When it is handed over?

Mr. GAIR: Yes, after the period of five years.

All the activities directly connected with the electric authority, including retail trading, are at the present time directly carried on by City Electric Light Co. Ltd. and in future will be directly carried on by the authority. In common with the rest of the operations of the company, they will be continued on transfer to the public authority.

The businesses not directly forming part of the business of an electric authority, although connected with it, are now and will continue to be carried on by the subsidiaries, e.g., the winning of coal. These subsidiaries will be

subject to taxation, just as any other company is. They will have a real value to the authority by ensuring that the authority will not be faced with shortages of essential commodities, such as coal and timber, as it has been in the past. They will not, however, be a burden on the consumers and the businesses carried on by the subsidiaries will not be directly carried on by the authority.

The following are the businesses carried on by the subsidiaries:—

Queensland Industries Proprietary Limited—Forestry, silviculture, timber-getting, sawmilling (including planing mills), iron and steel foundries, non-ferrous metal foundries, general engineers and metal manufacturers, arc and gas welders, ceramic and brick manufacturers and general traders.

Queensland Contractors Proprietary Limited—Civil engineering, electrical engineering, carriers, rotary drilling, building and general contractors.

The Bonnie Dundee Coal Company Proprietary Limited—Colliery Proprietors.

Finally, I should like to give some figures on the question of taxation, in which I am sure hon. members will be very much interested. For the company's last year it was assessed to income tax amounting to £175,000. For the current year, income tax is estimated at £250,000. These figures are considerably less than they would otherwise have been, by reason of the allowance of 40 per cent. for depreciation and other factors. If the authority had not been established, the company during its next financial year, in earning the income necessary to pay dividends and a contribution of 1 per cent. to the reserve fund, would have incurred liability to taxation in a sum of no less than £800,000. The Government have therefore taken action to convert the company into a public authority. Had that not been done, the consumers of electricity served by this company would have been grievously affected and certainly greatly disadvantaged compared with consumers who are served by the Brisbane City Council.

When we have regard to all the facts and factors that entered into the consideration of this very important legislation, hon. members, irrespective of their political views, will agree that the decision of the Government to introduce this legislation and to provide for this transfer and retain, at least for a period of 15 years, the services of experienced people who have been associated with the work of the City Electric Light Co. Ltd. was a wise one, and will prove of advantage to the consumers, whose interests after all should be paramount. No-one, surely, will dispute that the interests of any party or section of the people associated with this undertaking should be advantaged at the cost of those of the public generally. I have always felt that the company itself has been conscious of the necessity of giving service to the public, as far as it was humanly possible. That is particularly so since the current franchise agreement was made. It has endeavoured to discharge the obligations devolving on it in the public interest. I feel

that by doing so it has won the appreciation of the responsible section of the community.

Some people might say that the shareholders of this company are not being fairly or justly treated. I read something in Saturday's "Courier-Mail" in which the finance editor, under the heading of "C.E.L. Shares not likely to benefit," said, referring to company shareholders—

"They seem to have lost something of their present status as equity shareholders—the real owners of the business."

The finance editor overlooked the right of the Government to resume this public utility on 1 February, 1954. The question is whether if that right had been exercised they would have been as well off as they will be under this legislation.

Mr. Hiley: They will get a big capital gain but will lose their investment.

Mr. GAIR: It will be carried on for over 30 years as a gilt-edged security, and there is no complaint in that connection.

Mr. Morris: You said 30 years.

Mr. GAIR: Yes. At the end of 15 years the stock is converted into V. I. stock, which goes a further 15 years, and at the end of 30 years and 35 years the Government are free to redeem that stock. What the Bill does is to give shareholders a certain and fair equity. It cannot be argued that their equity will be prejudiced. This is indisputable that their equity has been converted into a long-term gilt-edged security on very attractive terms. Admittedly, the conversion is not as profitable as a gambling proposition might be. It cannot be looked on as a speculative investment under boom-time conditions. I think shares of the City Electric Light Company have for some time been regarded as not coming within that category. I have been informed that people who wanted to be sure of a reasonable return on their money put it into City Electric Light Company shares, but the fellow who is more of the gambling type or speculator was not attracted by them; he wanted to go into something that might bring him more than the company's dividends offered. Of course, he also ran the risk of losing his investment and that does not obtain in a case like this.

I cannot see why the shareholders of this company should have any reason for complaint in this connection. I do not know whether they have or have not. There probably will be some who will complain about it, but that is to be expected.

Mr. Muller: I will buy their shares any time.

Mr. GAIR: That is the best recommendation of this Bill that I have heard since I introduced it; it is the best indication of the justice and equity that has been meted out by the Government to the shareholders of this company.

Mr. Plunkett: It is also an indication of surplus cash.

Mr. GAIR: It may be that, too. I am not so closely associated with the hon. member that I should know anything about his bank account.

In my introductory speech I outlined principles as distinct from details of the Bill. Two details show the fairness of the Government to the shareholders. First, the Bill preserves a margin of £1 10s. per cent. over semi-Government interest rates in favour of V. I. stockholders. Until the recent uncertainty in the loan market the margin has been for many years £1 12s. 6d. based on the 7s. 6d. difference between Commonwealth loan and semi-governmental loan interest rates. The object is to guard against special tax reductions cheapening Commonwealth loan interest rates to the prejudice of V. I. stockholders. Secondly, if owing to unforeseen events V. I. stockholders cannot be allowed their right to take up the full 40 per cent. of new capital issues, they will be compensated up to not more than an additional 1 per cent. interest payment on their stock. I am sure the House will agree that is a very reasonable provision against any emergency of that kind.

I think I have supplied the House with all the information that it is humanly possible to give on the Bill. It is not a Bill about which one could rise to heights of oratory, but it is a very sound practical Bill that provides for the conversion of a private company into a public authority. It is a Bill that deals with a very sound business undertaking and it is one that I know has the support of the members of this Parliament.

I repeat that it is the desire of the Government to carry on through this public utility the excellent work that has been done by the City Electric Light Company over the years and it is hoped the public authority will be enabled to proceed with the programme of development that has been planned as rapidly as possible and be successful in raising the capital that is essential to the implementation of those plans for the provision of electric power to the people to this part of Queensland—the area of the State for which the new authority will have the franchise.

Mr. NICKLIN (Landsborough—Leader of the Opposition) (11.50 a.m.): The Bill before the House is of more than a particular interest as it deals with the future supplies of electricity in a very important section of the State, comprising 10,000 square miles in the south-eastern corner of Queensland, the most thickly populated area in the State at present. In dealing with the question of electricity, we must have due regard to its use in development, especially for increased food production. Development and food production go hand in hand with plentiful supplies of cheap electricity, and as the area covered by the present franchise of the City Electric Light Co. Ltd. and that of the public authority to be created is one of the most productive parts of the State and one that offers opportunities for greater

development, particularly in food production, this question must be looked at from that angle. One of the most important things that we as a Parliament have to ensure in our State is a plentiful supply of cheap electricity to all parts of the State, particularly those areas that offer opportunity for closer development and greater food production. It has been said many times in this House, but it is worth repeating, that the future of Queensland, in fact the future of Australia, depends on a rapid increase in food production. That can best be brought about by a plentiful supply of cheap electricity.

The Bill under consideration makes a material contribution to that end and, consequently, we, as members of this Parliament, should examine it in a great deal of detail in order to ascertain whether it is as perfect as it could be and whether the result to be achieved will be along the lines suggested, that is, the provision of plentiful supplies of the cheapest possible electricity.

In considering the purpose of the measure, which is to create a public authority in place of the City Electric Light Co. Ltd., we must bear in mind many things and among these we should at all times keep public interest paramount. In the arrangement to be approved of by this Bill public interest has received a great deal of consideration from the Government.

It must not be overlooked that the City Electric Light Co. Ltd. is entitled to consideration. In view of the great job it has done, the tremendous amount of work it has carried out in the development of electricity supplies throughout the south-eastern part of this State, the company is entitled to fair and adequate consideration in any arrangement the Government may make. I believe that in their negotiations with the company the Government have taken that fact into account. More particularly is this evident when we realise that the Government lost no time in entering into negotiations with the company, in view of the approaching end of the existing franchise. This is a wise proceeding because it would be advantageous neither to the company, the Government nor the future development of electricity supplies in the south-eastern corner of the State to delay the negotiations. Any such delay would have created a considerable amount of uncertainty and indecision in the minds not only of the principal parties concerned but anybody interested in the matter and this would have had unfavourable results to the present and future users of electricity in the area covered by the franchise of the City Electric Light Co. Ltd.

We all appreciate that these negotiations were not easy. No doubt many difficulties and many knotty problems cropped up and therefore it was necessary that the spirit of compromise should be shown by both the Government and the company. It is evident from the success of the negotiations that this spirit of compromise did exist, and I take this opportunity of again congratulating the

Premier on the successful conclusion of negotiations with the company. I also congratulate the company's officers, because I believe they entered into the negotiations with the Government in a reasonable and proper spirit in an endeavour to bring about an arrangement that would be fair and equitable to all, while at the same time ensuring a continued extension of electricity supplies in the south-east corner of the State. Both parties have arrived at an excellent compromise between complete public ownership on the one hand and complete private ownership on the other. The two interests have been brought together and we have now an arrangement by which there is definite public control of the activities of the company and at the same time a retention of that initiative and drive that has always been a prominent factor with private enterprise. It may be said that we have successful regional electricity boards operating in the State, but from my more or less limited knowledge of their operations I should say that when we compare their activities with those of the City Electric Light Company we must agree that more drive has been put into the development of electricity in the south-eastern corner of the State than in any regional board's area throughout Queensland.

The Premier gave us a very interesting resume of the development of the City Electric Light Company during the currency of its present agreement with the Government. When we remember what has been done in that comparatively short period of approximately 15 years, we can only say that the development in the area covered by the company's franchise has been amazing. This is especially so when it is realised that for the greater part of the currency of the agreement the company was confronted with war-time shortages of man-power and materials. If those shortages had not operated we should have seen far greater development than the amazing progress that has taken place.

I join with the Premier in paying tribute to the great work done by the City Electric Light Company, and I refer in particular to the pioneering work done by it in supplying country areas with electricity. It was the first major electrical undertaking of the State to demonstrate what was possible with the proper use of electricity in rural areas. In the Lockyer district it demonstrated what electricity could mean to producers. It demonstrated the amazing possibilities for increasing production by using electricity. By publicising what has been done in that area with the use of electricity, it has interested primary producers in many other parts of the State in its proper use for increased production.

For that the company is deserving of a good deal of commendation. It brought about a tremendous demand on the resources of the City Electric Light Company from rural dwellers and primary producers, a demand that was far beyond its capacity to meet, and it often caused much disappointment amongst rural dwellers who were unable to get the supplies they thought they should be getting.

Experience in the development of electricity, not only in this State but in other

parts of the world has shown that we cannot get an adequate extension of electricity by the use of isolated small plants dotted all over the countryside. The proper method of development is one based on a large generating station favourably placed adjacent to supplies of coal, water and other requirements, and preferably one that is inter-connected with another station to take up the slack that from time to time inevitably occurs.

Mr. Gair: And it permits of overhaul of plant.

Mr. NICKLIN: Yes, it has many advantages.

There is one great advantage that the City Electric Light Co. Ltd. has conferred on the users of electricity in country areas, that is, it has had a considerable base load in the city which has enabled it to give people a supply cheaply. The effect of that policy has been quoted by the Premier this morning, when he spoke of the tremendous increase in the sale of electricity in country areas. The original agreement between the Government and the company, which brought about this satisfactory arrangement, has been of tremendous advantage, particularly to the country districts served by the company. It extended its operations into New South Wales also, and I notice that in the agreement under consideration this morning for the establishment of a Southern Electric Authority of Queensland, it is possible for the new authority, in addition to generating electricity, to buy it for distribution. Although at the present time the company is supplying electricity to New South Wales, I visualise the possibility that in the not far distant future the authority may possibly be purchasing electricity from New South Wales for distribution within its own area and adjacent areas. I refer to the possibilities latent in the development of the Clarence River Gorge in New South Wales, where there are great possibilities for the production of tremendous quantities of cheap hydro-electricity that might make it advantageous for this authority to buy from New South Wales for distribution within its own area whilst at the same time distributing in that State according to present arrangements. The possibilities of the Clarence River scheme are tremendous and certainly a greater quantity of electricity could be generated than could be consumed in New South Wales so that it is a source of power from which we could logically draw in the future. After all, there should be no State boundary in the distribution of electricity; in fact, there is none at the present time. We have arrangements whereby we can supply electricity to New South Wales and in the future, with the development of the Clarence River scheme, tremendous advantages might be available to the people in the southern part of Queensland.

The City Electric Light Company has certainly met all its obligations under the present agreement and it has been very co-operative in its dealings with the Government. Its plans have been well executed and it has carried out tremendous development during the currency of the franchise notwithstanding war difficulties.

I should like to comment on some of the figures quoted by the Premier to show the tremendous increase that has occurred in the demand for electricity from 1939, when the company received its franchise, to the present time. The figures show that the demand for electricity has increased five times in the City area in that period but what is of greater interest, particularly to people in the country, is that the demand there increased 38 times in that period. Those figures go to show that although the company had a highly profitable business available to it in its base-load area in the city, it concentrated its development on country areas, as is evidenced by the tremendous demand for electricity in country areas since the company assumed the responsibility of operating under its present franchise.

The Premier said also that the company was not lax in building up its generating facilities and in the construction of transmission lines, especially for future development in the country. Indeed, it has set an excellent example of efficiency and because of its splendid record, in association with the Government, it is entitled to the best possible consideration in the new arrangement between it and the Government, which I believe is an excellent one for all concerned. In their negotiations with the company the Government were certainly faced with some problems. They were faced with a number of alternatives and in considering each of them they had the traditional policy of their party to take into consideration, particularly that part of the policy that relates to the nationalisation of all public utilities. As I said before, the arrangement or compromise arrived at is a happy medium between complete public ownership on the one hand and complete private ownership on the other, and it has at all times kept public interest paramount. Through the means that may be exercised by the Government in terms of the new agreement we have the advantage of public control over a public utility. If the operations under the new agreement are carried out, as I believe they will be in the same excellent spirit, that was a feature of the existing agreement, I believe that all parties to it will be perfectly satisfied and that the public will be amply protected.

The Government could have exercised their rights of resumption in February, 1954, but as the Premier explained, this would have involved a sum of something like £20,000,000 and such a large amount is not easily picked up these days. That difficulty made the adoption of that alternative a rather tricky problem for the Government. Then they had the other alternative, of exercising the annual right of resumption on the expiration of the present franchise in February, 1954. Personally, I think that the adoption of this alternative would have been very unsatisfactory to all parties concerned and very unsatisfactory in the interests of the public. It would have completely destroyed the company's incentive to further extend its transmission lines and increase its generating capacity, while it would also have had a

detrimental effect on its high efficiency. It would, too, have retarded generally the development of electricity in the south-eastern corner of the State. It would have been very definitely against public interests. I am very glad that the Government have not seen fit to adopt that alternative.

Let us look now at the new agreement. As the Premier said, circumstances made it very difficult to renew the old agreement as it is written at present. There are a great number of arguments against such a course. The major one is its effect on the cost of power. In view of the figures quoted by the Premier, taxation alone would have had a tremendously adverse effect on price. Therefore the Government were very wise in looking for an alternative. The alternative we have before us, whereby the company becomes a public utility and an arrangement is made half-way between nationalisation on the one hand and private enterprise on the other, is preferable. The authority will be a public-controlled authority but will still be managed as when it was operating as a private company. I admit that the company, while it has operated as a private company, has been fairly rigidly controlled under its existing agreement. It was subject to decisions by the State Electricity Commission, and having regard to the working arrangement between the commission on the one hand and the company on the other, this seems to have been a very happy relationship, as no major difficulties have been created in the years it has operated. I repeat that if the commission had cared to do so, it could, by the power conferred on it, have considerably handicapped the company in many of its operations. Nevertheless the old agreement worked very well indeed. There is no reason why the new arrangement should not work equally as well. It is admitted, and we on this side of the House admit it too, that public utilities such as electricity suppliers should come under the close control of the Government. But control does not necessarily mean bureaucratic control. We should have an understanding such as that which has operated between the company and the State Electricity Commission in the past. We do not want to set up some of the war-time bureaucratic controls under which only one person was right, and that was the person who exercised the controls. There was no spirit of compromise. It was merely a matter of "Do it, or else." That spirit of no compromise would not be advantageous to the authority or the public generally. As the Premier remarked on the introductory stage of the Bill, the company has been very reasonable in its approach to the Government and the State Electricity Commission, and has at no time demanded its pound of flesh, which possibly it could legally have obtained had it desired to do so. There has been a general spirit of good will and compromise between the commission and the company that has worked for the good of the whole.

Mr. Gair: Most satisfactory to both parties.

Mr. NICKLIN: Most satisfactory to both parties. In this respect a tribute should be

paid to the understanding approach to the problems of electricity development made by the first State Commissioner for Electricity, Mr. Cochran, and by his successor, Mr. Smith, in recent years. Both those gentlemen played a major part in the happy working arrangement that existed between the company and the State Electricity Commission, and no doubt that policy will be pursued in the future and we can look forward to similar co-operation between the new authority and the commission.

I wish briefly to look at some of the features of this change-over. First of all, we find that the present share capital is to be converted to V.I. stock bearing the same rate of interest as the existing shares in the company. There has been a conflict of opinion between various financial bodies as to whether the shareholders in the company have been treated fairly. I believe the arrangement has been a very fair one. If the company was wound up shareholders would possibly receive a greater return for the face value of the capital they have invested at the present time, but we must not forget that the company is facing the right of resumption by the Government and that would have meant the winding up of the company and a return to the shareholders of their capital plus anything that might come by way of realisation of the company's assets. It would mean the end of a good investment. Under the present arrangement it continues, possibly not under such advantageous conditions but as quite a reasonable investment and one the equal of which it would be hard to obtain. At the same time, shareholders' capital is protected and they have the right to any new issues that may be made of V.I. stock and at the end of the period of 15 years their stock is converted to a profitable stock that may be resumed within 15 to 20 years. Taking the financial arrangements as a whole, I do not think they are bad; in fact, I should say they represent quite a satisfactory arrangement.

We had some doubts expressed in regard to the subsidiary companies and the effect they may have on the general financial structure of the new authority. Personally, I had some doubts about exactly what would be the best thing to do with the subsidiary companies, but when we consider that these in the main are operating along lines that will improve the efficiency of the general company in its production of electricity, one might say they are complementary to the activities of the general company. For example, what a great advantage it would be to the electric authority to have a subsidiary company producing coal, possibly at a price cheaper than that at which the authority is able to buy it at the moment. If the development of the West Moreton interests held by the company can provide sufficient coal for generating stations, thus obviating the necessity to use coal that has been hauled a long way at considerable expense, that will have a beneficial effect on the price of electricity sold by the undertaking.

At the same time the timber interests of the company might be developed to supply all the poles, cross-arms, and the various timber products used in the distribution of electricity, and thus also keep down the cost of electricity. These subsidiaries could have a very beneficial effect on the operations of the authority in keeping down the cost of the production of electric power.

In the agreement we find a provision that at the end of five years, if the Government are not satisfied with the operations of the subsidiary companies, they can be separated from the parent without any detrimental effect on the cost of electrical supply in this State. The arrangement that has been made in regard to the subsidiary companies is very satisfactory and one that I think will protect the major interest with which after all we are most concerned, that is, the public interest of the future cost of electric power.

I am in accord with the Premier in hoping that the new authority may be able to make a satisfactory arrangement with the Toowoomba Electric Light Company so that that company will be included in the Southern Electrical Authority. The difficulties of absorption or transfer, if any, are not insurmountable, and it would be to the advantage not only of the company but of the very many suppliers in the area served by the company to have one consolidated authority dealing with the whole of the area covered by the new franchise.

I was very interested to read some of the provisions written into the Bill in regard to the powers and duties of the authority. I noticed paramount in them is this:—

“To generate and purchase electricity and to supply electricity in the area of supply on the most economical basis and over the greatest area possible.”

This is an objective that the authority should have, and, in view of the history of the City Electric Light Company, which at all times has endeavoured to carry out that objective, I believe we will see that objective carried out by the new authority not only in the law written here but in the spirit behind the law.

Another of the powers and duties of the authority is to encourage and promote the use of electricity. The record of the existing company shows it has made a major contribution to encourage the use of electricity during the time it has held the franchise.

Another provision with which I agree is that the authority shall be a constructing authority within the meaning of the Public Works Land Resumption Act. Possibly it will help to overcome some of the difficulties that may have occurred in the past in regard to resumptions necessary to carry out the duties of the authority. After all, if we are to have a economical distribution system, the authority must not be handicapped in any way by lack of power to place its transmission lines where it wishes, to obtain and acquire land it may require on which to

work transformer stations, and so on. I believe that power will be of value to the authority in carrying out its duties. The public are protected in that the authority cannot take or acquire any land without the consent of the State Electricity Commission. In addition to giving the authority that necessary power, therefore, we protect public interest, which is essential.

On this occasion we have written into the Bill many things that were omitted from the previous legislation dealing with the franchise held by the City Electric Light Company. I refer in particular to provisions for the construction of the various works necessary to enable the electric authority to carry out its operations. They include the right of entry, the removal of trees, the carrying out of certain works, and so on, and they should help to remove some of the difficulties that the City Electric Light Company must have experienced in the past.

It is provided that the Governor in Council may rescind any resolution of the authority. On the face of it, that might seem a very drastic provision to include in the Bill, but we often write drastic provisions into legislation only to find over the years that they have never been brought into operation. I believe that it will not be necessary to operate this power if the same happy arrangement that exists between the City Electric Light Company and the State Electricity Commission continues, and I have no reason to doubt that it will.

A provision that caused a great deal of debate when the original agreement was going through the House was the clause that said the company should not make a charge for meter rental. I remember that there was a great deal of debate on it during the passage of the original legislation.

One point in which I am keenly interested and to which I shall refer only briefly now but perhaps in more detail when we are in Committee, relates to guaranteed extensions. The original legislation enabled orders in council to be issued setting out the practice that shall be followed in this connection but at that time there was very little complaint about this provision because the costs on industry had not grown to the extent to which they have today. Now labour and material costs have so skyrocketed that even a small extension in a country area must come under the guaranteed-extension principle under an order in council. That has caused a great deal of trouble in country areas and created hostility to the activities of the City Electric Light Company, but it must be remembered that this was not the fault of the company. Nor will it be due to any fault of the authority in future; it has been due to the fact that skyrocketing costs have made the construction of even a very short length of line a major financial undertaking. I notice that this Bill repeals the agreement made on 13 July, 1939, and all orders in council issued thereunder. That means that the provisions relating to guaranteed extensions cease to have effect. I believe that they could possibly be rewritten into orders in

council under the later provisions of the Bill for the issue of regulations, by-laws, etc. However, in the Committee stage of the Bill, we might go into these questions in greater detail and look at what is proposed in regard to guaranteed extensions.

I believe that the new agreement or arrangement that will be ratified by this legislation will be of great advantage and will bring about greater electrical development in the south-east corner of the State and I look forward with confidence to greater extensions of electricity into country areas. I am hopeful that as a result of a continuance of the efficiency of the old company it may be possible in the near future for the new authority to bring about a reduction in the charges for electricity that will inevitably be to the advantage of all consumers and possible consumers in the area of the franchise and make a major contribution towards increased production in the area served by the authority.

Mr. HILEY (Coorparoo) (12.32 p.m.): I suppose it would be true to say that few industries in recent generations have shown the same degree of technological advance as the electrical industry in the generation of electricity and its distribution and reticulation over wide areas and, in turn, its consumption; and I think we should be right in saying that it is the great degree of technological advance in the electrical industry that makes it necessary this morning to make a change from the position that existed up to 1946 when both sides of the House accepted the principles of regional electricity authorities for generating and distributing electricity within the State. The whole character of the industry has changed from a small-scale purely local institution supplying the needs of a relatively small area to a large-scale institution to meet the requirements of an area as big as some nations in a Continent like Europe.

I propose not to examine this measure purely as a narrow approach to this problem connected with the City Electric Light Company but rather to examine it against the whole pattern of privately-owned public utilities and to seek the proper path to follow in the public interest. In the first place I think we should examine the question why an institution with wide ramifications should be held to be a public utility and receive treatment appropriate for the conduct of such utilities and the reasons I submit are, firstly, that there intrudes in a marked degree the question of a monopoly and it is obviously unthinkable that there should be any real competition for the generation and supply of electricity. Secondly—and this is where the technological advance has made such a marked change—the tremendous advantages to be gained as to cost in producing electricity, not by the use of small generating units but by large-scale units. That argument has received great impetus over recent years with the development of super-grids making it possible to reticulate electricity with minor losses over distances that a few years ago were considered impracticable.

As the super-grid system plays its greater part in electricity reticulation it will become necessary and desirable to review the regional authorities in this State and possibly reduce even the existing number of them. Today we are finding it possible to carry electric energy over distances that were unthinkable even a generation ago. I was interested in Europe to notice that a country like Denmark, with a population of somewhere between 5,000,000 and 6,000,000 people, had one tiny local generating station but that the bulk of its electricity was generated in Sweden and it was proposed to generate a good deal more of it in Norway. The simple idea was to search for the most convenient waterfall for the establishment of a hydro-electric plant and by the use of the super-grid transmission system carry the current over the land area of Sweden and then through subterranean cables under the waters of the Great Sound to Denmark, to be broken down by a series of transformers and made available to the people there. It may well be that by the time the electric technicians are finished with their task our concept of local generation will have to be revised and a search will have to be made to discover the most convenient point for the generation of electricity and its reticulation to some remote point on an economic level. I think it is that tendency that brings this problem today fairly before us.

The City Electric Light Company started in Brisbane as a company to meet metropolitan needs but gradually it has developed into an electricity-generating concern handling vast problems and serving an area that in square miles, according to European standards, is capable of supporting millions of people and not one nation but many nations. Since the company has developed into an electricity-generating concern it has become faced with that broader problem of good and bad reticulation areas. The good reticulation areas are those with a high degree of usage of electricity, the heavy industrial areas, the suburban settlements where every mile of transmission line meant a considerable profit return. Against that you would have the needs of a scattered farming community, a scattered settlement where every mile of transmission line showed up unfavourably in the picture from the viewpoint of returns in contrast with the picture of the good reticulation areas. That problem, I think, is the one that led this House to perfect agreement in 1946 on the subject of regional areas for the generation of electricity in the State of Queensland. Here again the City Electric Light Co. Ltd. was concerned not merely with carrying its poles to its consumers into another street or another suburb of Brisbane, but with extending its transmission lines hundreds of miles into the countryside. That development and that trend have brought the real problem of the day.

Then there came the overall concept of what were the fair charges to apply to the two classes of consumers. The question was whether the matter should be approached from the narrow economic viewpoint or whether we should lay down the policy that

it should be approached from a broad national aspect, whether it should be measured narrowly from the viewpoint of supplying electricity to a suburban residence in South Brisbane or broadly, from the viewpoint of supplying also scattered farming settlements, say, 20 to 30 miles away from Boonah. The broad problem should be to balance the bad reticulation areas against the good reticulation areas so that the good areas can be called upon to help give this service to the so-called bad areas.

That principle is one that we should look at and acknowledge, although it has not been a matter of disagreement all the years I have been in this House. When it came up in 1946 there was some feeling that it would excite a large measure of disagreement. There was common agreement on both sides, however, that there must be this broad national approach to the reticulation of electricity.

A further argument which makes it essential that this issue should be approached on a public-utility basis is the fact that to operate a great electricity undertaking successfully over a huge tract of country such as this is, we must envisage the fact that the rights over personal property and the rights over public property that it requires are such as no other business requires. For instance, the right over roads for the erection of transmission lines is all-important. Then there is the peculiar circumstance that a certain piece of property, perhaps because it has a water frontage and is convenient for transport or for many other reasons attracts to itself an importance to an electricity undertaking that makes it essential that it should be available for the purpose. That is the sort of argument that justifies the use for public purposes of the Public Works Land Resumption Act, which contains powers it would be very dangerous to lightly entrust to any private concern.

All those arguments convince me beyond a shadow of a doubt that all the early pioneers in electricity undertakings who risked their capital and all else are entitled to our best thanks and gratitude for the risks they took and the progress they helped to bring about. I am convinced that a stage has been reached when this industry should be conducted as a public utility rather than a private concern. For exactly the same reason, the very nature of the postal service makes it necessary that it should be handled as a public utility, not as a private concern, but we should put on record our very great tribute to the early pioneers of electricity. We must remember that the great principles of today were the heresies of yesterday. The late Mr. W. M. L'Estrange, and the men associated with him first went round begging a few hundreds of pounds here and there to start their few tiny generating units. They were men of high courage and had great confidence in the industry to which they gave their life's work. It was their courage, courage well ahead of their time and the concepts of their fellows, that enabled this great electricity undertaking to be developed and carried on and to mature to the stage it has reached today. Whilst we recognise in all fairness and honesty that the time has come when it should be in public

hands it would be a shame if we failed to put on record the greatest encomiums possible and our admiration of the courage of the men who pioneered and risked their capital and help to lay the secure foundations on which this great superstructure has been erected. Had it not been for the work of those men I doubt whether the electrical undertakings in Queensland today would have nearly approached the stage they have reached.

Having examined the reasons why this should be a public utility, I think the next question that calls for examination is this: is the proposal now before the House one that is fair to the people who have become entitled to so much praise and gratitude? I say that this is a question that carries to members of this Parliament a very great onus and a high duty. The shareholders of this company cannot and will not be consulted in this matter. The result is that the onus is on members of this Parliament to satisfy themselves, by the best means available to them, that the shareholders of this company are to get a fair deal and are not being subjected to anything that amounts to an expropriation of their personal property.

I want to draw the attention of hon. members to the fact that the Premier is able to present to this Chamber a letter signed by each member of the present board of directors stating their personal opinion as to the merits of the proposal. I want to make it clear that the members were stating their personal opinion; they had no opportunity to take the Bill and agreement and submit it to the shareholders and say to them, "By resolution, what do you think of this as a proposal?" Obviously, these matters by their very nature must be negotiated by the Government on the one hand and the directors on the other hand. As the Premier, without consulting his masters the people, had to act through this Parliament, so the directors on their part had to accept their responsibility and enter into negotiations to arrive at what they believed to be in the best interests of the members of the company; they had no opportunity to go to the great body of shareholders and say, "What do you think of this?" It is only right that each of the directors, having been put into that position, of having to conduct negotiations—I do not think any alternative was possible—should have taken the responsibility of putting on record to the whole of the people of Queensland as well as the members of the company that they think this is a wise agreement in the interests of their company as well as the State and the undertaking generally.

Even such a pronouncement from these men does not remove the obligation on every hon. member—seeing that the shareholders of the company cannot be consulted—to ask himself whether this is a good proposition for the shareholders; but before I examine the matter in any detail let me say there will be no question of my view—I believe this is a proposal to which any shareholder should agree—but I do want to contrast the way in which certain other countries have approached questions like this and the way it has been approached here.

Nothing more disastrous or shocking to public opinion happened than the way in which the electrical undertakings were nationalised in Great Britain. There was no attempt to deal in any way fairly with members of the companies there; on the contrary, the Government of that time allowed a blind hatred for anyone with a pen'orth of property to influence them to bring forward measures that were savage, repressive, and expropriatory.

In the first place, they approached the taking over of the electricity undertakings by laying down a blanket figure as a lump-sum compensation for the whole of the industry. That figure was a very low figure in comparison with the intrinsic value of the undertakings and assets that were taken over. Instead of dealing with the problem of the conflicting classes of ownership in these companies, they said to the electricity undertakings, "Here are so many millions; you sort out the very vexed question of what are the rights of the ordinary shareholders, the different classes of preference shareholders, and the debenture holders." The result has been that some companies are still in a legal tangle trying, with the aid of the courts, to sort out who are entitled to a share of this lump sum of compensation.

Then, the lump sum of compensation was not payable in coin of the realm. It is true the Government of Great Britain at that time elected to say, "We will pay this sum of compensation not in cash but in what has now become known under the approbrious name of 'Dalton 2½ per cent.'" They were paid by a very small return of market stock and that stock was on sale on the Stock Exchange in Great Britain at a terrific discount. The result was that not only did the owners of the undertakings get an inadequate capital sum for compensation but they were paid in worthless currency. The result was that the people in Great Britain, who had done a similar task to the City Electric Light Company here, got a very sorry and raw deal. In a matter such as this public regard and public appreciation are very important, but all these arguments are lost when the Government approach to the question is basically unfair, amounting to expropriation of part of the personal property of the persons concerned. I can say here and now that on my assessment of this Bill I can detect nothing that justifies the use of the term "expropriation" in any degree. I will go through the arguments in detail but in my judgment the principle upon which the question of compensation has been approached is a basically fair one.

What is the basis and what is the method of this approach? It is very significant there was no attempt to approach this measure on a winding-up basis. That is perfectly correct. This was a continuing undertaking and when there is a continuing undertaking with no prospect of anything arising that could ever cause its extinction in the ordinary cessation of the undertaking it is completely unrealistic to approach the compensation for such an undertaking by saying what would happen if you

broke everything to pieces and sold it piecemeal. That is not right, because in effect, if there had been no approach by the company and if the company's franchise was to continue forever, there would be no existing shareholder who could ever have had a winding-up approach. All he would have had would have been the privilege of selling his shares as publicly listed stock on the stock exchanges in relation to a continuing enterprise. Consequently the continuing-enterprise principle is the only logical approach to such a question of compensation. It is not relevant to introduce argument as to what might have happened if the concern had been broken up and sold. In practice that could never have happened and the argument would have had no cogency. It could not have happened under the old concept and certainly not under the new. To me the winding-up approach, therefore, is quite unreal and I dismiss it completely from my consideration.

Rather the whole approach is one of earning capacity. What is that in a nutshell? It is that for 15 years certain a member will receive precisely the same income rights that he would have enjoyed had there been no interference whatever. Unless I am completely haywire in my assessment, that is what the proposal is in a nutshell. It is not all the proposal, but as far as the earning capacity is concerned that is it. It is true that after the 15 years variable interest stock can become inscribed stock, presumably without the sweetened interest advantage, but let us be quite clear: that for a 15-year period the shareholders will be entitled to receive for their variable interest stock that advantage; in other words, they get the 15-year certainty in the extension of their franchise whereas their existing rights would have continued for a little over a year, when they would have disappeared. In my assessment, to receive a 15-year extension in the period to which they will be entitled to that sweetened interest rate is very fair and reasonable compensation for whatever losses it can be argued could be set off against the rights they might have had. They have some real advantage in exchange for any suggested disadvantage.

Mr. Gair: They are getting in interest what they were getting in dividends.

Mr. HILEY: They are getting in interest over 15 years a rate equivalent to what was secured to them for only a little over 12 months on the dividend basis. There can be no doubt that had there been an acquisition, with a money repayment, there would have been a fair measure of capital gain for these people for having lost their investment, but this is quite a fair approach, if we measure it on the earning capacity of the stock, not on its break-up value.

Some people may say, "That is true, but I become an enforced lender to this public authority without any free choice in the matter. My share is taken and I am forced by Act of Parliament, by this variable stock, whether I like it or not, into the position of a lender to this authority in succession."

Whilst that is true, there is nothing to say that person has to remain in that position. I do not think there is any doubt that the variable-interest stock will become public registered security, in exactly the same way as the shares are at present. I go further and express the view that the market value of the variable-interest stock will measure up to what would have been the value of the shares, had they continued. After all, there has been some apprehension in the market because the franchise period was running short and there were uncertainty and lack of knowledge about what was to follow.

The market measures two things above everything else. It measures the interest return on the capital invested as a major factor. Then it measures the security of the investment. It will be found that if there is a stock that produces a high return for the moment and there is no certainty that the high return will continue for a period, nobody will be interested in it because the average investor does not want to be chopping and changing in his portfolio. There are a few investors in Queensland who deal in stocks and shares, but the average Queensland investor is notorious for the fact that he buys a share and puts it away in the old oak chest; in other words, he wants an investment for a period, not a speculation for a month or two. My assessment of the question is that the 15-year period, securing the same interest rate, is likely to attract to these variable-interest stocks a market price at least as good as that which the shares have been attracting in recent years. If anybody complains about being forced by Act of Parliament to become a bondholder in the new authority, he need not stay in that position. If he is at all apprehensive about his investment, if he does not want to be a holder of variable-interest stock, he can go to his broker and sell it with little prospect of any real capital loss, but it would be a great pity if those who wished to sell were persuaded by any idle words uttered in this Chamber to panic and rush to sell and so do the whole concern harm. I say what I do with a full knowledge of the responsibility attaching to the words I utter.

That is my own personal view of the abundant fairness of the treatment accorded to the existing members of the company but there is one further argument that will probably cause some concern and it is the entitlement of existing shareholders to the right to new issues. On that point let me say that the entitlement to rights by existing shareholders in the company was, I think, one of the outstanding ways in which the preliminary subscribers were compensated. It is an accepted fact, as the company commenced in a small way, that the right to take up new issues was a valuable addition to the benefits to the original shareholders and I think that anybody who joined the City Electric Light Company in its early pioneering days by being able to take up rights to new issues or sell them or exchange them got a substantial monetary reward for the risk he took. But it has been my experience that the rate of growth of the

City Electric Light Co. Ltd. has been so fast and the new issues have been so frequent that the average shareholder has become out of breath in endeavouring to keep pace with the new issues. The average shareholder, when a company makes small issues from time to time, is able to keep pace with the issues and take up new shares but when a company makes an issue every year or two and the issues are great the shareholders find difficulty in keeping pace with them and shareholders have told me, "Look, we like this company and we think it is excellent stock but we have not got the money to keep pace with these issues." So, again looking on the practical side, I do not think that the right of entitlement to 40 per cent. is any hardship to the average shareholder. There might be odd shareholders who could dispose of other investments and so keep pace with new issues. That provision is taken care of because the agreement provides that a shareholder can exceed the 40 per cent. entitlement and I have no doubt that any shareholder who really wants to take up more than the reduced number of rights now contemplated will not be denied the opportunity. Again, on that test, I think the proposed agreement stands every examination.

One of the most important considerations of the new agreement is that the earnings of the authority, as the company will become, arising from the generation and sale of electricity will be removed from the taxation field and I want to agree with the comment made by the Premier that the monetary effect will be very substantial indeed. There is no question, now that the initial depreciation might no longer be available to the City Electric Light Company, if all its profits were subject to taxation before it paid the accrued rate of dividend, the addition to electricity charges would be very substantial indeed. With the principle of using a public authority so that financial gain arising from the generation and sale of electricity is exempted from taxation, I am in entire agreement. It is perfectly clear that the profits of the subsidiaries will be profits of separately incorporated companies. There should be no confusion in the public mind as to any improper benefit in relation to that.

Mr. Wordsworth: Will they pay tax?

Mr. HILEY: Such an incorporated company would pay the same rate of tax and in the same way as any other company in the community.

When it comes to the operations of the authority in trading appliances there is some real meat behind the interjection I made and to which the Premier responded. Here will be an organisation trading in electrical appliances in competition with other organisations that pay taxation and to the extent that the former makes a profit in the sale of electrical appliances, such a profit will be free of taxation. I should not object absolutely to that if the profit from trading in electrical appliances by the authority was channelled back to the broad body of consumers of electricity in lesser charges for current but if

the authority takes advantage of the tax-free position to cut the prices of the electrical appliances it is offering to the public in competition with other concerns that do pay tax I should regard that as an undesirable and even improper application of a tax benefit. It would create a difficult situation of such profound implications that it should be guarded against. I should be prepared to accept the principle that profit on trading in appliances should be free of tax. if and only if the authority used such profits for the benefit of all its consumers in reduced electricity charges. With that principle I agree; and the danger should be guarded against as in the measure.

There is something that occurred to me just a little while ago, something on which the Premier might clear the minds of hon. members, and that is whether the new authority will be liable for the payment of local-authority rates in exactly the same way as the company is liable. Let us have a look at that question. How far can this principle of exemption from the payment of rates be carried, with propriety, right through the community? I should say that with every passing year it is becoming more apparent that the burden of rates for municipal services is progressively falling onto fewer shoulders and to that extent becoming very burdensome and onerous. With every institution that we take out of the field of ratability we make the burden on the remaining ratepayers infinitely harder and heavier. This is not a question of party politics. Anyone who looks at the question of local-authority services today is very concerned about the infinitely greater burden they impose on the people. Many of us feel that although we own our own homes we have to pay the equivalent of a fairly heavy rent simply to live in them. Therefore we have to stop to consider whether we can continue this principle of exempting more and more institutions from liability to local-authority rates, simply because they conduct businesses as public utilities.

As a matter of fact, I am prepared to say that the time is not far distant when we shall have completely to overhaul the question to see whether we can continue to give full exemption from rates to State and Federal Crown lands. I think the time is rapidly approaching when all the people who are getting these services—after all a council exists only to provide services—should be called to pay for them not that some of the people should be called upon to pay for services for all the people.

Let us suppose that a power-house is situated in Brisbane and it is exempt from local-authority rates. That burden falls on the citizens of Brisbane but the benefit of the current generated at that station may spread out for a radius of 100 or 200 miles. The few are called upon to pay the burden involved in the exemption from rates. Should we continue to say that those same people should carry the burden or should we more properly extend it over a wider range? That is a matter on which I shall be grateful for some observations from the Premier, that is, how the Bill will apply as to exemption of

rates, and then—touching the basic principle—how far the community can continue to afford to exempt from rates properties owned by public authorities.

Another principle in the Bill is the power to apply the same principle expressed as desirable in the case of the City Electric Light Company to local authorities and other bodies in the area. If there is any logic and any sense in the drafting of the measure it is only a matter of time when the same instrument we are asked to consider will lead to the taking over by a common authority of that section of the electricity undertaking now conducted by the Brisbane City Council. Quite apart from the question whether my proviso is right or wrong, it is possible legislatively, within the working of the Act. I notice that the provisions laid down for taking it over are not on all fours. There are some drafting differences that we may look at. It makes specific provision for a superannuation fund and continuity of service to employees of local authorities, whereas a much simpler term is expressed in relation to employees of the City Electric Light Co. Ltd.

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

Mr. HILEY: I wish to express my appreciation to the House for the courtesy afforded me.

The difference in the wording of the clauses dealing with the position of employees can well be looked at on the Committee stage. There is no principle at stake. There may be a variation of the language but there is a vast difference in the extent of the financial provision for compensation. When the undertaking of the City Electric Light Co. Ltd. is taken over by the new authority, there is a complete measure of compensation—one unit of variable interest stock to each issue of share capital, with proper adjustments in regard to preferential stocks, but when it comes to taking over the electricity undertaking of councils that may be involved, the only measure written into the Bill is the provision that new authorities can take over the loan undertakings of the council. It seems to me again that where there is a local equity in the electricity undertakings that relate to a narrow group of people, it is then conferred on the wider group of beneficiaries. The Brisbane City Council has built up a fine electricity undertaking, it has built up a considerable equity, entirely at the expense of the ratepayers of the city of Brisbane. Had the ratepayers of the city of Brisbane authority not to channel back earnings or profits of the undertaking to repay indebtedness or give benefits that fall within the compass of the Greater Brisbane undertaking, the loans would not have had the the sinking fund instalments paid off the debts incurred. Therefore, whatever equity exists in the Brisbane City Council undertaking has been built up by the ratepayers in the Brisbane City Council areas. When you come to consider the possibilities of this Bill you find that the undertaking that was provided by a

narrow background can be put into the hands of a wider authority, that wider authority will be merely called on to take over the balance of the indebtedness. I wonder whether that is full justice to the people who have provided that equity. I am not saying there should be any reevaluation of the undertaking or any attempt to take advantage of the capital increment that has accrued. I answered that principle in regard to the City Electric Light Company and I applied the same line of reasoning to the Brisbane City Council. Here is an important principle in public finance that deserves full consideration and an appropriate statement in relation to it. If the Brisbane City Council does in fact so conduct its electricity undertaking that it channels a substantial portion of its benefits back to the undertaking that is the particular contribution of the ratepayers, there should be some compensation to them for the loss of the important equity they have built up. I should be grateful for the Premier's observation on that important principle of public finance arising under this measure.

Under the Bill it will be possible for the new authority to do many things; it will have power to open drains in roadways and lop trees on householders' properties. I hope every effort will be made to discover whether it is not possible to remove our many suburban service lines away from the street frontages, where nobody would call them ornamental and to run some of these lines down the junction line between house properties so that they may be served from the rear rather than from the front. When you go to other cities you do not see these unsightly poles that disfigure our landscape. You get telegraph poles and street-lighting poles and there is nothing of beauty about them. It seems to me it should be possible and feasible from the engineering viewpoint either to adopt underground reticulation—as they do in many countries; and as they do in the dense city areas—or to take the poles between the backyards of the properties so that the service comes in at the back of the house. That would overcome a lot of the necessity for the lopping of trees. When it does become inescapable that trees have to be lopped, I hope that in practice there will be an infinitely greater regard for cutting only what is absolutely necessary. I was never more savage in my life than a year or two ago when I went home one afternoon to find that the electric authority had cut back with an axe some of my trees and reduced them from things of symmetry and beauty to a shambles. I might say that was done by the Brisbane City Council electric authority. Its men did the lopping not with a saw which leaves a neat workmanlike surgery, but they used an axe. They went up a ladder and proceeded to hack the branches off. The removal of a small branch would have been sufficient to give ample room for the lines, but they worked on the principle that you can amputate a leg at the thigh equally well as at the ankle; they took the branches off at a low point and it will take years before the beauty of the trees is fully restored.

Some may think that these are little things, but I repeat what I have said here before, that I hope we never lightly destroy the arboreal character of our suburban countryside. If a man has trees for shade, or for beautification because of their flowering qualities, they should be preserved and not be interfered with until after consultation with the owner. I was not asked about it at all. The foreman came along and said to my boy, who was home at the time, that they were going to cut some trees along the front. The boy did not regard it as a matter in which he had any right to stop the foreman of an electric authority. He treated it as an order. I came home and found the damage done. I hope whoever is responsible for administering or policing that matter under this will first of all see what can be done to lessen the need for lopping the trees and to get rid of these unsightly poles that add nothing of beauty to our countryside or to our cities. Secondly, where it is necessary to lop a tree, there must be consultation with the landowner first and the lopping must be conducted at the minimum necessary for the effective conduct of the enterprise. It did not console me to read in the paper next morning of a "Save the Tree Campaign" and to see a picture of the Lord Mayor planting a tree about six inches high and giving a message to the people of Queensland as to how important it was to preserve all tree-life in this State. I am afraid my comments were unprintable.

The financial aspect of the subsidiaries is the final question with which I propose to deal at this stage. After carefully examining the measure, I am satisfied that the clauses are completely adequate to protect the public interest, the members of the company, and the new authority. The Bill is a very complicated measure and naturally one that gives much concern and it is only after a very careful study of several pages of clauses I have concluded that there is nothing that could excite any adverse comment that the matter is not properly dealt with. If somebody is worrying about it, I can say that I am perfectly satisfied that the right and proper thing has been done.

My conclusions will be: having regard to the technical advance in the electrical industry the conversion of this concern to a public utility was inevitable. Given that inevitability, the method of the conversion is fair to the State, is just to the members, and will be a good thing for the electricity undertakings of this State.

Mr. MUNRO (Toowong) (2.38 p.m.): I join with the Leader of the Opposition in his expression of appreciation of the very fair and complete manner in which the Premier explained the provisions of the Bill. The Leader and Deputy Leader of the Opposition have traversed the main provisions of the Bill in a complete and thorough way and in these circumstances no good purpose will be served by my attempting to deal with the several principles already so adequately covered.

I would draw attention to one or two of the indirect effects of this Bill that I think are important and merit consideration although they are rather in the nature of indirect results. I refer to what might be regarded as the trade activity of this authority, whether carried on directly by the authority or by its subsidiary. Perhaps it will be convenient to take the subsidiaries first, as that is the least difficult problem. In them we merely have companies that will still be trading companies carrying on trading or other activities in competition with other organisations. I do not think there is much real objection to that, although it might not be desirable for it to be extended to any great degree. But the trading activities that are carried on by the authority set us a very important question to consider. That directly arises from the terms of the Bill, because Clause 45 (C) provides that it shall be the duty of the authority, under the general direction of the commission, to supply, instal, trade in, sell and let on hire purchase electrical fittings, apparatus and appliances. That imposes on the commission the duty of trading in and selling electrical appliances and covers such major items as wireless sets and refrigerators that are manufactured in Australia, indeed in Queensland, and are the subject of very considerable trade in this State.

I think I understood the Premier correctly when I took him as saying that so long as the authority trades fairly there is no real danger, and I think that is right. I think we can accept it that it may be desirable and necessary for this authority to trade in electrical apparatus and appliances as a matter incidental to its main undertaking. That being so, our only important point is whether the trading is fair and whether it is good or bad for the community. In considering this we must examine how these activities will apply to three classes of people. First let us take the effects on people who are carrying on individual enterprise at present. The larger enterprises are carried on by companies and the profits earned are subject to income tax which, subject to a very minor variation, we can say is at the rate of 9s. in the £1. This authority will be carrying on similar trading activities but without any corresponding liability to pay income tax. If we take it that a fair return for a number of years to these variable-interest stockholders would be at the rate of 6½ per cent. one might discount it and say that the necessary return to a shareholder in a trading company would be slightly lower, say 5½ per cent., but we still have the position that the trading company will require to earn 10 per cent. before it can pay income tax and return 5½ per cent. to its shareholders. So that there directly we have the position, in retail trading in particular, where competition is very keen, that it certainly would not be possible for another company to compete on a fair basis with a public authority of this kind, which does not pay income tax. Unless very great care is exercised in the administration of this authority, we might find that it will do a

very considerable amount of harm in interfering with other quite legitimate business undertakings.

Let us consider now the effects on the authority itself. If the authority does extend that class of trading there are two important results that should be kept in mind by the Government and the members of the controlling authority.

The first is that the funds available are necessarily limited and I think every hon. member will agree that the first priority should be for the undertaking to do the main job, which is the production and supply of electricity, and to the extent to which the funds are used to enter other forms of trading the possibilities of development of the main undertaking must be limited. If trading is carried on under the terms I have outlined, we have trading carried on under unhealthy conditions because the whole virtue of individual enterprise is competition, and anybody who believes in enterprise should not be opposed to competition. I therefore say that we will have an adverse effect there.

And then we must look at the effect on Governments, both State and Federal, because we must realise that income tax is the life-blood of their revenues. At the moment the Commonwealth Government happen to be the collecting authority in relation to income tax and I can see an adverse effect there if we carry to too great an extent the idea that certain sections of trade and industry shall be free of income tax. I have not the slightest objection to the main provisions of this Bill, which were so ably explained by the Premier when he said that it was an accepted practice throughout Australia for electricity undertakings of this kind to be carried on by public authorities, which are not subject to the payment of income tax. I make the point that if we are to be quite fair and consider all the indirect results, there would be substantial merit in finding a formula to give exemption from income tax only to what one might describe as the main part of the undertaking, the generation and supply of electricity. I refer to this because I think it is an important point that requires consideration, although I know that it is to a certain extent only a side issue.

As to the other points, as there is such a considerable measure of agreement between the Government and the Opposition, they do not require any further consideration. I feel, however, that the principle of extending freedom from tax to certain sections of trade and commerce will have a harmful effect because, as the Leader of the Opposition pointed out, if certain sections are not going to bear their fair share of tax other sections will have to bear more.

I think I can conclude by adopting some of the rather picturesque language used by the hon. member for Mundingburra and say that we must not "flog the willing horse to death that lays the golden egg."

Mr. LOW (Cooroola) (2.49 p.m.): I want to say a word or two about rural electrification and the application of guarantees

because I notice there is no provision in the Bill as to the percentage applicable to the determination of guarantees for rural electrification. In the old agreement it was 15 per cent. I have made inquiries from various regional boards and find that in the Wide Bay area it is 10 per cent. of the cost of construction. The 15 per cent. is too heavy and it is retarding rural electrification. I hope the Minister and his officers will give favourable consideration to the reduction of the percentage required so that electricity will be supplied to the rural areas at a greater pace than today. I know that proposals are made to country people, particularly dairy farmers in the City Electric Light Company's franchised area, but the guarantees sought have had a frightening effect on the people. For instance, 12 farmers may be offered an electricity supply, but some may think the amount of the guarantee is too heavy and consequently the scheme is held up for a considerable time and in many cases abandoned. Then a new proposal is made, and some of them may agree to come into it but others may not. However, after a considerable delay the scheme proceeds, and those who declined to come in on the first proposal could then come along and get electricity without being involved in the guarantee at all. That is totally unfair to the people who pioneer the introduction of electric energy into an area. Some of them will hold off until the electricity is brought along, and then they will apply for the electricity for themselves, without any penalty in the shape of a guarantee.

Mr. SPEAKER: Order! I hope the hon. member is not going to discuss generally the advisableness of rural electrification. The Bill simply provides for the approval of an agreement between the Government and the City Electric Light Co. Ltd.

Mr. LOW: I realise that, Mr. Speaker, but there is provision in the Bill for the creation of guarantees, which is one of the most important points in the electrification of rural areas. To me, personally, it is the most important part of the Bill.

The Secretary for Mines and Immigration informed me on 3 July last that under the terms of the agreement the company was entitled to require 15 per cent. of the capital cost of the extension and to be guaranteed a demand for electricity sufficient to ensure an adequate return on the extension involved over a period of 6 years.

I appeal to the Minister and his officers to reduce the amount of the guarantee, which is now retarding rural electrification. If my request is acceded to, much benefit will flow to the rural areas and the people in this part of the State.

Mr. RASEY (Windsor) (2.54 p.m.): As a Government back-bencher I want to compliment both parties to the negotiations that have culminated in the production of the Bill, which is based on very sound principles. It was a triumph for reasoned negotiation and the Premier and the Minister who carried them out are deserving of the highest commendation of the people of Queensland. I

know that they are getting those commendations from the Cabinet and the members of the Government party. The nature of the negotiations and their ratification called for considerable thought.

Both parties to the negotiations showed a good deal of courage in their approach to the problem of setting up the new authority and I extend my humble congratulations to the Premier and his Cabinet on the success of their negotiations with the company. The agreement at which they arrived simply follows the policy adopted by the Government over the years, to negotiate and conciliate on matters affecting the State in general. I desire also to pay a tribute to the directors of the company, to Mr. Holmes, Mr. Cornwell, Mr. L'Estrange, Mr. Hoare, and others who were in control at the time of the negotiations. They took a reasonable attitude, and the Government approached them in a spirit of justice and equity, and showed that they were willing to do justice to all the people concerned.

The generation and distribution of electricity is a highly technical matter and one of the main features of the Bill is that it will give to this great undertaking continuity of efficient management, which will be of great benefit to the people and the State.

Hon. V. C. GAIR (South Brisbane—Premier) (2.57 p.m.), in reply: A few matters raised by hon. members merit some reply.

The hon. member for Coorparoo inquired whether the profits of the trading department established under this authority will go back to the consumers or whether its advantage in not having to pay taxation will cause it to undercut other vendors of electrical appliances, and so its purchasers of those appliances will obtain consequential advantages. The hon. member for Toowong spoke in a similar strain. In reply I want to say that trading in electrical appliances is not an innovation. It is something that pretty well all authorities throughout the world engage in. It is a recognised practice for those authorities to sell equipment and appliances operated by electric power. It must be recognised, too, that the electric authority creates the market for electric appliances. If it were not for the electric authority and its work and its expansion, the market for these appliances would not exist. For that reason alone no-one would dispute or deny the right of electric authorities to engage in trading. What appears to be agitating the minds of hon. members is whether the trading will be on a fair basis. I can assure the House that it will be. Regional boards throughout Queensland engage in the sale of electrical appliances and no-one would suggest that there is any unfair competition by regional boards. Any profits from the trading department will go back to the consumers. In the overall ramifications of the electric authority those profits will not be reserved for the benefit of purchasers of those appliances.

The other point raised was that of rate exemptions. There are no specific powers in the Bill for the exemption of rates for this authority, but this authority will enjoy the same exemption as regional boards enjoy.

Mr. Hiley: What are they?

Mr. GAIR: They are very limited; they are limited to properties on which their power-houses may be erected. Regional boards pay municipal rates for their transmission lines; they pay rates the same as any other business concern, with the exception that I have mentioned.

Mr. Low: What about substations?

Mr. GAIR: The substations would probably come under that category.

Mr. Kerr: Non-rating.

Mr. GAIR: Yes. No other general exemption from rates is intended in this legislation; there is no specific exemption in rates.

Mr. Hiley: Why should the substations be exempt?

Mr. GAIR: It is regarded under the Local Government Act as land used for public purposes and therefore exempt from rating. Regional boards are exempted from rates on land directly used in electricity undertakings, such as power-houses.

Mr. Hiley: Would it not be fairer for the burden to be borne by all the people who benefit from the station rather than the few who live in the area where the station happens to be?

Mr. GAIR: Is not the benefit enjoyed by all the consumers of electric power? I refer to the argument that the hon. member used in connection with the taking over of electrical undertakings from the Brisbane City Council. Under the Regional Electricity Authorities Act we do not pay compensation to local authorities when we take over the power plants.

Mr. Hiley: I said that was wrong then.

Mr. GAIR: That may be so. You have to have regard to the fact there is no change in the ownership.

Mr. Hiley: Yes, there is.

Mr. GAIR: There is no change in the ownership; it is still the property of the people. When this authority takes over it will take over all the liabilities of that undertaking.

Mr. Hiley: It changes from the ownership of the people narrowly to the ownership of the people widely.

Mr. GAIR: If you are to confine the argument to the Brisbane City Council you must have regard to the fact the ratepayers of Greater Brisbane have already benefited to a great extent by the operations of the Council's Electricity Department. We all know that its profits have been used to keep

down rates over a long period of time, which has to some extent benefited ratepayers generally.

Mr. Hiley: The rate could have been lower if so much had not gone to pay off interest on the sinking fund.

Mr. GAIR: I suppose that has to be conceded too. I cannot see that any change in ownership has taken place when the undertaking is taken from the Brisbane City Council and placed in the hands of this authority.

Mr. Hiley: On that argument, if your house became the property of all hon. members, you would not think there was any change in ownership.

Mr. GAIR: I do not think that is a good analogy; it is stretching it a bit; there were times when I felt it did not belong to me—that it was public property. (Laughter.) Hon. members opposite have nothing to fear in regard to the trading departments. They will be conducted on a fair basis.

The hon. member for Cooroora raised the old question of subsidy. I am sure that the hon. member does not for a minute believe that the 10 per cent. surcharge that has been made in country areas today equals the initial cost of the reticulation of power to country areas. I am sure that being a fair-minded person he recognises that the people in the metropolis are subsidising the reticulation of electric power to country areas. At the present time that is an indisputable and undeniable fact. To supply power at a lesser rate would be grossly uneconomic and regard must be paid to proper business methods, as far as practicable. One must have regard to how much additional tariff the people in the metropolitan area can pay to enable the people in the country to have electric power. No-one is more enthusiastic than I in giving people in the country this indispensable amenity and essential as cheaply as possible. The same remark applies to the people in the metropolitan area. Electric power is becoming very costly. Many people are experiencing difficulty in meeting their electric-light accounts because of the great increases that have taken place, owing to additional costs, but as development takes place it will be found that the suggestion made by the hon. member for Coorparoo this morning will become a fact. The hon. member said that there should be an averaging out of the cost as near as possible. That can be done only where the two areas are somewhere in proximity, but where there is a big gap between the two it is impossible and impracticable to do so and have equal charges. The 10 per cent. surcharge, which is the maximum today, does not nearly represent the additional cost and any person who studies the matter will accept that it is so.

I am glad to have had the support of the Opposition in connection with this Bill and they, as I, look forward to its working very satisfactorily for the good of Queensland and its people.

Motion (Mr. Gair) agreed to.

COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Clauses 1 to 10, both inclusive, as read, agreed to.

Clause 11—Undertaking of Company outside Queensland—

Hon. V. C. GAIR (South Brisbane—Premier) (3.9 p.m.): I move the following amendment—

“On page 6, line 23, omit the word—
‘authority’

and insert in lieu thereof the word—
‘company’.”

This clause provides that the company, before it goes out of existence, shall transfer the New South Wales part of its undertaking to the new authority, which is necessary because the Queensland Parliament cannot deal legislatively with the part of the undertaking outside Queensland. The amendment corrects an error in drafting.

Amendment (Mr. Gair) agreed to.

Clause 11, as amended, agreed to.

Clause 12—Company to be dissolved; Authority to be successor of company—

Mr. NICKLIN (Landsborough—Leader of the Opposition) (3.11 p.m.): I should like to refer now to a point I raised on the second reading, relating to guaranteed extensions. The clause dissolves the company and provides that the authority is to be the successor of the company. It also dissolves the agreement under which the company has been operating, as well as the proclamations in Government Gazettes laying down conditions connected with guaranteed extensions in country districts. As I pointed out, many guaranteed extensions in country districts are causing quite a deal of unnecessary trouble because the full implications of the conditions are not understood by the people concerned. I appreciate that it is essential that there shall be guarantees to cover what might appear to be unprofitable extensions into country areas and it is right that we should know exactly whether the same conditions are going to apply under the new authority as obtained under the company or whether there will be a different approach to the problem. The present conditions provide that after the formation of a group and upon ascertainment of the requirements of each member of the group the cost of the extension is worked out and then balanced against that is the estimated revenue, and if that does not come up to the full cost of the extension the consumers are asked to guarantee for a period—it is usually six years, although it varies—15 per cent. of the cost of the extension. That is spread amongst the various members of the group according to the supply they apply for or are likely to require. The hon. member for Cooroora mentioned that trouble is often experienced in forming a group because, wherever one

gets a dozen men together there are invariably at least one or two "narks," who can cause a good deal of trouble and delay in the formation of the groups and the construction of the required transmission line. Sometimes, if two out of twelve do not agree to come into the group, the other 10 agree to accept the liability for the whole of the group, and as a result a supply is given to the district and the two who have held out and delayed negotiations are connected, in many cases without the liability for the 15 per cent.

Another point is that sometimes the guarantee will interfere with the sale of a property if the owner should wish to sell it within the six years. It would be appreciated if the Premier could give us some idea of what the new authority intends to do in connection with guaranteed rural extension. We should like to know whether it is proposed to carry on with the present 15 per cent. or reduce or increase that figure.

I have raised the question as it is a very hot one in country districts because at the moment hardly an extension is carried out without the asking of some guarantee and if anybody has had experience he will realise the trouble that goes on and the delays that take place, and so will appreciate the point I make. I suggest that the matter be defined as clearly as possible.

Hon. V. C. GAIR (South Brisbane—Premier) (3.16 p.m.): In reply to the Leader of the Opposition, I want to say that the matter raised by him will have consideration when regulations dealing with guarantees are being drafted. Guarantees are not specifically referred to in the Bill, as they were under the old agreement, and we propose to provide for this matter in the regulations, and when the regulations are being drafted careful consideration will be given to the matter raised by the Leader of the Opposition.

Clause 12, as read, agreed to.

Clause 13—On proclaimed day undertaking to be transferred to Authority—

Mr. HILEY (Coorparoo) (3.17 p.m.): I draw the attention of the Committee to the wording of Clause 13 (1) (h) on page 8 of the Bill, dealing with employees of the existing company. It says—

"Every person employed immediately before the proclaimed day by the company shall be transferred to the employment of the authority . . . and shall have and enjoy the same rights and privileges and conditions of employment as if he had continued to be an employee of the company."

That, I think, means that the existing superannuation fund, long-leave privileges and everything like that will continue unbroken. If there is any question of long-service leave the change-over to the authority will not cause any loss of continuity of employment and if a person has 13 years' service up at the date of the change-over he will start on

his fourteenth year with the authority. That is the only conclusion to draw from the clear wording employed, but I contrast it with the varying wording employed on page 11, sub-clause (g) dealing with local-authority employees because there we have an expressly drafted clause protecting continuous service. When you go on to page 12 of the Bill and look at 18 (8) there is an expressly drafted clause protecting leave and retiring allowances and on page 13, 18 (9) there is a further clause dealing with leave, superannuation or retiring benefits and so on. I am satisfied from my examination of the Bill that although a vastly different drafting approach has been employed in the clause before us there is a much more detailed provision dealing with employees of local authorities. I believe that the effect is the same. I have discussed the matter with the Parliamentary Draftsman, who assures me that it will operate in the same way, but people who read this Bill might say, "When you are dealing with the City Electric Light Company you take three lines to say that the employees will have the same rights as they had with the old company, but when you come to employees of a council you take about one and a half pages to recite in detailed and precise form the leave, superannuation benefits and continuity of employment."

Some employee may read the Bill and be under some apprehension that because the language is different something different is likely to happen in each case. My purpose in speaking at this stage is to draw attention to my personal belief that in practice their will not be the slightest difference in effect. However, I should like the Premier to be good enough to give us the information that any employee of a local authority or of the City Electric Light Company who reads the Bill and observes the difference in wording can rest assured that the meaning is the same in both cases and everything is all right.

Hon. V. C. GAIR (South Brisbane—Premier) (3.21 p.m.): The hon. member's deductions are quite correct—the effect will be the same in each case, although the wording may be different. It arises from two different sets of circumstances. In the case of the company the entire undertaking is taken over but if we were to take over, say, the Electricity Department of the Brisbane City Council we should be taking over only one section of the council's employees and so the wording of the clause would be different. The employee of the Electricity Department of the Brisbane City Council would be a subscriber or contributor to a superannuation scheme in common with all other council employees and if his section only was taken over you would have to have regard to the fact that only one section of the Brisbane City Council's employees was being taken over as against all the employees in the case of the company.

Clause 13, as read, agreed to.

Clauses 14 to 17, both inclusive, as read, agreed to.

Clause 18—Local authorities—

Hon. V. C. GAIR (South Brisbane—Premier) (3.22 p.m.): I move the following amendment—

“On page 13, line 28, omit the word—
‘to’

and insert in lieu thereof the word—
‘the’.”

This is a verbal correction.

Amendment (Mr. Gair) agreed to.

Mr. HILEY (Coorparoo) (3.23 p.m.): A principle is involved in sub-clause (7) that should be mentioned. The sub-clause says—

“The liabilities imposed on the authority by this section shall for the purpose of securing the discharge thereof rank in priority over any loan raised by the authority on and after the prescribed day.”

I appreciate that the wording follows precisely the precedent laid down in the legislation providing for regional electricity boards. There is no novelty in it. However, it may be prudent, when dealing with the financing of public authorities, to remember that they will inevitably place very considerable dependence on the availability of finance and it would be very wise to endeavour to avoid the use of any priority debentures so that we may have all the various grades of debentures to be regarded on the financial record. Let us be clear and say that from the very nature of public authorities the ordinary hazard of failure and breaking up is a vexed question that in their case will never arise. With the ordinary commercial undertaking certain things can go wrong but in the case of public utilities there is a service that depends upon careful budgeting, so that we can dismiss any hazards arising from a failure of such companies and the introduction of liquidators. One can realise that in such a case the priority of securities does not arise and that the only time where it is important is when there is likely to be a breaking up of an undertaking and someone has to go short. That is such an important contingency that it would be wise—we have plenty of precedents for it, as in the legislation for the establishment of regional boards—not to complicate the position by stating that certain securities must come before anything else. We have passed that stage. We have seen how this provision has worked, and we are following the same principle in this Bill. This is a very good pattern in public finance, but should we provide for any priority in public securities? The important question is: what is the debenture indebtedness of the entire undertaking, not on the first, second or third lots? Although the position is unlikely to arise as envisaged in this clause, just imagine the confusion that would arise if this provision was continued when the undertaking taken over comprised more than one body? Which would have the relative priority then? Two or three debentures may be in the favoured priority section and it would be fortunate if in the resultant entanglement a Philadelphian lawyer could disentangle the position. It would be better to have a look at this

provision of priorities in public utilities and to ask ourselves whether it would not be better to drop the principle.

Clause 18, as amended, agreed to.

Clauses 19 to 80, both inclusive, as read, agreed to.

First Schedule—Subsidiary companies—

Hon. V. C. GAIR (South Brisbane—Premier) (3.28 p.m.): I move the following amendment—

“On page 60, Rule 91, lines 12 and 13, omit the words—

‘So long as Queensland Industries Pty. Ltd. remains a subsidiary of the authority.’”

Amendment (Mr. Gair) agreed to.

Hon. V. C. GAIR (South Brisbane—Premier) (3.29 p.m.): I move the following amendment—

“On page 60, Rule 91, line 15, after the brackets and letter ‘(a)’ insert the words—

‘So long as Queensland Industries Pty. Ltd. remains a subsidiary of the authority.’”

Rule 91 requires the authority to show separately in its annual accounts the trading position of its subsidiaries for the year. The rule is split into two parts; paragraph (a) dealing with the existing subsidiary, Queensland Industries Pty. Ltd., and its two subsidiaries, Bonnie Dundee Coal and Contractors Pty. Owing to the special provision elsewhere for the possible future divorcement of these, paragraph (a) makes special provision for taking them into consideration as one so as to show the overall trading position for the year. The opening words of Rule 91 are misplaced. These words should appear at the beginning of paragraph (a). I propose two amendments, the first to remove these words from their present position and the second to insert them in their proper place. Paragraph (b) refers to both the existing and any possible new subsidiary.

Amendment (Mr. Gair) agreed to.

Mr. HILEY (Coorparoo) (3.32 p.m.): I rise to make an observation because I think that it is a very desirable practice, when dealing with schedules, to have them split up into clauses. Under the Standing Orders it is possible in certain legislation to have to deal with 20 pages of detailed matter instead of having it broken up into clauses. The whole purpose of dealing with a Bill clause by clause in the Committee stage is to get a better order of sequence in debate, and save us from jumping about the landscape and dealing with a multitude of things. That is a good principle when dealing with clauses, and I think we should at some time give thought to pursuing the same course when it comes to a schedule.

Mr. Gair: Dealing with each clause of the schedule seriatim.

Mr. HILEY: Yes. Apart from the minor amendment there has been no contest on this Bill, but if there had been any desire to debate it you can imagine how impossible

the situation would have been when we had to deal with 20 pages of closely printed matter containing 120 different separate subjects. I make that observation in the hope it may receive consideration.

First Schedule, as amended, agreed to.

Second Schedule, as read, agreed to.

Bill reported, with amendments.

THIRD READING.

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

LAND ACTS AMENDMENT BILL.

COMMITTEE—RESUMPTION OF DEBATE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Debate resumed from 27 November (see p. 1555).

Clause 7—Lessee may elect to accept or refuse offer—

Mr. SPARKES (Aubigny) (3.35 p.m.): I move the following amendment—

“On page 3, line 54, after the word ‘months,’ insert the words—

‘or such further time as the Minister may allow but in no case exceeding six months.’”

Amendment (Mr. Sparkes) agreed to.

Clause 7, as amended, agreed to.

Clauses 8 to 14, both inclusive, as read, agreed to.

Clause 15—Investigation by Land Administration Board—

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

“On page 7, line 30, after the word ‘matters,’ insert the words—

‘and for such purpose shall conduct a public hearing within the district in which the holding is situated.’”

This has already been established with regard to granting additional areas to lessee's of grazing homesteads. It is usual for the Minister to instruct the Land Commissioner to go to a particular district and inquire from contiguous or adjoining landholders whether they desire to be considered for an additional area. If they convince him that they have some claims for consideration he takes the available evidence, considers all the various applications for additional areas, and then, I take it, reports to the Minister, who in his discretion grants or rejects applications for additional areas. If the practice I propose was adopted, it would afford practical men in the various districts opportunity to express an opinion before the appropriate authority as to whether it would be wise to extend the lease or cut it up for closer settlement. It is only by such a method that both sides of the question could be heard and a sound reasonable conclusion arrived at as to the capabilities of the various areas of the State.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (3.40 p.m.): I cannot accept the amendment. Over the years, we have built up a very fine staff of field officers, who are all well trained. I can assure hon. members that before any man becomes a commissioner he must start on the bottom rung of the ladder and work his way through all branches of the service. As a result his knowledge of land matters becomes extensive and he also has the benefit of the many reports submitted on various holdings throughout the years. This enables him to report on any holding to the Land Administration Board, which then determines whether the area is suitable for subdivision or whether a new pastoral lease should be granted, and makes a recommendation to the Minister. The Minister then submits the facts, together with the recommendation, to Cabinet, and Cabinet, or the Governor in Council, determines the matter. This is not a decision by the Minister; it is one arrived at by the Governor in Council. If we had public hearings on every one of these questions we should have a great deal of unnecessary delay.

The practice in connection with additional areas on the expiration of a lease is to hold what we call an additional-area inquiry. The inquiry is advertised and applications sought. The commissioner then visits the district, makes an inquiry and submits a recommendation to the Land Administration Board. If he thinks the applicant has not what amounts to a living area for the district he recommends that an additional area be granted, and I have never had any complaints about this procedure during the whole of my experience as Minister in charge of this department.

The same thing applies to the granting of new leases. The average pastoralist of today knows our policy. If his area is in a district that is suitable for closer settlement he knows from his own experience what the Government's decision will be, because he knows that constitutes a living area in that district, just as he knows that the department has pursued that policy persistently. As I feel that public hearings on every occasion on which we have to arrive at a decision in connection with a renewal of a lease would lead to unnecessary delay, I cannot accept the amendment.

Amendment (Mr. Ewan) negatived.

Mr. NICKLIN (Landsborough—Leader of the Opposition) (3.45 p.m.): I move the following amendment:—

“On page 8, line 11, after the word ‘investigated,’ insert the words—

‘The recommendations of the said Board shall include the rental at which a new lease should be issued and the report as aforesaid shall, upon request, be made available by the Minister for inspection by the lessee or by any member of a local authority of an area within which the lease is wholly or partly situated.’”

The Minister has rejected our plea for a public inquiry and the amendment now moved, if

accepted, would mean that the recommendations the board might arrive at after inquiry, including the rent of the new lease and the report in regard to the various details, should be made available upon request. In some circumstances the Minister would receive a request for the report to be made available; in others everybody might be quite happy and there would be no request for the report to be made available. We think that the lessee should have the right to look at the report and see the exact position.

In addition to the lessee's looking at the report we suggest that, upon request, it be made available to any member of a local authority, because after all local authorities are vitally concerned in rentals because it is upon rentals that they base their ratable values, unless the Valuer-General subsequently makes a valuation. That is why we have included a proviso concerning a local authority and I believe, in view of the circumstances, that it would be only fair to ask that the report, instead of being confined to the four walls of the department, should be available to the lessee and also to the local authority concerned.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (3.49 p.m.): I am afraid I cannot accept the amendment because all reports made by officers and the board are confidential and if we allowed reports by departmental officers to be made available to the public or local authorities officers would not make confidential reports.

When the board prepares a recommendation to the Minister for submission to Cabinet it includes all the particulars of the area, including the present and potential carrying capacity, the area of the land, and the proposed rental. It would be bad policy to allow these reports to become public property. However, an aggrieved lessee could approach the Leader of the Opposition or any member of it, or any member of the Government party, seeking the right to call at the department to see a report, and unless such a report contains something highly confidential it is never refused. Quite recently the Leader of the Opposition called and asked for permission to peruse a certain file, which was readily granted. These requests are never refused unless the reports contain something highly confidential and perhaps even that information is made available confidentially to the hon. member concerned. If I accepted the amendment I should be giving approval to a practice that might react to the detriment of departmental officers and even the department itself.

Amendment (Mr. Nicklin) negatived.

Clause 15, as read, agreed to.

Clauses 16 to 18, both inclusive, as read, agreed to.

Clause 19—Interpretation—

Mr. NICKLIN (Landsborough—Leader of the Opposition) (3.53 p.m.): We have some objection to this clause which confers

the right to a new pastoral lease, because it deprives the lessee of the right of appeal. It says—

“The provisions of this part of this Act . . .”

That means that part of the Act offering the new lease—

“ . . . shall be construed so as not to confer upon any lessee a claim to be granted as of right any new lease of a pastoral holding.”

The whole purpose of this part of the Bill is to make offers to lessees in an endeavour to get them to sacrifice portions of their existing leases in return for priority leases and additional leases. The only additional lease that would be valuable to a lessee would be one somewhere near to his priority block, not, say, 20 miles away. The Minister may say that he will give the lessee a priority block and another one 10 to 20 miles away. but there is no provision in the Bill for any right of appeal by the lessee against such a decision. The lessee must accept the Minister's decision in the matter.

Do not forget that this is an offer being made by the Minister in an endeavour to get a surrender of these leases. Consequently, some protection should be given to the lessee who surrenders what in some instances would be a very valuable concession in return for something else. The Minister must offer a lessee something that would be attractive. He must also give the lessee some right of appeal against his decision. This clause takes away any such right. In the offer the Minister makes to him he is entitled to some consideration. The Treasurer wants to take away from a lessee the right of appeal against any decision that might be made.

Mr. Walsh: He has no right now, so you are not taking anything away from him.

Mr. Hiley: If he has no right why put in a statutory prohibition on the right?

Mr. NICKLIN: The Minister should not take away from any lessee of the Crown the right to state his case, and to have it determined by a recognised authority or judicial body if he does not agree with the Minister's decision. If the Minister is all-powerful, his decision must go, whether the lessee suffers a disadvantage or the offer made by the Minister is of no value whatsoever. Provision should therefore be made for the lessee to appeal against the determination of the Minister, particularly in view of the wide powers the Minister has to fix the rent and the conditions without any appeal. It is savouring of dictatorship to have a clause such as this, which takes away very specifically the right of the individual to appeal to either the Supreme Court, the Land Court, or any other court or judicial tribunal. He has no appeal whatsoever. That is something that the Opposition do not understand.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (3.58 p.m.): The Leader of the Opposition should know from his experience in this Chamber

that there frequently appears in Bills a clause which is called a saving clause that protects the Crown. In the circumstances the clause covers the Crown as the possessor of large areas of land on behalf of the people of the State. It deals with the people's estate and decides whether a lease should be granted to a pastoral lessee or not. The lessee has never had any right to a new lease nor is one given to him by this Bill. We are giving him the statutory right to make application in the last period of his lease and we investigate all the circumstances. If it is decided that the land is too isolated, too costly to work, or that the country is too rough, the Governor in Council may decide to issue a new lease or not to issue one, and it is merely provided that if he makes an error of some kind there will be no redress for the individual concerned. That provision is contained in many Acts; it is customary to protect Crown rights in that way. The lessee has no right of appeal at the present time.

Mr. Ewan: He has the rights endorsed on his lease. He would have protection under common law.

Mr. FOLEY: He would have full protection if he made application during the last term of his lease for a new lease and it was investigated and it was decided to grant him a new lease. He would get all the protection of the Act because it provides that he must surrender his lease and a new lease shall be granted forthwith. In this case we are giving the same statutory right to pastoral lessees to apply during the last period of their lease as has been already given to the grazing lessee over a number of years—since the 1927 amendment. After he applies it is for the Governor in Council to decide whether a new lease will be granted and the clause protects the Crown from any action if his decision is not acceptable or an error is made. Under the circumstances I cannot accept the amendment.

Mr. EWAN (Roma) (4.3 p.m.): I support my leader on this matter. The explanation given by the Minister may be correct as far as it goes, but I suggest to him that a pastoral lessee with 10 or 15 years to run has a right at common law in accordance with the provisions of his lease.

Mr. Foley: Nothing of the sort.

Mr. EWAN: He has, in accordance with the provisions of his lease. Under the conditions endorsed on his lease he has the right at common law if there are breaches of its provisions. Take the hypothetical case of a person whose lease has eight or ten years or even seven years to run, and to whom the Minister says, "I will give you a full 28-year lease if you do certain things within seven years." Let us assume he carries out those conditions as agreed on with the Minister and at the end of seven years the Minister or his successor refuses to carry out the conditions as agreed upon, the lessee where property rights are concerned would be protected at common law if he could prove his case. If, as the Minister says,

he has no rights now, why does he want the provision in the Bill? We know there are such provisions in many other Acts; we know that over the last few years this Government have set up a pretty solid framework of totalitarianism. We know they seek to deny the individual his right to protection at common law. They want to govern by means of the discretionary powers of Ministers, without reference to Parliament. They want Parliament to be a mere rubber stamp. Every hon. member on this side and every right-thinking person will agree with me that it is time some action was taken to eliminate these complete, overriding and untrammelled powers vested in Ministers of the Crown in various Acts. If this is not done the rights of the individual and of Parliament will be abrogated by the decision of any Minister. We are establishing a precedent and the State will rue the day we ever allowed totalitarian powers to be vested in one man.

It is useless saying that the lessee has no rights, as the Treasurer would have the Committee believe. The lessee has rights and his rights are endorsed on his deeds. I challenge the Treasurer to deny that if a lessee's priority or other right under his lease is infringed he can take it to court.

Mr. Walsh: He has no right to a renewal of his lease, as the law stands.

Mr. EWAN: The Treasurer in his usual slippery way seeks to divert me. The individual has rights. He takes up his country on twenty-eight years' lease and he may get a renewal of it. His new title may indicate it. It may be noted on it that 25 per cent. or one-quarter of the country is due for resumption on a certain date and another quarter for resumption on another date and in accordance with the present Land Acts, if he is an individual and not a company, he is entitled to a priority right to a living area.

Mr. Walsh: That is subdividing.

Mr. EWAN: I am talking of the renewal of his lease.

Mr. Walsh: You know he has no statutory right under the present law.

Mr. EWAN: The hon. gentleman is trying to draw me from the point I have established. The lessee has the right, as I have said before, so far as the conditions are endorsed on his lease. The Treasurer and no-one else can take that from him, thank God! We of the Opposition, who seek to represent the people of this State in democratic fashion, raise our voices in protest and with everything in our power protest against the totalitarianism that this Government establish in every measure they bring before Parliament.

The Minister said in his usual fashion that the lessee has no rights now; he has no right of appeal now. If that is so, is it necessary to delude the people by including such a clause? There is the answer. The Minister says that the lessee has no rights but he seeks to deny the individual his inalienable right of appeal to a judicial tribunal. I object to the clause with all the force at my command.

Clause 19, as read, agreed to.

Clause 20—Cultivation condition—

Mr. SPARKES (Aubigny) (4.9 p.m.): When this matter of cultivation arose there were various estimates of what it would cost. During the week-end I took the opportunity to ascertain the cost from men in different areas. Over the week-end I let a contract to a man named Kelly, who has one of the biggest tractors in my district. It cost £4 12s. an acre to prepare that land for the plough.

Mr. Walsh: You are coming down a bit now?

Mr. SPARKES: The hon. gentleman has heard nothing yet.

It would cost £4 12s. an acre to prepare that land for the plough. Then it would cost another £2 to break it up, so that we have £6 12s. before the ground is worked up and ready for sowing.

A man in the brigalow area told me—I think this will be borne out by the hon. member for Barambah—that it would cost from £2 to £3 an acre for knocking down the brigalow alone.

Mr. Foley: What sort of brigalow?

Mr. SPARKES: I did not think the Minister would be silly enough to come into this, but since he asks I can tell him that it is ordinary brigalow scrub. The other day the Secretary for Public Works and Housing was most misleading. To be charitable, we can say that he was either misleading or had had his leg pulled.

Mr. Walsh: Somebody is pulling yours, I think.

Mr. SPARKES: Not at all. The other day the Secretary for Public Works and Housing referred to a T.D.9 tractor, which can be likened to a toy when it comes to knocking down brigalow scrub. He said that by putting on another blade they were able, with that T.D.9, to sweep through the scrub, taking down a 20 ft. strip. I am certain that even if one had a tractor with four times the power of a T.D.9, its blade would be too big to go through at full speed, taking out a 20 ft. strip. The work would be so heavy that the tractor simply could not do it and would turn round. The Minister should have told us that where the T.D.9 went through it was probably whip-stick stuff about as thick as my finger.

Mr. Burrows: He told you that.

Mr. SPARKES: The hon. member is comparing brigalow with his own build. If it was only as thick as the hon. member, one would not need even a T.D.9 to knock it down; one could simply blow it over.

It was a pity that the misleading information the Secretary for Public Works and Housing gave us should go out to the public as a ministerial opinion of the cost of clearing brigalow scrub.

Mr. Burrows: If he was here, you would not be saying a word.

Mr. SPARKES: Let the hon. member bring him here. That is his job, and let him keep quiet.

Mr. Riordan: Do not be nasty.

Mr. SPARKES: I am never nasty. I do urge the Minister to be careful. I remind him that today one needs to be a wealthy man to take up a block of land. Does my chattering friend, the hon. member for Port Curtis, want only the wealthy people to get this land, or does he want the sons of farmers and workers, the shearers, and stockmen, to get it? I challenge any hon. member on the Government side who has any knowledge of the subject to contradict me when I say it costs a great deal of money to take up a block of land. If we impose very strict cultivation conditions it will be very difficult for anyone to carry on. Let us take the suggestions made by the Secretary for Public Works and Housing, who referred to a T.D.9 tractor. I know that a Case tractor costs £2,000, and as the T.D.9 is a crawler, it will cost more. By the time he gets machinery to do this class of work he will be up for at least £6,000 and can the Minister tell me of any young fellow just starting off who has command of £6,000 apart from the other expenses to carry out the cultivation conditions? Would it not be better to say, "All right; you ring some country." I got it from Mr. Morgan, a very practical man down on the Condamine, that to ring this country alone costs 30s. an acre. It costs that to ringbark green brigalow scrub country; you cannot look at it for 8s. 6d. an acre. It cost Mr. Kelso £1 an acre to ring. I want the Minister, instead of forcing a man to clear and plough his country, to allow him to ring it and let it stand for a few years. Mark those words, "a few years," because if you knock the country down and burn it straightaway you will get a field of suckers. On the other hand, if you ring it and put a few sheep on it the selector can get his legs under himself and then he could burn off the dead brigalow scrub and plough the land. It would be one hundred per cent. cheaper to plough it then than to plough the green-brigalow scrub. I know that the Minister is keen to see this land developed but I know also that he knows that the development of land is not as easy as quite a lot of people imagine.

Mr. Foley: I agree with you.

Mr. SPARKES: The Minister agrees with me. We know that many people think that all you have to do is to take a piece of land and you are "home and dry." That is not so. One has to work land mighty hard and one has to have a large amount of capital behind one.

Mr. Walsh: There is a lot of pioneering to be done.

Mr. SPARKES: Yes, but you can make it impossible for these young fellows to do pioneering if you impose on them conditions it is impossible to carry out.

I know the picture the Minister has of these lovely farms, but it is going to cost a

great deal to bring these farms to the condition he has in mind and he would be well advised not to impose cultivation conditions. I know this green-brigalow scrub country very well, because I am interested in it, and I say to the Minister in all sincerity, "Don't be too stringent with your cultivation conditions." If it was open downs country or dry-brigalow scrub country it might be a different matter; it might be a different matter if it was country similar to Peak Downs. In this green-brigalow scrub country, do not try to enforce the cultivation conditions, because I am sure the selector would not be able to carry them out.

Mr. EWAN (Roma) (4.19 p.m.): I support the remarks of the hon. member for Aubigny. The Minister must know that every competent commission of inquiry into land matters in this State has recommended against the compulsory cultivation clause. We have seen the Payne Report of 1927 and the Mt. Abundance Settlement Report. The Mt. Abundance settlement was opened in the first place with cultivation conditions—

Mr. Walsh: At the request of the local people.

Mr. EWAN: That is all right. The Treasurer needs to remember what local people gave evidence.

Mr. Walsh: Chambers of commerce and other organisations.

Mr. EWAN: Exactly. Members of chambers of commerce and lots of business people who gave evidence before the commission should not have given evidence, because they were not practical land men. The evidence taken by these commissions should be from the men actively engaged in the industry into which they are inquiring and not from someone who knows nothing about land matters. The Treasurer indicates that he knows nothing about land matters. That is the whole trouble. In 1930 Mr. Payne was sent out to inquire into the Mt. Abundance settlement and 53 of the 69 landholders gave evidence. He recommended that the compulsory-cultivation clauses should be abolished.

Mr. Foley: Evidence was offered by so-called practical men originally.

Mr. EWAN: I am not going to reply to that interjection. I have already effectively dealt with the Treasurer in respect of a similar interjection. However, in 1930 Mr. Payne went out and took evidence from 53 of the 69 landholders on Mt. Abundance and he recommended the abolition of the cultivation clause, in spite of the fact that Mt. Abundance is eminently suitable for agriculture. The then Minister had said that these settlers should grow so much wheat the first year, so much the second, and so much the third and so on, but as the hon. member for Aubigny pointed out, farming machinery is very costly and in their early years on Mt. Abundance these people could not buy it. Mt. Abundance has proved itself

to be good farming land. Although Mr. Payne recommended that the cultivation clauses should be repealed in 1930 Mt. Abundance today is producing beautiful wheat and without any directions from this Government. There are magnificent crops today, with some growers getting 13 bags of wheat to the acre.

Mr. Walsh: Then what is wrong with the cultivation clause?

Mr. EWAN: It is because the Government lifted them that the men were able to grow the wheat.

Mr. Walsh: We did not lift them.

Mr. EWAN: The Moore Government did. Do you think that it is necessary to introduce compulsory legislation to direct people to produce otherwise they will not attempt to cultivate the land? That is utter nonsense. Is it by the direction of this or any other Government that the people of Dalby are farming and producing grain today? I say to the Minister that if he provides suitable areas in districts with a suitable rainfall and allots them to practical men they will tell him in a few years what the land is best suited for. If they can make something out of the land, if they can get some reward for their efforts, they will engage in the form of production for which the land is most suitable. That is what the people on Mt. Abundance did. It is what the people of Dalby did and what the people along the line to Dulacca will do. They do not require any direction in this respect from the Minister or Government. If a man is dairying and he knows that by growing some wheat he can increase his income he will do it. However, if he finds that by growing wheat he can increase his income by only £500 a year whereas by running sheep and growing wool alone he will make £2,000 a year more, then I tell you that as a free citizen it is his unalienable right to engage in whatever occupation he desires, in accordance with its reward and in accordance with his own ideas.

Mr. Devries: But we want more food.

Mr. EWAN: And the hon. gentleman will get more food if he will encourage people to produce, he will not get it by introducing legislation to give them directions as to what they should do. Let him give them good land at low rentals and with low transport charges. I put it to the Secretary for Public Instruction: in his cultural position can he imagine the compelling of anyone to do something in the way of growing food? We are not living in Russia.

I remember when I was a small boy up in Warwick there was an identity in the town who used to be arrested by the police once a week for disorderly behaviour. The sergeant of police got so sick of having him in the lock-up that he got him to cut wood. Then he adopted the cultivation clause and put this man on to plant 150 cabbage plants. What did this poor fellow do? He cut the roots off them. You cannot make a man do something he does not want

to do. You can lead a horse to water but you cannot make him drink. The Minister should give sympathetic consideration to these new settlers and allow them to cultivate or engage in whatever production from which they can get a greater reward. It is not a bit of use the Minister's saying, "We are going to open up this land for settlement and compel you to cultivate a certain area of it each year." The Government have had many examples of such conditions and know they did not work.

As the hon. member for Aubigny said, "Who do you want on this land? Do you want only the sons of wealthy people, or people who can command a lot of finance?" Shearers, station-hands, jackeroos and sons of small farmers are the best settlers, as they will work 20 to 24 hours a day in a crisis, so long as it will get them somewhere. For example, take the opening of Noondoo. What is happening there with the rentals, shire rents and financial requirements? Those commitments will mean that every one of those lessees will need £15,000 to start off with, to fulfil the stocking conditions. Do not forget that their rentals and shire rates will be over £1,500 per annum.

Mr. Foley: They have three years to stock.

Mr. EWAN: But they have not three years in which to pay their rentals or shire rates. Let me give you an illustration. Lot 1 of the Noondoo resumption contains 10,150 acres. The successful lessee must find in rental and survey fee every year for five years £484 15s. 2d., on top of which is the shire rates, amounting to £1,047 per annum, making a total of £1,532, for which the young man is liable in the first year. That goes on for five years. Then he has to pay water rates, and interest on the money to stock with during the first three years. I put it to you, Mr. Turner, that a young man will have to find in rent, shire rates, interest and water rates, £90 a week before he gets a shilling for himself.

THE TEMPORARY CHAIRMAN (Mr. Turner): Order! I ask the hon. member to confine his remarks to the principles of this clause.

Mr. EWAN: I was merely giving an illustration of the policy of the Government.

If the Minister is sincere in his desire to settle this land and get a better type of settler, he will let these men go on the land untrammelled and work out their own destiny, and they will produce 10 times more food than under the conditions imposed under this Bill. The Australian will be led by a silken thread but he will not be driven by bayonets. That was proved in the prisoner-of-war camps. I appeal to the Minister to drop this cultivation clause in the interests of sound land settlement. If a man had a lease of 500 or 600 square miles of country beyond Quilpie and the Minister said, "I will give you a 28-year lease if you carry out the development clauses, one of which is you must put 200 acres under crop," the lessee if he did not want to cultivate would put a disc cultivator

onto a claypan and scatter seed, with no result, and then after a few years would say to the Minister, "I have tried to cultivate, but crops will not grow; will you give me exemption from that condition of the lease?"

If the Minister wishes to give his scheme a reasonable chance of success he will remove the cultivation conditions and place more trust in the great body of primary producers, whose efforts stand out like a beacon light amongst the efforts of the primary producers throughout the world. The production per man in primary industry in Australia is three times greater than it is in any other primary-producing community in the world. Let these people go on the land; give them land that is suitable for growing crops, and you will get results—but do not tell them what to do. If you try to compel them you will not succeed.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (4.31 p.m.): I thank the member for Aubigny and the member for Roma for their advice. No doubt they are very practical, but their arguments were very much exaggerated. What we are dealing with in this clause is the administrative power to insert in the conditions of the lease the cultivation of suitable fodder or other crops in order to increase the carrying capacity of the land. I can assure hon. members that that power will be sympathetically administered. We are not going to throw land open for selection and let men who have been successful in the ballot, take it up, and then do something to cripple them in their efforts to make a success of it. Hon. members know very well that would be a very foolish thing for the administration to do. What we are aiming at is to improve production. Hon. members know there are certain areas in this State with a good rainfall where the land is suitable for agriculture, and when that land is subdivided into smaller areas we must cultivate it, if we expect to improve production.

There are many ways of improving production. You can ringbark the country and thereby increase its stock-carrying capacity. It is a sorry fact that in some districts where grazing land has been resumed for agriculture and dairying only a few settlers cultivate winter crops to keep their cattle in reasonable condition.

We are aiming to improve our population in country districts. As a result of allowing each farmer to do what he likes this is the position we find ourselves in today: in the Moreton district, where there is a good deal of agriculture, as a result of years of settlement and good rainfall, we have one permanent rural worker to every 215 acres of holding. You would say that that area was well populated, but when you go into the South-western Division you have one permanent worker for every 36,800 acres of land and in the North-west you have one permanent worker for every 92,000 acres. If it is possible, in an area where the soil and rainfall are good, to encourage production by inserting a cultivation clause in leases I think that we shall be doing something to help

increase the number of our male workers. That is all we are aiming at—we are asking for the necessary powers.

Mr. Ewan: Would you agree that it must be economic to the growers of those crops?

Mr. FOLEY: Yes, I will agree to that. Nobody would think of imposing a cultivation clause in the Quilpie district, in which the rainfall is low, but where water can be conserved in great quantities and the land prepared for irrigable purposes one would insist that something along these lines should be done. Where there is a low rainfall, with no opportunity for the conservation of water in great quantities, naturally grazing is the proper occupation. In the area we have in mind we shall have dairying, grain-growing with grazing combined, and fat-lamb raising. The hon. member knows that you cannot graze and fatten cattle economically unless you have cultivated crops. For this you have to clear the land, plough and plant if the land is suitable, and in this clause we have the power to require a settler to do this. I can assure the Committee that it will be exercised sympathetically. I know what it costs a young man today to take up a block of land and get it into production. Costs are tremendous, in America they would be described as stupendous. You cannot ask a man to take up a block of land and then cripple him by imposing impossible conditions, and nothing along those lines will be done.

Much has been said about the cost of clearing. It varies in different districts. The Secretary for Public Works mentioned that one man demonstrated that with a bulldozer he can shove over what is known as whip-stick brigalow for 8s. 6d. an acre. That man was in the Minister's room this morning and gives an invitation to any member of the Opposition at any time to have a demonstration to show that it can be done. I am referring to whip-stick, 4 inches at the base and 14 to 16 ft. high. That is fairly solid timber.

Mr. Sparkes: To knock it down?

Mr. FOLEY: Yes.

Mr. Sparkes: The Minister concerned said to clear it with the plough.

Mr. FOLEY: No. What the Minister meant to convey was, pushing over the scrub. There is other work to be done. We all know that. I can assure hon. members that we are not aiming at imposing conditions impossible of fulfilment on any selector. All we are asking for is power, where rainfall and conditions are favourable, to apply a reasonable cultivation condition to increase the carrying capacity of that land and the wealth production of this State.

Mr. SPARKES (Aubigny) (4.39 p.m.): I appreciate the Minister's remarks and now I want to put my point before the Committee. I hope that as time goes by it will prove that the Minister is right and that I am wrong. To put this land under cultivation

will be much more expensive than the Minister indicated. Let the hon. gentleman board a plane and fly from Brisbane to Warwick, over the Jandowae area and then to Chinchilla and east of Chinchilla, over what was once dense brigalow scrub infested with prickly-pear. As all hon. members know, the prickly-pear was cleared by the work of the cactoblastis. No conditions had to be imposed on the farmers in that country and today, right through the Jandowae and Bell districts and on to Crow's Nest, one sees a chessboard of little farms. Any farmer or dairyman who does not cultivate should be out of that area. That was brought about without any enforcement. That is why I believe that if we leave it to the intelligence of the man who takes up the land the job will be done.

Mr. HEADING (Marodian) (4.40 p.m.): I must admit that I admire the enthusiasm of the Minister. I can see that he really believes that we are going to have dairying, grain-growing, grazing and fat-lamb raising all over an area that is now under brigalow scrub. I hope that his ambition is realised, but I remind him that compulsion has never got us anywhere. He should know that with some people we can insist that certain things shall be done but eventually we have to give up. We have an example of that in our own workers. We know that if they decide that something will not be done it is not done.

I heard the Minister say when introducing the Bill that the lessee would be able to fence the land, clear part of it, and then go to the Agricultural Bank and get some money. I do not know how much he will have to do before he can satisfy the bank that he is entitled to some money.

Mr. Foley: He must establish some equity first.

Mr. HEADING: He has an equity once he has the lease. I think I heard the Minister say the other day that in some cases when a man gets a lease he gets something worth about £30,000. If that is so, there must be some equity in having the lease, but if we are going to insist on carrying out these cultivation conditions, it will mean that only those men who have a good deal of money will be able to take up the land.

I disagree most heartily with the Minister when he says that many dairymen do not grow crops for feed today. I do wish that when he has a little spare time he will come up the Burnett, where I am sure the hon. member for Barambah will be pleased to accompany me as I show the Minister round. He will see for himself that the farmers are cultivating whatever they can. I have heard the Minister say repeatedly that many of them do not grow crops. I remind him that they milk their cows and grow peanuts, grain, potatoes, onions, fodder, lucerne, and green crops for winter feed. The Minister need not weary himself by coming up in a motor-car. He can fly up and he will see thousands of acres of country ploughed now and waiting for rain so that it can be planted, and I remind him that this was not done under compulsion.

Another difficulty in connection with cultivation is the problem of erosion. We must have suitable country if we are to cultivate. We all know that today a vast area is cultivated that should not have been put under the plough because it is not level and when the rainy season comes erosion occurs.

If the Minister insists on retaining this clause he will have to administer it with a great deal of sympathy, and it is essential that he have a complete knowledge of the conditions obtaining in the area concerned.

I agree with the Secretary for Public Instruction that we want more food but the Government have to make sure when they bring a Bill in that they will get the food they want. I recommend that in the administration of this Bill the Minister take care.

Clause 20, as read, agreed to.

Clauses 21 to 27, both inclusive, as read, agreed to.

Clause 28—Amendment of s.43B; Transfer of preferential pastoral holding—

Mr. SPARKES (Aubigny) (4.46 p.m.): I move—

“On page 13, line 42, after the word ‘not’ insert the words—

‘except with the consent of the Minister.’”

Statements have been made in this Chamber today about the difficulties in the way of a man without means who gets land and this particular clause presents a hardship in regard to the transfer of land. So far as I know, the Minister desires to protect the Crown—I presume he wants to do that—and I do not think that this should be a mandatory provision. I will read the clause—

“Subject to the provisions of this Act respecting the mortgaging thereof, a pastoral holding, pastoral development lease or stud holding the lease whereof is subject to conditions requiring the lessee to effect specified improvements, or developmental works or to a cultivation condition, shall not—”

and this is where I want the words “except with the consent of the Minister” to be inserted—

“...be capable of transfer or assignment, whether by operation of law or otherwise . . .”

I do not want to exempt anybody who does not carry out his conditions. I am quite frank about that. If one enters into conditions and has not had a revolver pointed at his head, it is his job to carry them out. If you do not want to carry out conditions, do not accept them. A young fellow might get into financial trouble with his selection and there might be somebody who was better able to carry out the conditions, who would say, “I will take over this place and undertake these conditions.” It should be left to the discretion of the Minister to say whether or not that man shall do so. Suppose that I was prepared to take over a block of land under certain conditions. The Minister

would look up my record and he would say, “This chap has not carried out his conditions before”——

Mr. Walsh: He could not say that about you.

Mr. SPARKES: I know. Then, on the other hand, he might say, “This man has carried out his conditions and I think he would be in a better position to carry on the selection.” The onus is now on the Minister to give the other man a chance. I feel sure that the Minister has given these amendments consideration and I think this simple amendment will improve the Bill.

Hon. T. A. FOLEY (Belyando—Secretary for Lands and Irrigation) (4.50 p.m.): Even today no land can be transferred without the permission of the Minister and if I accepted the amendment I might as well drop the whole principle of the Bill altogether. The whole purpose of the clause is to prevent a person from transferring his new lease, involving developmental conditions, thereby capitalising on it. That is all that is involved in the clause. The conditions are not harsh, as an examination of them will confirm. Generally, they provide that a lessee shall provide water at a certain point, or that certain ringbarking shall be done.

Mr. Sparkes: If the present lessee is financially unable to carry out the conditions we should let someone else do it.

Mr. FOLEY: Such a position could arise, and the lessee could appeal to the Governor in Council for some consideration. How often have we heard the complaint, “Why did you give so-and-so a new lease? He had it only a few months and he cashed in on it.” And again, “Why did you give so-and-so an additional area? He immediately transferred it to someone else.” That is the general resentment that we get in the course of our administration, and we insist now that the lessee shall carry out his conditions. He has an opportunity of discussing all these matters with the officers of the department before he agrees to them, but once he agrees we expect him to carry them out.

Amendment (Mr. Sparkes) negatived.

Clause 28, as read, agreed to.

Clauses 29 to 31, both inclusive, as read, agreed to.

Clause 32—Amendments of s. 54; Terms of leases of grazing selections—

Mr. SPARKES (Aubigny) (4.53 p.m.): I move the following amendment—

“On page 14, lines 38 to 43, omit the words—

‘grazing farms, development grazing homesteads and development grazing farms may be any number of years not exceeding twenty-eight years; and for settlement-farm leases may be any number of years not exceeding thirty-five years.’

and insert in lieu thereof the words—

‘and grazing farms may be any number of years not exceeding twenty-eight years,

for development grazing homesteads and development grazing farms may be any number of years not exceeding forty years, and for settlement farm leases may be any number of years not exceeding thirty-five years.'"

The amendment simply means that we are going back to the old periods. The Minister may be able to give reasons I am not aware of why we should not go back. I think it was his Government who brought in the 40-year period.

Mr. Foley: It belongs to the prickly-pear days.

Mr. SPARKES: I am not sure.

Mr. Foley: No lease has been issued and none is in existence today with that term of lease.

Mr. SPARKES: That shows that little advantage is taken of the provision. It was introduced into the Act many years ago by, I think, a Labour Government. I would appreciate an explanation from the Minister.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (4.56 p.m.): In this clause we are simply doing away with the old provision that development grazing homestead and development grazing farm leases may be granted for a period of years not exceeding 40. That was inserted in the Act many years ago when prickly-pear was spreading rapidly. It was proposed to give certain long leases to lessees as an inducement to clear their land of prickly-pear and develop it. I am informed that no lease of 40 years was ever issued under that Act. Consequently it is obsolete. We are omitting that section and providing for the granting of grazing farm, development grazing homestead and development grazing farm leases for a period not exceeding 28 years. That will bring these leases into conformity with the conditions of ordinary grazing leases. The settlement farm leases is a tenure lifted from the old Closer Settlement Act. It will enable us to deal with land suitable for mixed agricultural and grazing lands and grant leases for a period not exceeding 35 years, whereas ordinarily it would be for 28 years. That is really all the clause provides for. We want that power to grant a lease for a term of 35 years in respect of a settlement farm lease, but it will apply only to areas where the rainfall and land are such that they are capable of greater development. Ordinary grazing farms, grazing homesteads and development homesteads and grazing farms are brought into line with the ordinary grazing homestead, which is the tenure of most of our lands.

Amendment (Mr. Sparkes) negatived.

Clause 32, as read, agreed to.

Clause 33—Amendments of s. 55; Notification of Land for Group Selection—as read, agreed to.

Clause 34—Amendment of s. 56; Maximum areas—

Mr. ALLPASS (Condamine) (4.59 p.m.): I move the following amendment—

“On page 17, lines 9 and 10, omit the words—

‘three thousand eight hundred and forty acres’

and insert in lieu thereof the words—

‘five thousand acres.’”

My criticism of this Bill on the second reading was directed at the closer settlement provisions and the fact that it operated on a rainfall basis of 20 inches and upwards. I hold the view that if the Government had started from the 25-inch rainfall upward there would have been justification for the closer-settlement provisions of the Bill. I said that with a rainfall from 20 inches to 24 or 25 inches the prospects of cultivation were not secure on the areas provided for in the Bill, and therefore the area should be increased. I had some support in that view.

The hon. member for Warrego took the Leader of the Opposition to task for reading part of a statement by Mr. Boland. He told us that Mr. Boland said,

“Closer settlement is inevitable in the 30-inch rainfall area. The interests of the State would best be served by creating as little disruption as possible in the wool and beef industries.”

I take it that Mr. Boland is suggesting land in low-rainfall areas. He states that in areas with up to 30 inches the wool and beef industries could carry on and it would serve the best interests of the State if they were not disturbed. I agree. If this scheme started from the 25-inch rainfall line upwards the purpose of the Bill would be better served. You would have a rainfall that did offer a reasonable chance of success in carrying the required number of sheep on the area specified. I pointed out that in the lower-rainfall area it was necessary that the landholder should have sufficient land to carry the prescribed number, 3,000 sheep. We often have a succession of moderately dry years, when it is impossible to grow any reasonable quantity of fodder, and on the smaller area, where you have to depend on fodder to maintain your carrying capacity, the position would be desperate.

The hon. member for Carnarvon spoke at length about areas of land round Goondiwindi and named certain properties on which they made a living on 2,000 acres, and he gave figures for the area under cultivation, and stated that this was an area of 26-inch rainfall. I am pointing out these things to support my view that your closer-settlement scheme is unsound when you base it on a 20-inch rainfall and upwards.

The Minister will tell me that the clause will be administered wisely and that these mistakes will be avoided and conditions will not be imposed on areas in these low-rainfall areas. How much better would it be if he said that this would start in the 25-inch rainfall area and upwards. It is not only the amount of rain, but the distribution of it, that matters.

Mr. Walsh: At Derby in Western Australia they get an average rainfall of 10 inches a year and it is the biggest beef-growing area.

Mr. ALLPASS: We are talking about Queensland. The Minister knows of the distribution of rainfall in Queensland. When you get a 20-inch rainfall it is substantially a summer rainfall. The greater the rainfall the better distribution; it is more evenly divided and that is an advantage.

I support the argument that in country with a 20-inch rainfall, basically a grazing area, the areas specified in the Bill are too small.

I repeat that it is very disturbing to find that in some of this brigalow and belah country, some of the best wool-growing country in this State, the rainfall is declining. We are being told of the great danger to the wool industry of synthetics but the real danger to that industry will be the scarcity of wool itself and if we can step up the production of merino wool and its export and sale that will be the best safeguard against synthetics. As hon. members well know, the scarcity of an article induces people to use substitutes. I am disturbed at the effect this Bill will have in reducing the merino sheep population of this State and consequently affecting very seriously the economy of the country.

I repeat that the Bill would be a much sounder Bill, in fact I would say it would be quite workable, if it started at a 25-inch rainfall and went upward. There would then be a reasonable chance of an increase in cultivation and consequently an increase in stock numbers. Sheep to the number of 3,000 and upwards cannot be carried on an area prescribed in this Bill, unless the rainfall is sufficient to make cultivation sure. Some years ago we had one year with only a 12-inch rainfall. I have seen such a year succeeded by a moderately dry year. Getting into a rainfall of from 20 to 24 inches, you are getting into a country where you can carry stock on pasture and cultivation would be an adjunct. Every selector cannot be expected to increase his sheep numbers with cultivation: it is not a substitute but an adjunct.

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (5.8 p.m.): I regret that I cannot accept the amendment. The hon. member who has just resumed his seat endeavoured to make a sound case in favour of it but we are aiming at what might be termed a midway lease between an agricultural lease and a grazing lease. That will apply only in areas in which the soil has an agricultural potential. The hon. member spoke about the area of 20-inch rainfall and upwards as being suitable for agriculture. There is nothing in the Act laying down any particular rainfall for any particular area of land. It has been stated, and I have mentioned it previously, that there is a tremendous belt of country that has a rainfall of 20 inches and upwards, much of which is not now used for anything but for grazing. In some parts of

that area, in the 20-inch rainfall belt, the spread of the land is such that you could apply agricultural methods with success. The Land Administration Board, I take it, will take into consideration what has already been demonstrated in certain agricultural and dairying districts. It will be guided by what the present lessees are doing and will subdivide the land for new settlement into blocks that will contain a portion of agricultural and a portion of grazing land. Where the land is suitable for grazing only, it will be subdivided into blocks that will carry enough sheep or cattle to make up a living area.

I repeat that we are aiming at achieving the mid-way lease, something between the agricultural farm and the grazing lease. After all, 3,840 acres is 6 square miles of country and it has been demonstrated in many places that men can engage in a certain amount of agriculture, combined with dairying, fat-lamb raising, or grazing, on smaller areas than that. That being so, it should be possible for others to do it on these larger areas.

I ask hon. members to look at what we have done throughout the State over the years. I admit that Mt. Abundance was not successful, but as against that we have the Burnett, Dawson Valley and Callide districts, in which, if anything, we have erred on the side of generosity. I remember that I made representations years ago to the Hon. P. Pease when he was Secretary for Public Lands, suggesting that he make the areas in the Callide Valley larger than he was contemplating. He agreed, and eventually subdivided into blocks of approximately 2,000 acres. As a result, we found, when looking for land for soldier settlement that the settlers in the Moura district were using only about one-quarter of their land, even though they had been there for years. At least three-quarters of the land was still under brigalow, belah and other scrub.

Mr. Sparkes: But they might not have had enough capital to expand.

Mr. FOLEY: They had full dairy herds grazing successfully with only a small part of the land being utilised, which proved conclusively that we had erred on the side of generosity there. I do not know that we made a mistake, because it is probable that as they get the finance these settlers will expand their operations.

Mr. Sparkes: You have to crawl before you can walk.

Mr. FOLEY: That is so. Recently I visited Springsure. Expecting that Peak Downs and other land controlled at present by the Queensland-British Food Corporation would be subdivided eventually and that probably the Department of Public Lands would be expected to do that work, I asked practical men who had been successful there what would be a living area. I spoke to three or four of them and one very successful man, who had retired but whose boys are carrying on the property, said that under no consideration should those lands be cut into

anything more than 5,000-acre blocks, while other graziers said no-one could make a success of it with less than 10,000 acres.

The universal opinion of the Capella district was that the lands should be cut into 5,000-acre blocks. Some suggested even 3,000-acre blocks.

Mr. Sparkes: Stick to the 5,000 acres.

Mr. FOLEY: Those are the varying views of practical men; you cannot get any group of them to agree to one thing. We are trying to err, as it were, on the right side, by giving 3,840 acres or 6 square miles of country consisting of a fair percentage of agricultural land and the balance grazing land, in order to have a selection mid-way between agriculture and grazing. I think it would be unwise to accept the amendment and spoil what we are aiming at.

Amendment (Mr. Allpass) negatived.

Clause 34, as read, agreed to.

Clauses 35 to 48, both inclusive, as read, agreed to.

Bill reported, with an amendment.

THIRD READING.

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

CITY OF BRISBANE ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Hon. E. J. WALSH (Bundaberg—Treasurer) (5.20 p.m.): I move—

“That it is desirable that a Bill be introduced to amend the City of Brisbane Acts, 1924 to 1951, in certain particulars, and for other purposes.”

This may be regarded as a purely machinery measure although its title would indicate that its scope is rather wide. The Bill deals with the Brisbane town-planning scheme, which has been under discussion for many years now. Its purpose may be summed up as one for a separate town-planning code for the city of Brisbane enacted in the City of Brisbane Act and to remove certain legal disabilities by having the council's plan opened for public criticism and objection at the earliest possible opportunity, and, in the light of such criticism and objection, finally considered and approved.

The Act that was passed in 1934 provided for the town plans of the city of Mackay and other local authorities and it was thereafter incorporated in the Local Government Act of 1936.

The first town plan for Brisbane was a resolution passed in 1935 and ultimately confirmed by the then Home Secretary, under whose jurisdiction local government came at that time. The council then had the green light as it were, to go ahead with the green belt, of which we have heard a good deal over

the years. The scheme was prepared and adopted by the council in 1944, that is, nine years later. It was laid open for public inspection and the last day for objection, in accordance with the law was June, 1944. If the council had followed the procedure as provided in the law, it would have submitted the scheme, with the objections and its representations thereon for the consideration of the Governor in Council. That was the procedure it should have followed in accordance with local government law. However, it was not done by the council and in failing to do that it virtually abandoned the scheme adopted in 1944. Since that time the council has passed many hundreds of resolutions altering the scheme. That brings me to this point, that the council having done that and not having conformed to the requirements of the law as it existed and as it exists also today, the amended scheme as we know it and as we have read it and as it has been discussed pretty widely, has no legal standing. It has never been open for public inspection or for objection.

I think it can be said that it is in the public interests that the scheme should be finalised so that the people who want to develop land may know where they stand. When we consider that the matter has been under consideration for 17½ years, that is, since March, 1935, it will be conceded that the time has arrived when the matter should be finally decided one way or the other.

The present legal position of the council may be summarised as follows:—The scheme as it now stands is not prepared in accordance with the law and therefore has no legal standing. This position can be cured under the existing law only by the Governor in Council's refusing approval of the scheme adopted in 1944 and the council's beginning de novo. This would mean further delay in the scheme, which has been in preparation since March, 1935. It will be agreed that having regard to the different circumstances, that is, the Local Government Act, the present law, will be difficult to apply in this city. It will be agreed, having regard to the development of industry and other phases of development, that it is essential that the Brisbane City Council should have in its own Act some specific plan and powers that will govern planning for the future.

The council has its own laws for the resumption of land in the city of Brisbane, but if a given resumption came under the present town-planning powers it could not use its own laws. It would have to exercise powers under the Public Works Land Resumption Acts. There is, therefore, a provision in the Bill giving the Brisbane City Council its own specific powers.

There is a provision validating procedure in the Bill in regard to the existing planning proposals. It was necessary, as the council has done on the previous occasions I have referred to, dating back in 1935, to put the matter in order again by passing a resolution setting out the present proposal. At its meeting held on 24 November last the council

resolved to lay the present planning proposals open to inspection and objection. Notwithstanding that the procedure leading up to this decision is not in conformity with the law, the procedure is validated by the Bill. I should like to emphasise that this does not mean that the plan laid open for objection is approved. I have already pointed out that there has for years been a plan, introduced by the Chandler administration, but the council apparently has got out of step by amending it by various resolutions that have not been laid open for public inspection and objection as required by the law. All the Bill does is to validate the council's action in laying open the plan for inspection, criticism and objection. In the light of this criticism and objection a decision will thereafter be made.

Under an ordinance passed in 1946 the council took power to require a minimum subdivision of 2½ acres in the case of land zoned for rural development and hon. members may recall that a case was heard before Mr. Burchill, S.M., in which he decided that the council did not have the power to insist on this minimum because the scheme had not been approved according to law. The objection of the party concerned was upheld.

Mr. Hiley: Mr. Burchill held that the whole scheme was void?

Mr. WALSH: Yes.

The whole future of the Council's proposed restrictions on development in rural areas will be considered by the Government in the light of public criticism and objection on the advertised proposals. That means that when the scheme is submitted the council will be able to forward the objections to the Governor in Council, and they will be considered. There is provision in the Bill for that.

The matter was brought to a head as a result of representations made to me by the Lord Mayor, Alderman Roberts, who brought these cases under my notice. A number of appeals are held up because we did not know where we were going. After considering the matter and discussing it with the Lord Mayor, I thought the best thing to do would be to recommend that a Bill be brought down to put the whole matter on a better basis.

The plan has to be open to public inspection for 90 days, in accordance with the council's resolution. The Governor in Council can extend that period, in which objections can be made to the council, and where Crown land is concerned notice of the proposals must be given to the Minister concerned. When objections close, the plan, with all objections and the council's representations thereon, is submitted for consideration of the Governor in Council, who considers the objections and may refer them to any person or persons for investigation and report. The Governor in Council can require the council to amend or alter the scheme, and when the council has done so it must make an ordinance embodying the plan and submit it for approval of the Governor in Council.

The provisions I have outlined are, generally speaking, the same as under the existing Local Government Act, but there is this difference: the making of the ordinance by the council embodying the plan is a definite departure from the provisions of the Local Government Act, under which, after the objections have been considered and finally decided by the council and the Governor in Council, the local authority has no need to take any further action, for example to pass a by-law covering the plan. The Brisbane City Council will be required, however, to pass an ordinance bringing into effect the plan ultimately decided upon after all the objections have been considered.

There is also power for the council to alter the scheme at any time. It can alter it in the first year or five years or more, after it has been approved. If the council thinks public interest makes it necessary to amend the plan it can do so but it will have to comply with the provisions laid down in the Bill; in other words, it must submit any amended scheme for public inspection and objection. It was one of the defects in the plan first introduced by the Chandler administration that this was not done. I understand the council will be making provision for the plan as it is now to be exhibited in many parts of the metropolitan area, so that the people, instead of having to go to the council chambers to inspect it, may see photostats of it there and put in their objections if they so desire.

I think it will be conceded that the provisions I have outlined are purely machinery. In effect, it incorporates in the City of Brisbane Act the provisions already existing in the Local Government Act and thus gives separate powers for town planning in the city of Brisbane and enables it to carry out this function the same as any other local authority.

Mr. Morris: Does this Bill make any arrangement for resumption and compensation and that sort of thing?

Mr. WALSH: There is a provision regarding resumption, but as I have already pointed out, the city of Brisbane has its own resumption laws, and the compensation will be paid in the normal way.

Mr. Morris: Is there any appeal against its decision?

Mr. WALSH: The same provisions as exist at the present time in respect of resumption of land and the paying of compensation, altered only to this extent, that when the scheme is finally approved of, if any person proceeds to build on any area within the approved scheme, without the permission of the council he cannot expect to be paid compensation, on the basis as it exists when it is resumed by the council.

Mr. Morris: To whom can he appeal at the present time?

Mr. WALSH: There is an appeal to the Land Court. For all land resumed within

the city of Brisbane area or any other local-authority area there is the right of appeal to the Land Court, if agreement cannot be arrived at.

Mr. Morris: They will still be able to do that?

Mr. WALSH: The same procedure that applied in the past will continue in the future, but there is the extra provision that if any property-owner builds on any land without the permission of the council, compensation will be determined not as at the date of resumption but as at the date prior to their building operations.

Mr. MORRIS (Mt. Coot-tha) (5.38 p.m.): It is very desirable that provision should be made for a well-planned and well-considered plan for the beautification and development of the city of Brisbane. Like many other cities, Brisbane has grown up higgledy-piggledy, so to speak. There has been no plan for its sound development, but now I am glad to know that we are to have a plan so that the city will develop on a reasonably definite and predetermined basis. It is unfortunate that this was not done long ago.

Mr. Walsh: There would not be any necessity for it if the council of the day had conformed with the law.

Mr. MORRIS: That is a matter on which I can argue at a later stage, but all I can say now is that I believe it should have been proceeded with years ago, because it would then have been very much cheaper to do so.

Mr. F. E. Roberts: What do you mean by saying it would have been cheaper a few years ago than now?

Mr. MORRIS: Because of the necessary resumptions, for one thing, if there are to be any resumptions to conform to a plan. However, I shall come to that point later. It is desirable that we should have a town plan for the city of Brisbane. That will be a wise and sound move, but it will have to be administered wisely and soundly, especially in the initial stages. As far as I can see, that is the problem in relation to the city of Brisbane. I do not think we have today administrators who can control, shall we say, a plan like that as wisely as the people of the city of Brisbane have a right to expect.

Mr. Graham: Would you like to have J. B. Chandler back?

Mr. MORRIS: I most certainly should. Not only should I like to see Alderman Chandler back but I know the great majority of the people of Brisbane would like it too.

The CHAIRMAN: Order! I hope the hon. member will not allow the interjection to divert him from the question before the Committee.

Mr. MORRIS: The Treasurer told us that the Brisbane City Council announced the new city plan on 24 November. In the local Press of 25 November there was an

article purporting to give some details of the new plan, and I presume that it was with some authority, because the plan had then been issued.

Mr. Walsh: But it is the same plan.

Mr. MORRIS: I propose to show that it is not the same plan because, according to the article published in the local Press on 25 November, there were some remarkable variations from the original sizes of areas. For instance, up to the present time the minimum size of an allotment in the urban areas has been 24 perches. According to the article to which I have referred, the minimum size of an urban area in the new plan is to be 21.6 perches. I think that all our cities will be completely spoilt if we cut down the size of the land on which homes are built in urban areas. All cities in which the houses are crowded close to one another are infinitely less attractive than those in which they are reasonably well spaced. If the area allocated to urban allotments is to be cut down to 21.6 perches, it is a retrograde step and I am very sorry to see it. However, in fairness, I must say that according to that article the frontages will be 19½ yards instead of 16½ yards, and although that compensates to some extent, I should like to see both a larger frontage and a greater area, so that the people will not have their homes crammed against their neighbours', as I am afraid they will be with less than 24 perches.

The greatest variation seems to me to have taken place in the rural areas. We all know that under the old plan the minimum area in the green belt is 2½ acres. That is a reasonable area for the green belt, but I read in the article that the new minimum in the green belt will be 10 acres. Whether that is correct I do not presume to say, because I have not seen the plan, but I assume the author of the article had seen it because it was published by the council the day before. On that assumption, a minimum of 10 acres rather than 2½ acres in the green belt seems to be getting away from reality altogether. Usually, people who want homes in the green belt seek a reasonable area close to the city where they work on which they will have enough land to give them a good garden and fruit trees—

Mr. Walsh: On which to run poultry.

Mr. MORRIS: Yes, to have a few poultry. If they have young children, perhaps they would like a pony for those children. Perhaps they wish to keep a house cow, and here I point out that I can remember a previous debate in which the Treasurer scouted the possibility that people whom he chose to call workers could live on 2½-acre blocks in the metropolitan area. In my own electorate, I can assure the Treasurer, there are many people who work in the town at ordinary everyday jobs who live on 2½-acre blocks and grow fruit trees, and raise poultry, and many have their own cows.

Mr. Walsh: How far out?

Mr. MORRIS: Some I have in mind are 5½ to 6 miles out from the General Post Office.

Mr. Walsh: How far out are you?

Mr. MORRIS: Eight miles. I am 2½ miles farther on than the people I am speaking of.

To get back to the point, it is reasonable to expect that many people who want these amenities can get them with a 2½-acre block and they can afford to pay for such a block on which to build a home. Quite frequently land in the rural area could be bought for the equivalent price of an allotment in the city but if the new regulations alter the size of the land in the green-belt to 10 acres I do not see how it is possible for anybody, unless he is on a fantastic salary, to buy land there, because 10 acres is a large or sizeable piece of land and I venture to suggest would cost anything from £1,500 to £2,000. There is the other side of the picture too. In the years gone by it was possible for people to get out into these areas on 10 acres. I make this comment before the Treasurer thinks he has caught me out because I am in the rural area.

Mr. Walsh: The scheme submitted is the one adopted by the Chandler administration and did you oppose it previously?

Mr. MORRIS: This was published in the paper subsequent to the submission of the scheme by the Lord Mayor and I am presuming it is the correct one.

Mr. Walsh: You will object to it?

Mr. MORRIS: I will object if the minimum area is raised to 10 acres. That is another aspect of concern to people who desire to live in the green belt. Not only are they faced with buying land at a terrifically high cost but they have rates to contend with and since the present administration has taken over they have also the problem of electric light and the reticulation of water. The reticulation of electricity and water through the green belt was proceeding very nicely over the last 12 years, but since there has been a change in administration the development of the city of Brisbane and the outer areas has come to a standstill owing to the inability of the Brisbane City Council to manage its affairs properly. As a result people going out to live in the green belt are faced with an area of 10 acres and the terrific charges for rates and with the possibility also that they will not be able to get electricity and, what is more important, they will not be able to have water reticulated to their areas.

Mr. Walsh: You cannot blame the Labour administration for the Menzies-Fadden financial restrictions.

Mr. MORRIS: The Treasurer will endeavour to draw red herrings across the trail.

This development continued under the old administration, right up to the time when the new administration came in but immediately the new administration was returned

this development was cut off completely—for a week. The Treasurer tried to tell us it had something to do with the Federal Government but he has a very vivid imagination. I am sure that the people of Brisbane know that it was the result of mismanagement by the new administration, which was unable to develop the outer fringes of the metropolitan area.

Mr. Walsh: They have not been in for six months yet.

Mr. MORRIS: The hon. gentleman is trying to get me away from the provisions of the Bill but I can tell him that they are the most tragic six months in the city of Brisbane, since the Jones administration was thrown out. I dislike having to say it but the hon. member for Nundah and his team are so inept that they are unable to develop the metropolitan area satisfactorily.

So much for the green belt. If the published statements are correct we shall see the green belt absolutely denied to people, except those in receipt of high incomes. I am sorry to know that that will happen. I now turn my attention to a consideration of the rural areas. Under the old plan the minimum allocation in the green belt was 2½ acres and under the new allocation the minimum for the rural area will be 5 acres. While I do quarrel very much with the great increase in the area in the green belt I think the increase in the rural area is a wise one. Obviously, when people go into the rural areas they intend to engage partly in rural pursuits and even if the minimum area was increased to 10 acres or even 12 acres I should regard it as reasonable. Where you have rural areas you must have rural rates and rural conditions.

Mr. F. E. Roberts: The biggest demand is for 2½ acres in the rural zone.

Mr. MORRIS: I should like to see a minimum of 2½ acres in the green belt and at least 10 acres in the rural area which is outside the green belt. As I understand the position, there is an urban area in the centre, then a green belt, and outside that the rural area.

Mr. F. E. Roberts: The purpose of the green belt is to have that area in between the residential area and an outside settled area.

Mr. MORRIS: That is exactly as I saw it.

Mr. Walsh: You will be able to get that from the plan.

Mr. MORRIS: Yes. I am interested in getting it and I have used it as the basis for my comments and objection. It is a grave error that the area in the present green belt should be increased from 2½ to 10 acres. Those points are worthy of note when considering the development of that area.

Presumably there will arise as a result of this Bill the question of resumptions. As I see it—I am open to correction—under the old plan no arrangements were made as to the

basis of compensation that would have been paid if the council took over any area in implementing its proposal for a green belt. Although the Treasurer did not mention it, one of the major reasons why the plan was not implemented in 1944 or 1945, when it was first introduced, was that the Government did not provide the basis on which compensation was to be assessed. The Minister did not tell us whether this particular provision is included in this Bill. If not, the present council will have the same difficulty in implementing this legislation as its predecessors did. I look forward to the Treasurer's reply on this point.

Mr. DEWAR (Chermside) (5.58 p.m.): Speaking generally I favour the idea of a green belt, which experience has proved is an asset to any city. A green belt has been developed in Adelaide on defined lines and is much appreciated. The city is roughly a square mile within the Green Belt. Colonel Light planned that green belt. It has existed for many years and is appreciated by all. I am pleased that a start has been made to provide a green belt in this city.

Mr. Walsh: It started in 1935.

Mr. DEWAR: I know it did and this Government and the Labor team made a lot of capital out of aspects of that legislation at the time of the city council elections. I would go into that fully if I was permitted.

Certain aspects of the green belt require a good deal of looking into. On the western side of the Chermside tramline in my electorate is an area of land whose owner has made two or three attempts to have it converted under the town plan to residential land. In the city plan as envisaged it is 1½ miles from the Chermside tram terminus on the western side and it is beautiful land from which I doubt if any area in Brisbane cannot be seen. Telephone, water and electricity are available and it is very suitable for building. On the other side of the Chermside tram terminus you have an area in the green belt, as previously drawn up by the Chandler administration, where the Housing Commission, in typical Government fashion, have built right through Sparkes's paddock. So the green belt did not mean a thing. The hon. member for Sherwood said they did the same thing in his electorate—they built in what was listed as part of the green belt. That land, which borders a more or less natural watercourse running through to Virginia has been utilised for building purposes, whereas the beautiful land on the west side is in the green belt and the owner is prevented from subdividing it. I had a discussion with the Lord Mayor and he is having a look at the matter. I feel sure that with his sense of justice, he will do something in respect of it.

Roughly about a third of the distance from the Chermside tram terminus there are 10 acres set aside by the Department of Public Instruction for the future development of the Chermside school. There are residential areas on the east and the south side and the north side is limited by the green belt and the Garden Settlement for Aged People and on the

west side there is a T.B. sanatorium and the green belt. So in fact there would be a 10-acre block of land for the future development of a school to accommodate 700 to 800 children and it will have residential areas on one side only. I do not think there is much reason for such a set-up where modern schooling facilities are made available.

One thing that occasions me a great deal of concern is the fact that over the last few months we have seen newspaper reports about the use of the Botanical Gardens for parking purposes. The United Council of Progress Associations and the Save the Trees Campaign are very upset at the suggestion. The city is growing very rapidly. It is suffering very badly from growing pains, and car-parking and traffic are very big problems. We realise perfectly well that something must be done to alleviate the parking position and traffic difficulties but I voice my protest as loudly as I am able against a proposal by any committee set up to consider that problem that the Brisbane Botanical Gardens should be used for the parking of cars. The Nurserymen's, Seedman's and Florists' Association has also been vociferous and I quote from its August publication, the Queensland Garden Guide, from an article headed "Hands Off the Botanical Gardens" written by Fred Haml—

"According to the daily newspapers, it is proposed to take over part of the Gardens as a parking area. It is suggested to take in a strip a chain wide of the river front from Edward Street entrance, finishing up at Short Street at the top of Alice Street.

"It is quite easy to imagine what a scheme like this is going to mean. The whole of the river will be obscured by a mass of parked cars. If this is done the whole setting goes by the board.

"If the Government or City Council carry out this or any other scheme for taking over any other part of the Gardens as a parking area, they will be taking away a heritage which belongs to the people of Queensland, and in my humble estimation such action should stand condemned for all time."

I remember that before the war, when the Jones administration was in power in the Brisbane City Council, something along those lines was effected in respect of the river frontage in Newstead Park which was turned into wharf space and I remember the hue and cry that went out in regard to the desecration of park lands set aside for the use of the people. I say quite definitely that Sir John Chandler, if for no other reason than his desire to extend our parks, will go down in history as a man with vision. He saw the development of this city and the need for parks at all times, whether money was scarce or not. When money was scarce he did not scream to the high heavens but went out and got some. He did not cry stinking fish and create a situation, such as we have in Queensland today, in the case of the Brisbane and Mackay City Councils, both Labour Councils, which have gone after

money and not got it, whereas the Townsville City Council, an anti-Labour council, asked for money and got it. That shows that the confidence of the people is shaken by Labour administration such as we have in Brisbane.

I repeat that Sir John Chandler will go down in the history of this city as a man with vision.

He saw the necessity for the creation of park lands and the future of this city in this respect is assured, unless of course the present administration sells more park lands for other purposes.

Mr. Walsh: The biggest confidence trick of all time.

Mr. DEWAR: I doubt whether such a confidence trick will ever be played on the people of this city as the one played last May when the present Labour city administration was elected on the catch-ery, "Vote Labour and Reduce the Rates."

The CHAIRMAN: Order!

Mr. F. E. ROBERTS (Nundah) (7.24 p.m.): I take this opportunity of commending the Government, and in particular the Treasurer, for their co-operation with the Brisbane City Council since the Labour Party has been charged with the responsibility of administering this great instrumentality. Not only in this matter but in other matters, on which I do not propose to touch tonight but for which I wish to take this opportunity of thanking the Treasurer, thanks are due to both the Treasurer and the Department of Local Government for their inestimable assistance to us.

Soon after assuming office we realised that something definite would have to be done in relation to a town plan for the city of Brisbane. Thanks to the co-operation of the Treasurer, the Director of Local Government, Mr. Sewell, gave this matter consideration and we appreciate very much the fact that during this session time has been found to bring down this enabling Bill, especially when we realise that Mr. Sewell, in addition to being Director of Local Government, was required to administer the Thursday Island Town Council for a considerable time because that council found itself on the rocks and was dissolved. Despite the handicap of being charged with the responsibility of administering that local authority, Mr. Sewell was able to give this matter his attention.

In view of the political plane to which hon. members opposite have been a little inclined to relegate this debate, I should like to say that during the municipal election, and afterwards, when the result of the election was known, I realised and still appreciate the fact that much of municipal Labour's success was due to three factors. The first was the popularity in the metropolitan area of the Queensland State Labour Government. The second was a negative one. It was the unpopularity of the Liberal-Country Party Federal Government.

Mr. Sparkes: What clause does this relate to?

Mr. F. E. ROBERTS: I do not think there is anything political about this. The chief municipal factor was the vacillation shown by the C.M.O. administration in matters that came within this vexed question of the green belt and the uncertainty of not only the administration itself but of thousands of Brisbane citizens who were desirous of ascertaining where they stood in relation to their land. Without exaggeration of any kind, I make bold to say that the C.M.O. administration lost thousands of votes because of the inefficiency and ineptitude of the council's building and planning department, which dealt with this question of subdivisions and zonings generally.

Mr. Wordsworth: They lost thousands of votes and you sacked a thousand men.

Mr. F. E. ROBERTS: Does the hon. member think I am happy about being the instrument by which 1,000 or more men were sacked? He has a very queer slant on any public man who accepts his responsibility seriously.

The Brisbane City Council's planning and building department did not know where it stood. It had no definite policy, and that led to uncertainty on the part of many Brisbane citizens. I think all hon. members will agree that any citizen in a city such as Brisbane is entitled to know exactly where he stands so far as his land is concerned. Not one but many instances have come to my notice during the last five months in which a man such as the one referred to by the hon. member for Chermiside would make application for permission to subdivide his land for residential purposes and the application would be refused on the ground that it was within the green belt or the rural area, and that man would naturally be very unhappy about it. By way of digression might I say that I find that most people agree with the green belt in principle, unless they happen to own land in the green belt and are desirous of subdividing.

Members of the community such as the man referred to by the hon. member for Chermiside would make application to subdivide and the application would be rejected, but they would wait six months or so and make further application and without any change in the circumstances and without any apparent reason—and there are files in the Brisbane City Council offices that can be seen if any record is required to substantiate my remarks—the council would decide that the land should be taken out of the green belt and permission given to subdivide. For this reason nobody knew where he stood, and it is imperative that action be taken to formulate a valid, binding, and certain plan for the city of Brisbane.

The Treasurer has mentioned that others who have become dissatisfied with decisions of the council during the last few years with regard to subdivisions particularly, have appealed against the council's decisions.

One or two appeals have been heard by magistrates and other tribunals, which have decided that there was no legal town plan for Brisbane, and these people have gone ahead with their subdivisions. Many people unfortunately have not had the opportunity of having their appeals heard and hon. members will agree that any citizen who lodges an appeal is entitled to a judicial determination as quickly as possible. It is our desire to formulate a definite and certain plan for Brisbane.

The hon. member for Mt. Coot-tha referred to what he called the inept and inefficient administration that at the present time is in charge of the municipal affairs of Brisbane. It is not for me to say in denial that the present administration is a very efficient one and far from being inept. It will be for the public of Brisbane to decide in two years seven months' time and I say, although before the tea adjournment the hon. member denied it, that were municipal elections to be held immediately I should have no doubt as to the result. The Labour administration would be returned with a much greater majority than it had on 30 May last, and I do not say that out of vanity. I have realised that any man in public life is inclined to get his head in the clouds and forget that the ordinary man in the street has a vote—there have been instances of that—but I realise what the typical person in the street is thinking and what he thinks of the present administration, and it is for that reason that I make bold to say that we should have no fear at all of going to the people of Brisbane at the present time. For that reason I accept the remarks of the hon. member for Mt. Coot-tha concerning the inefficiency and inept administration in the spirit in which they were given—on the party-political level.

With regard to the proposed zones and the proposed ordinances, the hon. member referred to a newspaper article published last Wednesday after the Brisbane City Council's adoption of the resolution referred to by the Treasurer. I want to make it quite clear that the Brisbane City Council is not in any way adamant about the plan or the ordinances. We have adopted the draft plan and the draft ordinances, which have been prepared over many years but about which the previous administration did nothing more, as a basis upon which to work. I think all hon. members will agree that in the circumstances confronting us it is desirable that we have a basis upon which to work, and we have adopted the draft plan and the draft ordinances in order to afford the public of Brisbane, not only as individuals but through their various organisations, such as progress associations, chambers of commerce and so on, an opportunity of coming in and having a look at the draft plan and studying the draft ordinances, in relation particularly to their own localities. Having done that they can lodge objections. We do not want to be inundated with objections, but we should appreciate being inundated with constructive suggestions as to how the proposed plan and

the proposed ordinances might be planned and drafted in the best interests of Brisbane as a whole.

Mr. Morris: Have you not altered the basic sizes?

Mr. F. E. ROBERTS: No. What we have adopted is what the Chandler administration would have put up to the Government had it proceeded with the proposal to bring down a town plan for Brisbane. We have not altered it at all. I can tell hon. members opposite now that it will not be the fault of the present administration if the plans as they may now be inspected at our planning and building department are adopted in toto, nor will it be our fault if the draft ordinances are accepted in toto. I know that in many respects my colleagues in the council are not happy about the exact zones or the exact provisions of the ordinances, but, I repeat, we have accepted those that have been prepared as a basis, not only for the present administration to work on but also as a basis for the public of Brisbane and the Government to work on. When those constructive suggestions, together with certain objections, are received at the end of the period of 90 days, the council will take them all into consideration. We will make our decisions to the best of our ability. If we are inefficient and inept in all probability we will make a mess of it, but at least we have the courage of our convictions and I believe that we are bound to do something about this matter.

That will not be the end of the matter. Even the Brisbane City Council will not have the final say as to what will be the town plan for Brisbane and the ordinances in relation to it. They will be subject to review by the Governor in Council. Once we have made our decision we shall have to send our draft plan and our draft ordinances, the suggestions and objections we have received and our decisions on those suggestions and objections, to the Governor in Council, and there the matter will be brought to finality.

I realise what a big step we are taking in this matter, and I think hon. members will appreciate just what a gigantic task it is to iron out all the difficulties that arise. There will be some anomalies. No-one could take such an important step in the municipal affairs of the city for the first time in a hundred years without making some mistakes and if minor ones are made, I feel that the public of Brisbane will be big enough to overlook them in the interests of the major step that we are taking.

I realise that in such a step as this it would be impossible for any human being or organisation of human beings to satisfy everybody. There would be some who would be dissatisfied with 2½ acres in the green belt and some who would be dissatisfied with even 10 acres in the green belt. Some people in the rural area will be dissatisfied. I announced in the council the other day that we had adopted, for the purposes of discussion and as a means of the clarification of the whole position, the broad frontage for homes in the metropolitan area. No-one

appreciates more than I do the handicap that the wide frontages of homes has been and will continue to be.

Mr. Hiley: You are going to shorten the depth?

Mr. F. E. ROBERTS: Yes; but the difficulty in the wide frontages is in reticulating sewerage, water, and electricity. The long distances involved in the adoption of the wide frontages means that the number of houses served in this way are so many fewer than it would be if the homes had narrower frontages. I appreciate the economic position involved in the wide frontages. However, we are open-minded on the question and think that it is in the interests of Brisbane of today and the future, in view of our climatic conditions, to preserve the wide frontages that have developed over the years, which I believe the majority of the people prefer.

Mr. Hiley: Have you arranged for each metropolitan member to get a photostatic copy of the map?

Mr. F. E. ROBERTS: The maps are in book form, at least 3 ft. square, and the pages are sufficient to make up a book about three inches thick. We propose to prepare a small brochure or booklet explaining the principles and in addition to have a major plan, as it were, available at the City Hall. We will get as many photostatic copies as possible for the convenience of the different localities. For instance, we do not want the people to be running up from Wynnum to the City Hall to look at a town plan that affects their area.

Mr. Hiley: Could you have the brochure and the copy of the plan in the Parliamentary Library?

Mr. F. E. ROBERTS: We will co-operate with every metropolitan member to the utmost extent. It is a matter that concerns the metropolitan area more than anywhere else, but we shall also consider the convenience of country members if they so desire.

The hon. member for Aubigny touched on the subject of the green belt, which of course is the vexed question of the town plan of Brisbane. The purpose of the town plan is to provide zones, which will include not only the green belt and the rural area, but also industrial areas, areas for heavy industry, residential areas, shopping areas, and semi-shopping and residential areas, as I might call them. The whole thing is a gigantic undertaking. There are many industries in the residential areas at the present time that are not entitled to be there. However, here again we are open-minded. All these things we have prepared for the consideration of the council, the Government, and the public. We are not wedded to the system of breathing areas that has been adopted by the Brisbane City Council up to date. As I explained, there are other systems of providing the city with breathing spaces. One town-planner advocates the

wedge system. Such green areas would be in a wedge shape more or less piercing the closely populated residential areas to give them that breathing space. We are prepared to take all those suggestions into consideration and hope that out of the brew that has now been mixed we shall be able to do something in the interests of the citizens of Brisbane generally.

In conclusion let me say in reply to the hon. member for Chermiside, who put in a plea on behalf of the Council of Progress Associations, or some such worthy organisation, concerning the possible use of the Botanical Gardens, or part of them, for parking purposes, that I have not heard anybody else put this proposal forward, but speaking personally, I shall be just as much opposed to it, and I am sure the council will be, as the hon. member for Chermiside.

Honourable Members: Hear, hear!

Mr. F. E. ROBERTS: It is all very well for me to talk and I do not suppose any of us are so perfect that we can criticise others, but we are prone to refer to certain suggestions at times as hare-brained schemes. Only the other week my attention was drawn to some gigantic plan for a huge multi-storey parking station in Fortitude Valley. We get to the point of converting reality into imagination very quickly. A scheme might sound well in theory, and in theory the use of the Botanical Gardens as a parking area might appear all right, but the attitude of the public must be considered, and what is best in the interests of the public. For those reasons I oppose any interference with the Botanical Gardens.

Let me again say that there is no necessity for anyone to be dogmatic about this proposed plan, or proposed ordinances that have been brought down as a basis upon which to work. The present Brisbane City Council is not dogmatic about it, but we hope by discussion and consideration to be able to evolve a plan for Brisbane that will be really worth while, and in addition, provide the city of Brisbane with ordinances relating to a town plan that will enable people to know with absolute certainty exactly where they stand should they be desirous of subdividing their land or using it for any purpose whatsoever.

Mr. TURNER (Kelvin Grove) (7.49 p.m.): There will be hundreds of people who will welcome this Bill, if only to enlighten themselves on what the green belt means. I am sure that there is not one person in this Committee who can tell us what kind of a green belt is suitable for Brisbane. It reminds me of the smart boy in the class who was asked by his teacher whether he knew what the equator was. The smart boy put up his hand and snapped his fingers. The teacher said, "Well Johnny, what is it?" The boy replied, "It is a line running round the earth, and you can't see it, but what you think it is it ain't." (Laughter.) No-one knows just what the

green belt really is. It has caused considerable hardship to many people. I instance the case of an old man who lived at the back of Ashgrove for most of his life. When his boys got married they left home and went on the land in other places. The old man was too old to look after the dairy and deliver the milk. He owns an area of 80 acres and there are 12 very fine allotments on the frontage. He wished to sell these allotments but the green-belt provision prevented him from doing so.

Mr. Morris: He could have sold the lot.

Mr. TURNER: No-one would buy the whole 80 acres; they would buy the allotments in the hope of making money out of them. The old man wanted the money but he was prevented from selling these allotments.

Mr. Kerr interjected.

Mr. TURNER: The fact that he owned the 80 acres precluded him from getting the age pension. It shows how little the hon. member for Sherwood knows. The value of the 80 acres was such that it made him ineligible for the pension.

About 30 years ago the Labour aldermen in control of the old Ithaca Town Council laid down a plan for the beautification of Ithaca and they made it a condition that anyone cutting up large properties had to deposit with the council a certain amount of money to provide for water channelling and roadways. That council also eliminated 16-perch areas, which were permitted for so many years, and it was made a condition that when new property was cut up in Ithaca the area should not be less than 24 perches each. That is why Ashgrove is one of the best suburbs in Brisbane. The properties are cut into not less than 24-perch areas, many of which have an 80-ft. frontage, which is a great advantage, particularly in lessening fire risks. Houses built on 16-perch allotments have only about a foot of space between the overhang of the two roofs, thus increasing fire risks. They are so close that you can even hear people thinking next door. When houses are built in the middle of 24-perch blocks with an 80-ft. frontage they are 30 or 40 ft. apart and fire risks are minimised.

It is essential that in any district a couple of acres should be set aside as a children's playground. I do not know of any suburb where the children can play with safety and at the same time be under the eye of the parents. When children come home after school, owing to the lack of playground areas they have to play in the streets or in the back yards. These playground areas should be provided in addition to the ordinary parks. Speaking of parks, I believe that they should provide for all games. A park should be large enough for more than one sport to be played at a time. I believe that they should be let to a sporting body only for the period of the season. I do not think parks should be let to a particular

sporting organisation that can then sublet to some other sporting club. For instance, if a sports area in the park is let to the Queensland Cricket Association, when the football season is on in the winter and the local boys want to play football they have to ask that Association to sublet the ground. All park areas should be large enough to accommodate all types of sport, as the one at Ballymore does. There are three football grounds there and I am negotiating now to start a bowling club there. I have called a meeting tomorrow night to try to form one. The Brisbane City Council have given me the option over three portions of that park, any one of which could be used for a bowling club. If we require only one—and we shall need only one—the other two areas are available for other sports such as basket ball or tennis. Ballymore Park is one of the few parks in the Brisbane area that has a sufficient area for different types of sporting games to be played at the one time.

The hon. member for Cook made a mean and contemptible remark that the hon. member for Nundah had got a majority of votes for the Brisbane City Council but sacked 1,000 men. I can assure the hon. member for Cook that not one man sacked by the Brisbane City Council felt his sacking more keenly than did the hon. member for Nundah, who has come up through life the hard way and knows how these things hurt. He knows what it is to get sacked when one has nothing to eat. He knows how difficult it is to get a few shillings to keep body and soul together. He knows how these things would affect anybody else and I repeat that no man sacked from the Brisbane City Council felt the sacking more keenly than did the hon. member for Nundah. If Sir John Chandler had been Lord Mayor of the city of Brisbane and not Alderman F. E. Roberts, he would have sacked not 1,000 but 3,000 and they would have been all working men. He would not have sacked a proportion of the heads according to the number of workmen, as the present Lord Mayor has done. We should be very proud of him for this. He put off the heads of the departments in proportion to the number of workers put off and consequently he will succeed as Lord Mayor of this city because he has a balanced budget. As money becomes available, he will be able to re-employ the specialists and the working men who have been sacked.

There has been much agitation in Greater Brisbane for the erection of flats to provide accommodation for childless couples. I disagree with the proposal that such flats should be built in the city area. Childless couples should be pushed out to the outer suburbs. Having no family to keep, naturally their expenses are considerably less than those of a married man with a wife and family and if an advantage is to be had in the saving of tram fares it should go to a man with a family. Today tram fares are an important factor in the family budget and the childless couples sent to live in the

outer suburbs would have no cause of complaint. They would have the same type of accommodation, the same type of flat in the outer suburbs as they had in the city area.

Mr. Pizzev interjected.

Mr. TURNER: I should object strongly to having families put in flats. The family man should have a home and a sufficient area of ground to permit his children to live in comfort.

The hon. member for Mt. Coot-tha referred to rural areas of 10 acres in the Greater Brisbane district, within 5 miles of the G.P.O. I do not know what area he means. I do not know of any part of Greater Brisbane within 5 miles of the G.P.O. that would be suitable for a rural area. I am afraid that if he wants a rural area he will have to go out to the district mentioned by the hon. member for Chermiside, out towards Petrie. Moreover, then, what are we to do with such land? In my opinion it would only be wasting it. If we put too many people on small-crop farms they will crash because there will be continual gluts of small crops on the markets and all these men will go broke.

Mr. Low: What percentage of rural area is there in Greater Brisbane?

Mr. TURNER: I could not say, but I should say that what there is of it would be useless land. Most of it is so barren that it will not grow grass, let alone vegetables.

Let me remind hon. members of the plan envisaged by the Jones municipal administration for Anzac Square. The plan was to widen Isles Lane and make a beautiful approach to the new G.P.O. that we were to have. That would have been a worth-while beautification scheme.

Another thing I should like to see is a musical shell. Under that wall in Ann Street between the Shrine of Remembrance and the State Government Insurance Building would be an ideal spot for the erection of a small musical shell where people who sit in Anzac Square to have their lunch could be entertained as they are in other parts of the world. People who are musically inclined could sing or play instruments. With the necessary authority from the Brisbane City Council I am sure a good deal of pleasure could be given to the people of Brisbane, to those who work in offices in particular.

Another improvement would be the setting aside of some area in the city for a bowling green on which men working in offices and other jobs in the city could play during the lunch hour, as is done in Sydney. When I was in Sydney some time ago I was amazed at the number of people who derived enjoyment from watching men playing on the bowling green adjoining Hyde Park in the lunch hour. Something similar to that would be of tremendous benefit in this city.

The hon. member for Chermiside spoke of using part of the Botanical Gardens for the parking of cars. I should strongly oppose that, as would any other hon. member. When the City Parking Committee was seeking

information, I submitted a plan that suggested taking over part of Victoria Park along Gregory Terrace, from the Girl's Grammar School to a point opposite the Christian Brothers' College. I believe that from 10,000 to 12,000 cars could be parked there. With this parking area was to be associated a bus service. My suggestion was that a grader should be used to cut roads into the area so that cars could be parked uniformly under the many shade trees there. The charge I suggested was 8s. a car a week, that 8s. to entitle the driver of the car to free bus transport to and from the city.

The passengers in the cars would have to pay for the bus service to the main parts of the town. We could do that instead of having the present blot on Brisbane in that we have cars parked from North Quay out past the Helidon Spa Water Company's premises, round Wickham Terrace and Spring Hill. In every street and on every piece of ground one can see cars parked, taking up room that the tradespeople particularly could use for the distribution of their goods. If all these parked vehicles were put into Victoria Park the Council would benefit in revenue and other traffic wishing to use the streets of Brisbane would have no difficulty in delivering goods. When I submitted my plan to the committee, Sir John Chandler tried to get in by suggesting that a little of Albert Park be made available for parking space. This is an area where people living near Wickham Terrace and Spring Hill proper spend a good deal of their time. It is a very valuable area and not at all suitable for car parking, on account of the slope of the ground. Albert Park would make an ideal theatre and I understand that Allan and Stark Ltd. some years ago wanted to build a musical shell in this park but the Citizens' Municipal Organisation refused to allow the company to do so. It would have been an ideal place for a musical shell because it could have been built in the form of an amphitheatre with good seats where people could spend their leisure hours on Sunday afternoons and evenings. It would be serving a better use in that direction than as a parking space.

There is much ground to be had in Victoria Park itself because the parking space could extend over the railway line at the bottom of the Girls' Grammar School and go right up to the Teachers' Training College. There is enough room in that park to accommodate all the cars parked in the streets at the present time. It is not much use talking about beautifying Brisbane if we are going to have its beauty hidden by cars parked bumper-bar to bumper-bar in the streets. Beautification in the suburbs would be easier than in the city because no costly resumptions would be involved. I am satisfied that the Citizens' Municipal Organisation did not push forward the green-belt plan because it knew there was no money to do so and it was not game to disclose the exact position to the people. Not having the money it had to bluff them. The people changed the administration and the present Lord Mayor has told the people the exact position.

I support the Bill as I know it will give people of Greater Brisbane much satisfaction to know at least what the green belt stands for.

Mr. NICHOLSON (Murrumba) (8.9 p.m.): I desire to make a few comments on this Bill as I believe this is an attempt to clean up some of the disjointedness that exists between the Brisbane City Council and the Government.

Mr. Walsh: It has nothing to do with the Government.

Mr. NICHOLSON: It deals with co-ordination between the various services.

Mr. Walsh: No.

Mr. NICHOLSON: I hope it does.

Mr. Walsh: It deals with the mess that the Chandler administration made of it. Do not bring the Government into it.

Mr. NICHOLSON: I hope it will clean up some of the mess resulting from the lack of co-ordination between the various departments, for example the State Housing Commission, the Department of Health and Home Affairs and the Department of Public Works.

It has been said that the matter has been brought to the present stage as a result of the Lord Mayor's approach to it, but I believe that an attempt was made some time ago by the Chandler administration to have this plan implemented. Unfortunately, however, owing to lack of co-operation between the Government and the Chandler administration, for various reasons the plan was never brought into execution.

I for one, living outside the metropolitan area but having the border of my electorate on the boundary of the Greater Brisbane area, welcome this Bill just as much as any city dweller, particularly if it will bring about co-operation between the various authorities. It has been very evident in the past that various Government departments have ridden roughshod over Brisbane City Council departments, and I name specifically the State Housing Commission as one of the biggest offenders in that regard. Usually when one makes charges of that kind one must have some proof, and proof of what I say can be found in the very grave situation that now exists as the result of the pollution of the waters of Kedron Brook by drainage from the Everton Park housing scheme. We have heard talk of green belts, of co-operation, and of what a great thing this will be. However, how the green belt will alter the Greater Brisbane area is not the only thing to be taken into consideration. We must consider also the preservation of the health of the people living both in the green belt and outside the Greater Brisbane area. It has been brought to my notice by people living adjacent to Kedron Brook that untreated sullage from the Everton Park housing scheme is running directly into Kedron Brook. It is not only polluting the water to such an extent that the people cannot use it for domestic purposes,

such as washing and drinking, but it is so bad that even the stock will not drink it. There are farmers all along that creek who in the past have relied on that water not only for domestic use but for watering of stock, and quite a number of them rely on it for irrigation.

Mr. Jesson: What has that to do with this Bill?

Mr. NICHOLSON: It has a lot to do with the Bill. If the hon. member had been here when the Bill was introduced he might have had some understanding of it. However, I should not expect anyone of his calibre to understand what this is about.

Samples of the water have been sent to the Government Health Department for analysis. The water is so badly polluted that people with septic systems in the area have been advised to use tank water, otherwise the heavy pollution of water from the Kedron brook will nullify the effectiveness of their septic systems. The Brisbane City Council has also been approached in the matter but the only remedy it can offer is to supply water to some of the farms.

The CHAIRMAN: Order!

Mr. NICHOLSON: I can tie up my remarks with the Bill.

The CHAIRMAN: The hon. member is out of order.

Mr. NICHOLSON: In dealing with the homes constructed by the Housing Commission?

The CHAIRMAN: Order!

Mr. NICHOLSON: It has a great deal to do with the Greater Brisbane area, with the establishment of the green belt and the maintenance of better living conditions for the people. If that is not some of its purposes, it is not worth the consideration of Parliament. The whole thing revolves round the beautification of the metropolitan area and the co-operation of the people in this direction.

Mr. Nicklin: It could spoil the beauty of the city and be detrimental to the people living in the area unless it is properly administered.

Mr. NICHOLSON: And not only that but it is high time that someone introduced such a plan. I have endeavoured by letter to get some satisfaction from the Housing Commission but unfortunately I have had no reply.

Mr. Walsh: This Bill will help you to overcome the trouble.

Mr. NICHOLSON: I hope it will.

Mr. Walsh: Your remarks have been wrongly directed.

Mr. NICHOLSON: I hope something can be done because the state of affairs at the moment is serious. It affects the health of the people of the city and the people

beyond the confines of the city as well. The Lord Mayor himself has appealed to the people concerning the fly menace.

The CHAIRMAN: Order!

Mr. NICHOLSON: It has been proved that the water is polluted to such an extent that it can be detrimental to the health of the people.

The CHAIRMAN: Order!

Mr. NICHOLSON: I sincerely hope that the Bill will bring about co-operation between the Brisbane City Council and the various Government departments. I want to see that nothing like this happens again and that the present unsatisfactory position is cleaned up.

I think the Bill has everything to commend it and it is high time something like this was done. I shall reserve any further comment until the further stages of the measure.

Hon. E. J. WALSH (Bundaberg—Treasurer) (8.18 p.m.): I had proposed to reply to the statements of hon. members opposite if they had confined their remarks to the principles of the Bill. I had done my best to confine myself to them and if I did not succeed I do not know where I made a mistake. I endeavoured to hold aloof entirely from the controversial aspects of either State politics or municipal politics. Consequently I cannot be blamed now if I take the opportunity to refute some of the misleading statements made by the hon. members for Mt. Coot-tha, Chermside and to a lesser extent the hon. member for Murrumba.

Mr. Nicholson: You cannot refute mine.

Mr. WALSH: I should say that it would not be very hard to refute the statements of the hon. member. The fact is that I explained during my introductory remarks that there was no actual legal town-planning scheme at the moment and that neither the Crown nor any individual property-owner is in any way bound by the scheme that up to date has been presented to the public incorporating the green belt and other things. The Brisbane City Council and other local authorities throughout the State have the right to lay down certain by-laws concerning buildings, subdivisions and so on.

The hon. member for Murrumba has not conveyed to this Committee anything to indicate that the Queensland Housing Commission has departed in any way from those by-laws. There is this fundamental difference, that when this Bill becomes law the Crown will then be bound by it when it is finally approved by the Governor in Council. The Crown will be bound in exactly the same way as the individual owner. That simply means that if the hon. member allows us to get on with this legislation the quicker shall we bind the Crown as well as everybody else.

I explained in my introductory remarks that the law as it is in the Local Government Act, is actually being re-enacted in this Bill

with the fundamental difference in regard to making ordinances. The Bill otherwise is a re-enactment of the town planning law as it exists today. In fact, there are very few departures from it and they are minor ones. The hon. member for Murrumba is barking up the wrong tree when he thinks the Queensland Housing Commission is bound by the green belt, which has operated over the last seven years. All that has happened is that the previous council failed to carry out the requirements of the law and having failed to do so got itself in such a mess that this Bill has had to be introduced. This Bill is the result not of any action by the Government but of the failure of the Citizens' Municipal Organisation administration to give effect to its own plans and the law.

Mr. Nicholson: Cannot the Government handle its own Housing Commission?

Mr. WALSH: The Housing Commission has not broken the by-laws of the Brisbane City Council. It has carried out many works that the council does not enforce on private landholders. The Government gave effect to such matters as drainage, which the council could not force private landholders to carry out on subdivisions.

This Bill provides for an appeal to the Minister from any decision that is made. The Minister then may appoint such person or persons as he may determine or in fact determine to hear the appeal himself.

The hon. members for Mt. Coot-tha and Chermside introduced a controversial aspect into this debate. The hon. member for Chermside criticised what he termed the present council administration, completely ignoring the fact that it has been in office for only six months, during which time it has been engaged in clearing up the mess created by the Citizens' Municipal Organisation from 1940 to 1952. The Labour aldermen on assuming office found within a fortnight that there was really no money to pay the 9,000 employees of the council. The present council cannot be blamed for that position, for it has taken over the mess left for it by its predecessors and must proceed to tidy it up.

Mr. Nicklin: Why do not the Government honour their pledges to the council?

Mr. WALSH: If the Leader of the Opposition can show where they have not, I should like to hear from him.

Mr. Nicklin: They said if they returned Labour, there would have been plenty of money.

Mr. WALSH: We have found that the stranglehold of the Menzies-Fadden Government has been put on all the financial institutions, and we have also seen that investors have been chary of investing their money because of lack of confidence created by that Government. Those are factors that have hindered the present Brisbane City Council in obtaining loan funds. The Brisbane City Council, however, is in a better position than many of the southern semi-governmental bodies, like the Melbourne City Council and the Melbourne Harbour Trust,

which were generally looked upon as first-class investments but whose loans have not been fully subscribed or have been half-subscribed. As time goes on I have not the slightest doubt that this council will have a record equal to if not better than the record of the Jones administration that was in office during the years 1934 to 1940. (Opposition interjections.)

Mr. Hiley: They had to put the receiver in.

Mr. WALSH: There again we go back to the policy of the anti-Labour Government in the Federal sphere. (Opposition interjections.) I am not going to accuse the Government of not acting in the right direction but I think it is correct to say that during the period of the Jones administration there were more miles of sewerage constructed, more miles of channelling, footpaths and more tram cars than during the whole of the period of Greater Brisbane. Of 500-odd miles of sewerage constructed from 1912 to 1944 over 300 miles was constructed during the six years of the Jones administration. From 1925 to 1944 228 trams were built and half of that number was built during the six years of the Jones administration.

Mr. Morris: Your figures are wrong.

Mr. WALSH: Let the hon. member get the figures. All he has to do is to look up the Brisbane City Council reports that are circulated every year; that is where I got my information from. If the hon. member would only refer occasionally to the official documents provided for the scrutiny of hon. members, he would be a little more accurate in the statements he makes—if he wanted to be truthful.

The hon. member for Cook said something about thousands of sackings. Of course, 600 men were sacked. What does he think the council would do when it found there was no money? Let me tell him some of the things that were going on. They had this planning department and there were dozens of experts brought from the other side and thousands of pounds of the rate-payers' money were expended in altering flats in which these technicians would live. What were they doing when this council took over? They were sitting on their chairs not doing anything.

Mr. Wordsworth: You spent £250,000 on the Powell-Duffryn report.

Mr. WALSH: If the hon. member brought that subject up on the relevant discussion we should be happy to debate it, but at the present time we are dealing with the Brisbane City Council. I have it on good authority that a New Australian in that department confessed to a friend that he was getting £900 a year and that he was doing nothing; and he said that there were 14 more in the department in a similar position.

Mr. F. E. Roberts: They are not there now.

Mr. WALSH: As the Lord Mayor interjects, they are not there now. He took the responsibility of cleaning up the mess that was left there by the other council. The people should be glad that they voted on 30 May to get rid of the incubus that they had suffered for so many years.

I think I explained the main principles of the Bill during my introductory remarks. After members scrutinise the Bill I think they will confirm my description of it as a purely machinery one.

Motion (Mr. Walsh) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Walsh, read a first time.

HARBOUR BOARDS ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Hon. E. J. WALSH (Bundaberg—Treasurer) (8.33 p.m.): I move—

“That it is desirable that a Bill be introduced to amend the Harbour Boards Acts, 1892 to 1951, in certain particulars, and for other purposes.”

It is proposed to amend the Harbour Boards Act, as stated, in many particulars, but the principal one is to set up a Harbours Trust. It is proposed to amend the Act to provide for the reconstitution of the corporation of the Treasurer for that purpose. The control of all harbours not administered by harbour boards has been carried on by the corporation of the Treasurer who, under the Harbour Boards Act, was deemed to be a harbour board, and have all the powers, functions, duties and authorities conferred upon harbour boards. Ports under the control of the corporation are Brisbane, Maryborough (including Urangan), Lucinda, Innisfail (including Mourilyan), Port Douglas, Cooktown, Portland Roads, Thursday Island, Normanton and Burketown. For other ports, as hon. members are aware, administration is carried on by harbour boards under the same Act.

Subject to the corporation a departmental board, known as the Provisional Administration Board, comprising the Under Secretary to the Treasury, the Chief Administration Officer and Secretary, Chief Engineer, Department of Harbours and Marine, and the Portmaster, Brisbane, have from time to time submitted recommendations and acted in effect as a harbour board for the port of Brisbane. They have submitted their recommendations to the Treasurer, who administers that department.

Having regard to the limited development that could be expected to take place in Brisbane in past years, that arrangement has been fairly satisfactory, but I think it will be conceded that the time has arrived when

some alteration should be made, especially when we remember that there is likely to be considerable expenditure in several ports in North Queensland. For instance, at Lucinda and probably Mourilyan also, there is likely to be considerable expenditure in connection with the bulk handling of sugar. Rather than establish harbour boards at those points, I think it will be agreed that the desirable thing is to set up a trust. I will explain the proposed representation as I go along, and I trust that it will be acceptable to hon. members opposite.

I have already stated that the principal harbour under the control of the corporation of the Treasurer is the port of Brisbane. Unlike other harbour boards in Queensland and similar authorities generally in other parts of the world, the corporation of the Treasurer, as the harbour board, may be said to have been concerned in the past mostly with the maintenance and improvement of navigable channels. Wharves are, generally speaking, privately owned, but this position will be changed to some extent. The port authorities in Brisbane are now beginning to acquire ownership of wharves, and it is the intention to build a 1,200 ft. wharf in the Hamilton area when circumstances permit. The ownership of wharves by port authorities means that the revenue therefrom becomes available for the maintenance and improvement of ports, and such authorities maintain complete port direction. Some attention will have to be given to the question of harbour dues, because I think it will be agreed that with mounting costs and the depleted condition of our Post-War Reconstruction and Development Fund, having regard to the work that is expected to be undertaken, we shall have to look at dues to see whether we can get more revenue.

Mr. Wordsworth: Who gets the harbour dues you collect now?

Mr. WALSH: It goes into Consolidated Revenue, to the Treasurer. I thought I had explained that the Treasury is the authority administering all ports, other than those provided with harbour boards.

Two of the outer ports under the control of the corporation, Lucinda and Mourilyan, will also in time be subject to considerable change in that the sugar industry has decided to undertake the bulk handling of sugar. It will be necessary for port authorities to instal costly equipment where this method, new to Queensland, is adopted.

I think here again it will be agreed that rather than have a multiplicity of borrowing authorities for the purpose of carrying out this work, it will be in the interests of all to have some central body with power to borrow the finance necessary to carry out development work that we expect will take place at those ports.

The time has been considered opportune to alter the status of the corporation of the Treasurer, and it is proposed to reconstruct the corporation by the establishment of a trust consisting of five persons, one of whom will be versed in shipping and another experienced in industry. This body will be

known as the Department of the Queensland Harbours Trust, with its chairman as the permanent head. Other members of the board will be associated with the Department of Harbours and Marine. For example, I think it will be appropriate for the Chief Engineer, Department of Harbours and Marine, to be associated with any such board. It is also necessary to have some of the administrative officers associated with it, and there is also the change of representation providing for a person versed in shipping and a person versed in industry, but not necessarily any particular industry.

He would not necessarily be nominated by any particular section of industry nor for that matter would the shipping representative necessarily be nominated by shipping interests. Naturally we should receive suggestions from the people engaged in shipping as to the most suitable person but the final appointment will be left to the Governor in Council.

The constitution of such a trust would be in keeping with similar bodies in other large ports in Australia and other parts of the world. For the information of hon. members, I might give an outline of the system used in the other States and take Melbourne as an example. The Melbourne Harbour Trust was constituted under an Act of Parliament of Victoria passed in 1876. In 1912, by Act of Parliament, the constitution of the trust was altered and, *inter alia*, the number of commissioners reduced from 17 to 5. Hon. members can see that in the early stages there was a formidable organisation of 17 commissioners. The commissioners are appointed by the Governor in Council and consist of a full-time chairman and four part-time commissioners representing shipowners ("of ships registered at Melbourne or in some British port and trading at the port of Melbourne") exporters, importers and primary producers in the State of Victoria, respectively. We do not propose in any way to select representation from any particular section or give sectional representation on the trust but the persons selected will be expected to have a wide knowledge of industry generally.

Coming to the port of Sydney, I may say that from the early days of settlement up to the year 1901, the port of Sydney was in the hands of private owners. In 1901, the Government acquired the main wharves and created the Sydney Harbour Trust, consisting of three commissioners, all civil servants, and vested in them all property and the exclusive control of the port and shipping.

At present, New South Wales ports are administered by the Maritime Services Board, which was brought into existence by the Maritime Services Act, 1935. The Board consists of five commissioners appointed by the Government. Two of the commissioners are part-time members representing shipping and commercial interests respectively.

I think hon. members will see that the representation in the other States has been gradually altered to provide for representation of shipping and commercial interests

and I should say that in both States this form of administration has worked successfully and when we consider that there would have been much greater port development in New South Wales and Victoria, because of larger populations and the centralisation of heavy industries in these cities, the time is coming when we hope that state of affairs will develop in Queensland and the necessity for the Harbours Trust will be fully justified as time goes on.

Since 1903, Fremantle has been managed by the Fremantle Harbour Trust, consisting of five commissioners appointed triennially by the Government, representing the producers, merchants, shipowners and workers. The chairman is appointed annually. Hon. members can see that the representation generally in the other States is similar to what is proposed in this State.

The main principles of the Bill are the reconstitution of the corporation of the Treasurer and the setting up of the Queensland Harbours Trust, but there are several other amendments many of which have been asked for by harbour boards at conferences from time to time. One is to increase the limit to the value of transactions an elector or a member of a harbour board may have with that board. At the present time transactions not exceeding £20 in value in any one year may be entered into between an elector or a member and a harbour board without disqualifying him from election to the board or from remaining as a member thereof, so long as it is in the ordinary course of business and not pursuant to any written contract. At the request of the Queensland Harbour Boards Association, this limit is now increased to £200. Hon. members will no doubt remember that this is in line with local government law.

Another provision of the Bill relates to the annual election of a deputy chairman of a harbour board. At the present time the deputy chairman is appointed only from time to time when the chairman is absent, but this amendment provides for his election simultaneously with that of the chairman. They are to be re-elected annually. This provision also is brought forward at the request of the Queensland Harbour Boards Association to correct certain confusion that has arisen in the matter. Should the chairman and the deputy chairman be absent at the same time, the members present may appoint a deputy chairman for that meeting.

A further provision deals with the licensing of mechanical equipment, other than that owned by harbour boards, used on harbour-board wharves for the handling of cargo. It is proposed to authorise harbour boards to make by-laws for the licensing of the use of mechanical equipment on wharves. I think hon. members will see the necessity for this.

Mr. Hiley: Will that be parallel to the inspection of machinery? Say, for example, it is a crane; would there be a parallel licence to that, or will it replace that?

Mr. WALSH: I take it that so far as the requirements of the Inspection of

Machinery Act are to be met, that will be a matter for the officers of that department. All that this sets out to do is to give a harbour board some control over machinery that is used on its wharves in order to prevent damage to them, and so on.

Mr. Kerr interjected.

Mr. WALSH: Certain machinery may be brought onto a wharf that the wharf cannot carry. This is purely a machinery amendment to enable a board to have some control over the equipment that is used on its wharves. The safety of the equipment will still be a matter for the Machinery Department.

Another matter dealt with by the Bill is payment in lieu of long-service leave upon resignation, and recognition for the purpose of long-service leave of service with the armed forces. This provision empowers a harbour board to pay a lump sum in lieu of long-service leave to an employee on resignation, provided that his period of employment entitles him to such leave, that his service has been meritorious, and that he resigns or his services are dispensed with for a cause other than misconduct. The only board at present operating a long-service leave scheme under these Acts is the Bowen Harbour Board, the benefits being similar to those of the Public Service, that is, one week for each year of service with the first entitlement after 13 years' service. Subject to certain conditions, a public servant is eligible to receive payment upon resignation and this benefit may now be applied to harbour-board employees.

In addition, the service of a harbour-board employee, either male or female, as a member of the naval, military or air forces, other than a permanent force or the British Commonwealth Occupation Forces in Japan, of the Commonwealth or of the Civil Construction Corps established under the National Security Act of 1939, may be taken into consideration for the purposes of long-service leave. The benefits in respect of long-service leave granted to harbour board employees must be not less than those provided under the Industrial Conciliation and Arbitration Acts, 1932 to 1952. The person concerned must have been employed by the board immediately prior to such service. Service under the National Training Scheme is already covered by Commonwealth legislation. That amendment arises as the result of a request by the Townsville Harbour Board. As I have already pointed out, only one board, the Bowen Harbour Board, has a long-service leave scheme operating at the present time. A by-law was submitted by the Rockhampton Harbour Board for a similar scheme but later it asked that it be rescinded and so today the Bowen Harbour Board is the only one with such a scheme, in addition of course to the Townsville Harbour Board that now desires to go ahead with one. There was a good deal of criticism of the department because it had advised the Townsville Harbour Board that its scheme would not be in conformity with its law and therefore it could not go ahead with the

long-service leave as it then proposed. The local Townsville paper levelled a good deal of criticism at the department but all that the department did was to advise the Townsville Harbour Board that in accordance with its own law it had no power to provide that services rendered while in the armed forces should be taken into account in connection with a scheme for long-service leave, therefore any by-law that might have been submitted at that time would have been illegal. It was thought that the proper way in which to provide for this matter was in this Bill and that is now being done.

There is another very important principle in the Bill and one that I am sure will appeal to the hon. member for Sherwood. It provides that harbour boards shall submit a budget for each financial year.

Mr. Kerr: I am very glad to see that.

Mr. WALSH: The hon. member agrees with the idea. It is intended to establish three funds, the harbour fund, trust fund and loan fund and the adoption of a budget system of accounts similar to that in operation by local authorities. At the present time there is no uniform system and this amendment will have the effect that all harbour boards' accounts will be presented on a common basis and will more readily show the financial results and position of the various boards. It is not proposed that members of boards shall become liable should deficits result, other than by emergent causes, as in the local government law. Harbour boards differ from local authorities in that their main revenue is harbour dues, which are dependent on the volume of goods handled in a port. Local authorities, on the other hand, have the right to levy a form of taxation by rating on the unimproved value of land and a protection to ratepayers is necessary. The provision of a budgetary system for harbour boards was recommended in 1945 by the Ports and Harbour Committee, which was appointed by the Queensland Government to inquire into the position of the respective ports throughout this State.

I think hon. members will agree that will be some improvement. Of course, we realise that they cannot be expected to conform to the law as it is laid down in the Local Government Act to provide for a balanced budget at the end of each year. They could not, because of the very nature of their operations, be expected to do that.

Mr. Hiley: The volume of traffic is so unpredictable.

Mr. WALSH: That is so. The volume of cargo to provide the revenue would be uncertain and the matter would be hard to determine. However, this proposal will help the harbour boards to present a proper picture of their programme for the year and deal with the moneys that are received under the various headings. This will be more up to date than the present system.

Here is another very important principle and one that I think the harbour boards have a right to raise. In the past they were entitled to raise some protest concerning the

payment of harbour dues on certain goods bought by Government departments but not for the ultimate use of the Crown. From time to time representations have been made to the Government by the Queensland Harbour Boards Association and the Australian Port Authorities Association requesting that harbour dues be paid on all goods imported for Government use. In view of the assistance given by the Queensland Government to harbour boards, the application has been refused. Hon. members know that very substantial assistance has been given by the Government to harbour boards by way of subsidy for the development of ports in this State and no good purpose was to be served by charging the Government on the one hand and getting it from the Government on the other.

Mr. Hiley: Except that in one case it would come from Consolidated Revenue and in the other it would go into a trust fund.

Mr. WALSH: It still does not matter, for if it comes out of governmental funds, we must collect it from some source to pay it to them. If harbour boards want to charge us with dues, the alternative might be for the Government to say, "We have no subsidy to pay you." They cannot double-bank. At the moment we are interested in the broad point and this is something we are doing to protect the revenue of harbour boards. A practice has grown up in recent times for the Government to import many things on behalf of local authorities. For instance, it may be a quantity of bitumen used by local authorities on roads purely within their own jurisdiction, and outside the jurisdiction of the Department of Main Roads altogether. The mere fact, however, that it has come in as part of a consignment of Government cargo does not cause it to attract dues. The same thing applies to the importation of prefabricated houses for Government purposes. On all those things harbour boards have a rightful claim for dues to be paid on them. If not, it would mean that harbour boards might be by-passed by the bodies importing things through the Government and thereby escaping the payment of dues.

Mr. Hiley: Do you propose to charge on prefabs when they come in?

Mr. WALSH: We cannot very well specify those matters in the Bill. We lay down the principle that harbour boards shall be empowered to charge dues on those things. Harbour boards will be very pleased with that provision.

Another clause provides for increased borrowing powers for harbour boards. In keeping with the increased importance of ports to the community, their borrowing powers are being extended by enabling them to raise public loans on the market in addition to obtaining advances from the Treasurer and raising moneys by the issue of debentures. For this purpose it is proposed that all harbour boards may also issue bonds or inscribed stock.

Another clause provides for altering the official harbour-board year from 1 January to 31 December to the financial year 1 July to 30 June. This again has been made in response to requests by the Queensland Harbour Boards Association. When this Bill becomes law, the new official year will coincide with that of the local authorities and the various governmental departments.

There is provision for an increase of the maximum penalty from £20 to £100 in respect of the dumping of refuse into ports. This provision also has been included at the request of the Queensland Harbour Boards Association.

Mr. Hiley: The penalty is still too small for an aggressive case.

Mr. WALSH: If the hon. member thinks it should be amended, I shall be happy to listen to any suggestion. I do not want to become vindictive but there should be some increase in the present penalty.

Mr. Hiley: Ash-dumping is among the worst.

Mr. WALSH: That is so. Harbour boards complain that ships discharge ashes, etc., into berths and it is thought that this increased penalty will act as a deterrent. We can see how this penalty acts and if it is found not to be a sufficient deterrent we can raise it again to a substantial amount.

Another clause in the Bill provides for an advance account for the payment of salaries and wages. This also is to meet the wishes of the Queensland Harbour Boards Association as to the payment of salaries and wages. Under the present law all payments must be made by cheque issued under the authority of a resolution of the board. This is found to be unsatisfactory for payment of wages and salaries and it is intended to make provision for a special advance account for that purpose. The limit of the advance is to be fixed by the Auditor-General. Payments are to be recouped at the next meeting and at the end of each financial year.

There is another provision regarding payment of harbour dues, statutory declaration as to dues payable and authority to examine documents, etc., in respect to cargo discharged or loaded in this State. This amendment provides for the payment of harbour dues within 30 days of becoming due, instead of at the request of the collector of customs as provided under the Harbour Dues Act of 1893. Harbour dues will become payable at the date cargo is discharged or loaded as the case may be and each payment must be accompanied by a statutory declaration to the effect that all harbour dues lawfully payable on that occasion are paid. In addition, a harbour board or its representatives may request a shipowner, agent or master to produce for examination purposes documents and other records relating to the discharge or loading of cargo in respect of any ship within that port. At the present time there is no such provision and it is thought that whilst there

is no reason to doubt the accuracy of the payments that are being made, power to examine the original records should be in the law. The maximum penalty for non-compliance on the part of the owner is £100. I do not think there can be any disagreement with that.

Mr. Hiley: What is the purpose of the statutory declaration? More red tape!

Mr. WALSH: That does not follow. I do not think there can be any great objection.

The next provision deals with the acquisition of certain harbour works by the State from the Commonwealth. During the recent world war the Commonwealth Government erected for naval purposes a number of berths in the Brisbane River which were bought by the State Government at the cessation of hostilities. These structures, eight in all, situated on the north side of the river below the Hamilton wharves, are known as berths B, D, E, F, G, H, J and M and it is the intention of the State to ultimately prepare them for commercial use. A section of E berth has been converted and is already under lease to the Broken Hill Pty. Co. Ltd., and another section is being prepared for occupation by the Nixon Smith Shipping and Wool Dumping Company Pty. Ltd. In addition berth M is being used by Ampol Petroleum (Q.) Pty. Ltd. for the discharge of petrol.

Although these berths were apparently constructed by the Commonwealth under its defence powers and were lawfully in the Brisbane River while remaining the property of the Commonwealth, the Solicitor-General thought it doubtful whether they could be lawfully acquired and maintained in the river by the State. If that was so, the wharves would be unlawful obstructions to navigable water and the Crown might be liable for damages in respect of any vessel that collided with them. This legislation is, therefore, considered necessary to authorise the acquisition, maintenance, reconstruction, etc., of the berths in question.

Should the State acquire any wharf erected by the Commonwealth in a port controlled by a harbour board or the corporation the structure will become the property of the board or the corporation and, subject to the provisions of the Harbour Board Acts, these bodies will be empowered to carry out maintenance and reconstruction work thereon. The title of a harbour board or the corporation to the absolute ownership of such wharves will not be affected by the fact that the Commonwealth was legally incompetent to dispose of them.

That, in effect, validates something that has already been carried out, the Commonwealth erected the wharf there in the emergency of the war and the State negotiated with the Commonwealth subsequently and bought it, but on examining the law we find there was no power or authority for the corporation to take these wharves and maintain them and consequently power is now sought to validate what has been done and to give authority for the maintenance and construction of the wharves in the future.

There is another rather similar problem in connection with the transfer of the Pinkenba railway wharves, and the wharf buildings together with certain land and sidings thereon from the Commissioner for Railways to the corporation of the Treasurer. The transfer of the railway wharves at Pinkenba to the Department of Harbours and Marine was suggested by the Minister for Transport, as they were not required by the Railway Department. The wharves in question, of which there are two, one wooden and one concrete, were erected by the Commissioner for Railways in 1901 and 1911 respectively, adjoining land reserved for railway purposes.

Acceptance of the wharves in question was agreed to provided the area of land as far back as the railway fence was also transferred, as it was required for the efficient running of the wharf. The Railway Department agreed to this proviso, subject to the continuation of the corporation of certain leases held by the Commonwealth in respect of two igloos and a wooden building previously erected thereon during the last war. Subsequently, the Department of Harbours and Marine assumed control of the wharves in question pending a final settlement between the Commissioner for Railways and the corporation.

When the matter of charges for berthage, wharfage and storage were referred to the Solicitor-General he advised that, as the wharves were erected by the Commissioner for Railways under the Railways Acts, he was authorised to fix charges in respect thereof, but he, the Solicitor-General, knew of no power whereby the Commissioner could transfer the wharves to the corporation or by which the corporation could acquire the property in the wharves.

Mr. Hiley: Within the foundation are you giving the new Harbours Trust general power to acquire wharf property?

Mr. WALSH: Yes.

Mr. Hiley: And validating these too?

Mr. WALSH: Apart from these, a very complete power will be given to the trust. I might mention in addition to what I have said about the control of certain ports already under the jurisdiction of the corporation of the Treasurer there is provision in the Bill that the Harbours Trust shall not administer any other ports at present under harbours boards unless directed by the Governor in Council to do so.

Mr. Hiley: Will you account for all these ports as one comprehensive group or will the accounts for each port be separate in the trust accounting?

Mr. WALSH: I take it that each port will have to provide its separate accounts.

Mr. Hiley: A separate budget, a separate assessment?

Mr. WALSH: I do not know that that would be necessary. After all, the Queensland Harbours Trust will be set up as a harbour board and it will have numerous ports throughout Queensland, at present under

the control of the Department of Harbours and Marine under the corporation of the Treasurer, and they would act as one harbour board. They would necessarily of course have to show their programme for the year, the particular earnings and work carried out for any one of these ports. There would be one plan for the whole port development but each port, I take it, will have to be separate so far as the submission of any works programme is concerned.

As I said earlier, it will be agreed that visualising the tremendous expenditure likely to be undertaken in some of the ports in North Queensland, particularly so far as the bulk handling of sugar is concerned, it will be wise to give the trust power to go on the market and borrow money, just as the Melbourne Harbour Trust raises its own funds. In that way there will be more orderly port development.

Mr. Hiley: If one of the small ports over the years develops to mature status, is there provision for it to have its own separate harbour board severed from this trust?

Mr. WALSH: I do not know that that would be very desirable. With the enormous responsibility of port development in Queensland, I think it will be found over a period of years that more and more ports will be taken under the control of the Harbours Trust in preference to increasing the number of harbour boards.

Mr. Hiley: In other words, and without commenting on it at this stage, you suspect that it may be necessary to have a greater degree of centralisation of harbours rather than decentralisation?

Mr. WALSH: Just as in other States, where it has been fairly successful. There is a likelihood of great development, not only in northern ports but also in the South. In the early part of the year, and last year, the department visualised the expenditure of a very considerable sum of money in the port of Brisbane, when we had in mind the calling of contracts and even intended to go so far as to encourage overseas organisations with the requisite plant to make an investigation to see whether a major job could be undertaken and finished, leaving only the maintenance work to be carried out. Here again I think it will be agreed that with the present system it is very difficult, because of the small amount of cargo coming through the port, for some harbours to raise enough revenue to provide the equipment necessary to keep the ports in good order. Bowen is a case in point. From time to time, the department has to provide a dredge. If we do not provide one, it hires one from the Townsville Harbour Board.

Mr. Hiley: Bowen does not need repeated dredging.

Mr. WALSH: But it has to be dredged and we feel that it would be better if we marshalled an extensive organisation under the Harbours Trust with the plant necessary to carry out these works. The Chief Engineer, Harbours and Marine, who would

be best equipped to advise the Harbours Trust, would decide upon the urgency of the work to be undertaken, and the plant could be made available according to his recommendations. As an example of the benefit of that system, we know that a place like Bundaberg would have extreme difficulty in finding the revenue necessary to buy a dredge. Very little cargo comes through Bundaberg now, because very little shipping goes there. Again, there is the question of competition between railways and shipping there. There is the question of lower railway freights compared with shipping charges, together with the delays and disturbances that take place on the waterfront. Traders there, in general get most of their cargo by rail, but generally speaking I think the principle of the formation of a trust for the control of those ports under a single jurisdiction partly removed from purely departmental control will be regarded as a step in the right direction. As time goes on, I have not the slightest doubt that the organisation will be built up and we shall marshal the forces necessary to provide for extensive development in the various ports of the State.

Mr. WORDSWORTH (Cook) (9.14 p.m.): After having heard the detailed explanation given by the Treasurer, I feel that it is hardly necessary to see the Bill. I rise to speak mainly in connection with the outer ports and after having listened carefully to the Treasurer, it would appear to me that this Bill seeks to enable harbour boards to be taken over one by one from time to time. The Treasurer said that this new Harbours Trust will not take over any other ports unless directed by the Governor in Council to do so. Of course, we all know that this means that the Government will have power to take over all the ports if they desire to do so.

I do not know what my leader's attitude will be but I think I am safe in saying that it will be the same as the one I am going to express, that is, that the best developed harbours in this State are those that have been developed by harbour boards and as an example I cite the Cairns harbour. On the other hand, the worst developed harbours are those that have been looked after by the Department of Harbours and Marine and I cite Brisbane and the outer ports such as Port Douglas, Cooktown, Thursday Island and Portland Roads. I should perhaps exclude the last one because it does not warrant much expenditure.

Mr. Devries: Port Douglas is only a port in name.

Mr. WORDSWORTH: It is going to be made into a good port, as the department is spending £30,000 on deepening it. In fact, all the ports looked after by the Department of Harbours and Marine were carrying less water six months ago than they carried 20 years ago. This so-called reform is in effect the same old department—a rose by any other name would smell just as sweet. The trust will be constituted by members of the department and the department will control it.

To digress a little, I should like to correct the Treasurer, because we know that he is very keen on reminding hon. members of the Opposition that we should read documents very carefully and be accurate in our statements. I asked a question by way of interjection when he was speaking as to where harbour dues go to from the ports administered by the Department of Harbours and Marine and his answer was, "To Consolidated Revenue." I have it before me that the Treasurer is not quite correct in that and I suggest that he read the Auditor-General's report, where he will find that the dues go to a Harbour Dues Trust Fund. It was about half an hour ago that the Treasurer corrected a member of the Opposition and suggested that we should read more.

Mr. Walsh: It goes into the Treasury.

Mr. Hiley: That is not what the hon. gentleman said. He said, "Into Consolidated Revenue."

Mr. WORDSWORTH: There is another point I want to be clear on and I hope the Treasurer will reply to me later. My question is whether the new trust will take over all the undertakings given by the Department of Harbours and Marine. I refer to one particular undertaking given by the Treasurer recently—I got official word of it about a fortnight later—after years of battling, not only by me but by others. It is that Port Douglas is to have £30,000 expended in deepening the port to 12 ft. low water, spring tides, and that the dredge "Hydra" will be made available for the purpose. I should like the Treasurer to tell us, when the new trust becomes established—this will be about the time of the election—whether it will undertake to carry out the promises that have been made or whether the trust will have the right to say that it will not carry out the undertaking but do something else. I suggest that if the job is done the department should not make the mistake it made about two years ago. Port Douglas was in such a state that the lighters or small steamers that take the sugar to the larger steamers were unable to take a full load out. The Department of Harbours and Marine tried to do something about it and although it was short of equipment at the time sent up a clam dredge. It might as well have sent up a man with a No. 5 shovel because although the dredge allotted to it did a job to the best of its capacity the work was ineffective. The cost was somewhere in the vicinity of £10,000. A week or two after the dredge left there was a fresh, which filled up the berth again with silt. I suggest to the Minister that when this dredge is sent up there to do the job, it should be left there till it can reasonably be expected that all the major floods for the year are over.

Mr. Walsh: Do you think we get enough out of the dues up there to cover all that expense?

Mr. WORDSWORTH: I will leave that to the Treasurer. He is pretty good at extracting the money.

Mr. Walsh: You know very well we do not.

Mr. WORDSWORTH: I remind the Treasurer that the value of sugar to be exported from Cairns this year—and part of it comes from the outports—will be over £6,000,000, and ultimately about 75 per cent. of the dues in respect of that cargo will find its way into the pockets of the Treasurer. There is no excuse for not spending money on these essentials.

I realise that this Bill deals with many other important matters that could probably be dealt with better by other speakers. I shall therefore reserve anything more that I may have to say till a later stage.

Motion (Mr. Walsh) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Walsh, read a first time.

COAL AND OIL SHALE MINE WORKERS (PENSIONS) ACTS AMENDMENT BILL.

INITIATION IN COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Hon. E. J. RIORDAN (Flinders—Secretary for Mines and Immigration) (9.24 p.m.): I move—

“That it is desirable that a Bill be introduced to amend the Coal and Oil Shale Mine Workers (Pensions) Acts, 1941 to 1951, in certain particulars.”

This Bill is introduced primarily for the purpose of improving the general provisions relating to pensioners and their dependants, while still preserving the actuarial safeguards already included in the principal Act. This State has made it quite plain to the Miners' Federation, whose representatives have interviewed the Government through me as Secretary for Mines, that the purpose of the Bill is to bring this law into conformity with the New South Wales law in this respect. The Act has been amended many times since it was first introduced and we have found that it is desirable that it should conform as nearly as possible to the New South Wales law but our law at all times has contained the right to employ actuaries to examine the fund to see that it is actuarially sound although a similar provision is not contained in the New South Wales Act. The Queensland law provides that the income of this fund must be assessed at an amount sufficient to ensure its actuarial soundness in accordance with the report of the duly appointed actuary. This provision will be retained in its entirety and thus solvency of the scheme will be maintained and the rights of the contributors and beneficiaries will be fully protected. I made it quite clear to the members of the Miners'

Federation the last time they interviewed me that the Government were in no way committed to the Miners' Federation in the matter and that we stand entirely free from New South Wales in this regard. We have completely divorced ourselves from New South Wales, and from now on the Queensland Government will make all the determinations in this connection, irrespective of what the New South Wales Government may do.

The Bill contains five main principles. The first makes adjustments of certain conditions in relation to the definition of “mine worker” and the compulsory retirement age.

An existing proviso to the definition of “mine worker” excludes from both contribution and benefit a person who commences or recommences work in the industry after his fiftieth birthday, unless he has had three years' service since the commencement of the scheme. In effect this means that any person who has served for a period of over 20 years in the mining industry can qualify again to come into the scheme just prior to the retiring age at 60 years by complying with the provisions relating to service for 300 days in the one year. He will then be able to participate as a beneficiary under the Act.

An anomalous position regarding certain mine workers who are now required to attain 65 years of age before qualifying for pensions and who lose their employment between 60 and 65 years of age, will be rectified by the alteration of the appropriate section of the Act. At the present time certain members are working in the industry who do not retire until they reach the age of 65 years. Quite a number of them are working in small pits, and some in big pits too, but through no fault of their own they are thrown out of employment. They find it very hard to get back into employment to complete the term of years in the mining industry to give them the right to become beneficiaries under the scheme. That difficulty will now be overcome by the Bill.

The second principle relates to improvements in pensions. Retirement and incapacity pensions will be increased from £3 17s. 6d. to £4 a week for single men or widowers and from £7 to £8 5s. a week for married men. The tribunal will have power to deal with cases that should justly be entitled to pensions but are now excluded by technicalities. There are a few men in the industry who are now precluded from being beneficiaries through technicalities in the Act. The tribunal consists of representatives of the Government, coal-mine owners and employees, and it can be safely left to that body to correct any technicalities. Widows and female dependants of deceased mine workers will receive £4 a week in lieu of £3 2s. 6d. a week as at present, making an increase of 17s. 6d. a week. The new rates will operate from 2 October, 1952, to coincide with recent Commonwealth pension increases.

The third principle relates to adjustment of additions in respect of dependants.

The addition to a mine worker's pension in respect of his wife or female dependant will be raised from £3 2s. 6d. to £3 15s. a week

and will be extended to cover a person who in the opinion of the tribunal is recognised as the mine worker's wife although not legally married to him. The addition of £3 15s. a week is included in the total amount of £8 5s. a week referred to above as payable to a married mine worker.

The amount for a dependant child remains at 10s. a week but is restricted to one child. That is what is in the Bill. I must say in fairness to the Committee that for the purpose of saving time, through the desire to have this Bill printed and circulated, it is the intention of the Government to move when the Bill is in Committee to retain, as it is in the original Act, the provision that all children under the age of 16 years who are now dependent on the mine worker shall be covered by the provisions of this Bill.

New provisions will be introduced to allow an amount of £3 7s. 6d. a week on account of a nurse or attendant, if the mine worker's wife or dependant is an invalid, or in certain circumstances if the mine worker himself is an invalid. In each of such cases, however, any addition already allowed for a wife or female dependant must be reduced by the amount of £3 7s. 6d.

The fourth principle has reference to the alteration of proportion of owners' contributions. The proportion of owners' contributions has been increased from 3½ to 4½ times that of the mine workers employed by them. At present the mine-owners contribute 3½ times the contribution each mine worker pays. It is proposed to decrease the new rate for the mine worker to 6s., and the contribution of the owner will be 4½ times that amount.

The fifth principle confers authority to the tribunal to alter the existing estimate for the current financial year in order to reassess contributions to the fund by mine workers and owners.

That sets out fairly fully the objects of the Bill, and the principles it contains. Doubtless there will be some criticism by people that something extraordinary is being done for the mine workers by way of pensions. I want to say quite sincerely that the great majority of the Queensland mine workers have played a very important part in the development of this State. From time to time we have had trouble in various parts of the State but by and large we have had a pretty good spin from them. Consequently, they should in some way be made secure in their old age, because of the arduous and dangerous nature of their calling.

There is also a provision that the children who are under 16 years of age will be protected.

The New South Wales Act only provides for the payment of 10s. to one child. We will later alter that by way of amendment. It was put in at the request of the Queensland Colliery Employees' Union in order to bring the Queensland scheme into conformity with the New South Wales scheme. I asked Mr. Millar and the representatives of the

miners, including Mr. Parkinson from New South Wales, whether they were prepared to accept the New South Wales Act in its entirety. They said they were, that they believed in the greatest good for the greatest number. After giving it much thought, and whilst we could have logically justified ourselves in providing for one child, we thought in fairness to everyone that we should pay for those children who were dependants. For that reason at a later stage I shall move an amendment to put that principle into effect.

All the other amendments are purely in conformity with the New South Wales Act, other than the one providing for the retention of the actuary. We do not, as requested by the Queensland Colliery Employees' Union, hold out any promise that we will at all times follow New South Wales, either in the matter of reductions or increases in pensions or in any amendments to the Act.

I think I have set out the provisions of the Bill pretty fully.

MR. LLOYD ROBERTS (Whitsunday) (9.39 p.m.): Once again the old war-horse of miners' pensions is before this Committee. I think this is the fourth occasion in slightly over two years that we have considered an amendment of this Act. I think on each occasion on which it has come before the Committee we have suggested tying up miners' pensions in some way with the basic wage or the old age pension but for some reason or other we could not get the Government to do this. I know that in 1941 the Act provided for the tying up of miners' pensions with the basic wage but that was repealed in 1942. The 1948 Act provided for automatic pension rises with increases in age pensions under Clause 10. This appeared to be a quite satisfactory arrangement because with every rise since—and in many cases they have been delayed—the pension has been more or less tied to the basic wage. In 1950 this was again repealed. The only reason that I can see was that in October, 1948, there was an increase in age pensions from £97 10s. to £110. That was when the Chifley Government were in power. After the 1949 elections the Menzies-Fadden Government came into power. Knowing the history of the Liberal-Country Party Government over the years and how generous they are to the pensioners, I suggest that perhaps it is they who caused the repeal of this Act in 1950. This is borne out by the fact that in November, 1950, the Federal Government increased the age pension from £110 10s. to £130 a year. In November, 1951, it was increased from £130 to £156 a year and in October of this year it was increased from £156 to £186, an increase of exactly £75 in the last few years. Possibly that is the reason why this section of the Act was repealed but I suggest that the present is an opportune time to put it back.

I might say that if we may judge the Bill from the Minister's outline of it the Opposition will be 100 per cent. behind all the amendments. One pleasing thing I heard

this evening was that the increase in the pension on this occasion is to be made retrospective to 2 October, 1952.

It will be recalled that about August or September, 1950, when a new member of Parliament, I had the pleasure of moving an amendment to make the increase then made retrospective to a certain date. The Government have a number of members representing coal-mining areas but for some strange reason all of the members of the Government party voted against the amendment. Perhaps I am not quite correct in saying that all the members of the Government party voted against it because it will be recalled that the hon. member for Bremer, Mr. Donald, did not vote in the division on the amendment. Instead, as the division was about to be taken, he walked out of the Chamber. The hon. member had sufficient sense to keep out of the way so there would be no record of how he voted. It is terrible how these people become party hacks to a certain extent. They know full well in their hearts the wants of their people but because something might affect them in a pre-selection ballot they sacrifice the people they represent. No doubt the public remember these things, although it is generally said that the public have a short memory. I have no doubt, however, that many people will remember what occurred then when they go to the ballot box in a few months' time. The Government are not consistent. They would not agree to the 1950 amendment, which made the pension increase retrospective, but the increase given in November of the same year, really a matter of a few days, was made retrospective. Last year

again they would not agree to it but on this occasion they have made it retrospective to 2 October, the date when the increase in the age pension came into effect. Of course, we must not forget that there will be an election in a few months. The miners or the dependants of miners in receipt of this pension will thank the Lord for the coming election because in the making of the payment of this pension retrospective there is something in the nature of a small Christmas box for them, and at a time when it is badly needed.

Mr. Wordsworth: The question that you asked in this Chamber weeks ago forced the Government into introducing this Bill.

Mr. LLOYD ROBERTS: No doubt the question I asked in this Chamber several weeks ago helped in pushing the matter along. If you will remember, Mr. Farrell, that when I first entered this Chamber I accused the Government of having delayed the first increase and then, because there was an election in the offing, held it out as a bait. They were not game to do that on this occasion.

On previous occasions, as well as tonight, reference has been made to the actuarial safety of the Pensions Fund. I proved during the debate in 1950 that the scheme was sound. I have since done a considerable amount of research and have collated some figures for the various years. I propose quoting them in order to have them in a compact record for all to see. As the Pensions Fund commenced in January, 1942, we have 10 complete years to date, and the figures relating to those years are—

RECEIPTS.				EXPENDITURE.						
				£	s.	d.	£	s.	d.	
1945—										
Treasurer	15,000	0	0	Pensions	43,474	19	10
Workers	19,490	17	6	Administration	1,667	0	8
Owners	40,820	16	2	Depreciation	19	1	4
Miscellaneous	4,033	16	8	Credit Balance	34,189	8	6
				£79,350	10	4		£79,350	10	4
1946—										
Treasurer	15,000	0	0	Pensions	44,780	4	6
Workers	18,973	7	6	Administration	1,957	13	7
Owners	38,319	3	1	Depreciation	19	19	0
Miscellaneous	5,182	13	2	Credit Balance	30,722	6	8
				£77,480	3	9		£77,480	3	9
1947—										
Treasurer	15,000	0	0	Pensions	47,703	8	0
Workers	20,169	16	0	Administration	2,178	19	11
Owners	43,702	8	4	Depreciation	18	7	0
Miscellaneous	6,182	17	10	Credit Balance	35,154	7	3
				£85,055	2	2		£85,055	2	2
1948—										
Treasurer	15,000	0	0	Pensions	58,729	13	4
Workers	20,561	4	0	Administration	2,291	1	8
Owners	43,470	14	11	Depreciation	16	16	5
Miscellaneous	7,226	0	4	Credit Balance	25,220	7	10
				£86,257	19	3		£86,257	19	3
1949—										
Treasurer	15,000	0	0	Pensions	87,748	0	0
Workers	25,866	0	0	Administration	2,633	0	0
Owners	82,493	0	0	Depreciation	16	0	0
Miscellaneous	7,850	0	0	Credit Balance	40,802	0	0
				£131,199	0	0		£131,199	0	0

RECEIPTS.				EXPENDITURE.						
				£	s.	d.	£	s.	d.	
1950—										
Treasurer	15,000	0	0	Pensions	88,705	0	0
Workers	28,790	0	0	Administration	2,712	0	0
Owners	100,457	0	0	Depreciation	22	0	0
Miscellaneous	9,376	0	0	Credit Balance	64,184	0	0
				£153,623	0	0		£153,623	0	0
1951—										
Treasurer	15,000	0	0	Pensions	115,347	0	0
Workers	30,867	0	0	Administration	3,695	0	0
Owners	107,738	0	0	Depreciation	23	0	0
Miscellaneous	11,418	0	0	Credit Balance	45,958	0	0
				£165,023	0	0		£165,023	0	0
1952—										
Treasurer	15,000	0	0	Pensions	143,599	0	0
Workers	50,291	0	0	Administration	4,267	0	0
Owners	175,379	0	0	Depreciation	21	0	0
Miscellaneous	13,418	0	0	Credit Balance	106,201	0	0
				£254,088	0	0		£254,088	0	0

Let me refer now to the credit balances each year. In 1949 we had an accumulated surplus of £283,053 and in 1950 one of £344,237, in 1951 £390,196, and in 1952 £496,396, or approximately half a million. According to the last figures available approximately 3,503 coal-miners were employed in Queensland during 1951, and if you take that accumulated surplus of £496,396 and divide it by the number of coal-miners you will see that the accumulated surplus worked out at £141 14s. 1d. a coal-miner. That may not sound too good or it might be said it does not sound too good, and so I checked up on the position in New South Wales. I got the last report of the Coal and Oil Shale Mine Workers' Pensions Tribunals for the year ending 30 June, 1950, and I find that in that State at that date there were 18,204 miners and the total assets were £1,164,698. That sum divided by the number of miners works out at £63 19s. 7d. a coal-miner employed against the £141 14s. 1d. in Queensland.

It has been said that the fund is not actuarially sound, but I have an extract from the report of Mr. B. E. O'Grady, the registrar in New South Wales, and this is what he says—

“There can be now no doubt but that based on the present rate of financial progress, this fund can and will finance all liabilities each year and at the same time will provide an adequate contribution to reserve to enable all future liabilities to be met when at last there are no longer any contributors to the fund and no more coal to be won in New South Wales.”

If the position was such in New South Wales on £63 19s. 7d., what a mighty position we are in in Queensland on £141 14s. 1d.!

Do not forget that last year, when we on this side objected to the increase of miners' subscriptions to 6s. 6d., miners' contributions in New South Wales were only 5s. Obviously the Minister has agreed tonight that we were right on the previous occasion

when this legislation was amended, because he is now reducing the miners' subscription from 6s. 6d. to 6s.

Mr. Riordan: Are you opposing that?

Mr. LLOYD ROBERTS: Not a bit. I am suggesting that the Minister can reduce the miners' subscriptions by a good deal more. Queensland's coal production last year amounted to 2,473,755 tons and last year's contribution to the pensions fund by mine owners worked out at 1s. 5d. a ton of coal. Last year's contribution of 1s. 6d. a week cost 3,503 miners £13,661, and it cost the mine owners £47,813. A fair estimate for the coming year at the existing rates at the deferred amount, that is, two-elevenths for the miner and nine-elevenths for the mine-owner is that again the Treasurer will come to light with £15,000, 3,503 miners at two-elevenths of the total will contribute £48,438, the mine owners' contribution, on the basis of nine-elevenths, will come to £217,962, and the miscellaneous amounts, including naturally greatly increased interest after the £106,000 last year, will amount to £17,070. There is an estimated income of £298,470.

The estimated expenditure for 1953 should work out something like this: assuming there are 1,200 beneficiaries getting an increase of 12s. 6d. a week—there are more beneficiaries but some of them are not actually receiving the increase and some of them are receiving slightly more—that would work out at £198,199. I have allowed for an increase in the cost of administration to £4,500 and depreciation of £20. The credit balance on that basis will be £95,751, on those figures.

However, I maintain that we can go a good deal further. On the figures that I have quoted, if the miners' contributions are reduced to 5s. 4d. a week the amount received will be £48,438 and the mine owners' contribution £217,962. That would be a very big reduction on what the Government are contemplating at the present time.

In New South Wales there are 18,204 miners and the total beneficiaries number 6,702. That is equivalent to one beneficiary to 2.71 miners. In Queensland there are

3,503 miners and a total of 1,431 beneficiaries, equivalent to one beneficiary to 2.45 miners. At the rate of 6s. 6d. a week, 2,45 miners contribute 15s. 11d. a week whilst the owners contribute £2 15s. 9d., a total of £3 11s. 8d. a week for one beneficiary. The total pensions last year amounted to £143,599 and the total beneficiaries to 1,431. That means that the average pension per beneficiary was £1 18s. 7d. a week, against an income of £3 11s. 8d. On my previous estimate of £198,199, with 1,431 beneficiaries, that gives £2 13s. 2d. or the equivalent of approximately £1 a week less than the income. I am not taking into account the £15,000 that the Government put into the scheme every year, nor have I taken into account, in working out my figure of £3 11s. 8d., the £17,000 that will be received by way of interest.

This is one of the greatest little rackets under the sun and I do not know why the Government did not give it away to the State Government Insurance Office long ago. The miner starts to acquire a pension at 60 years of age if he is not an ex-service man and he goes from 60 to 65 when the age pension comes in. From then on he gets the difference between the miners' pension and the age pension. If he is an ex-service man he is entitled to the age pension at 60 years of age. If the man is incapacitated beforehand and is on workers' compensation he is not entitled to anything under this Act until his compensation runs out at a certain amount per week. If he has met with an injury he will get the invalid pension and if he dies his wife as a widow will get the Federal widows' pension.

I suggest that there is no likelihood that anything excessive will be paid out of the fund at any time and in any case it would be very little compared with the amount taken in. Last year the fund had a credit balance of £106,201. If the pensions are going to be paid on that basis for five years the fund will have an additional £500,000 plus £500,000 already accrued from the past ten years so that they will have, say, £1,000,000 in a matter of 15 years.

I am very pleased that the Bill makes provision for all children because I can assure the Minister that if he had not done so, we should certainly have moved an amendment to that effect. The number of children to be provided for would not be very great. I have taken children of all ages and I have taken the figures from the New South Wales publication.

(Time expired.)

Mr. DONALD (Bremer) (10.8 p.m.): I should have been a very disappointed and unhappy member if this thirtysecond Parliament of Queensland had not brought about this amending Bill to provide for increased benefits for mine workers who have retired or are about to retire from the mining industry. For this and for other reasons I am grateful to the Minister and the Cabinet for introducing the Bill but I am not going to say that I object to the amendment or

the Act being amended, as the Opposition do from time to time, because each amendment is an improvement in conditions.

Having previously traced the history of the national struggle that resulted in the miners getting their pension rights, I refrain from repeating it on this occasion and content myself with reminding hon. members of the industrial solidarity of the mine workers throughout Australia that gave them their first pension rights. This solidarity was illustrated without any doubt on two occasions when the miners, right from Mt. Mulligan in the North of Queensland to St. Mary's in Tasmania, and from the eastern coast of the southern districts in New South Wales to their colleagues in Western Australia, could not be persuaded to produce one ton of coal or even one ounce of coal. On those occasions we had complete solidarity and the result was the pensions scheme that we are now discussing.

There is a marked and very pleasing change in the attitude of Opposition members today compared with previous years. What a difference in their behaviour and in their speeches! Today they are complaining, as the hon. member for Whitsunday complained, that the pensions could not be made too attractive, and that the Government are not going far enough, but when the struggle for miners' pensions was being fought, the then Leader of the Opposition, now Senator Maher, of the Federal Parliament, advocated the shooting of the men who were leading the strike. That reflects their attitude to the miners' pension.

As one of a committee of three, the other two members being Mr. Idriess Williams, the president of the Victorian mine workers, now president of the Miners' Federation, and Mr. Fred Lowden, president of the southern miners of New South Wales, now an officer of the Joint Commonwealth and New South Wales Coal Board, to whom was given the task of drawing up a draft pension scheme for submission to the Tory Commonwealth Government and the Tory New South Wales Government in 1938, it is now pleasing for me to hear hon. members in this Chamber supporting the plea of the miners for better pensions. Again I repeat, what a remarkable change in their speeches and behaviour! These men who so bitterly opposed the miners in their struggle for pension rights have now made a volte face and support the principle of pensions. It is just another instance of the miners being forced to strike to win a right that everyone concedes after they have won their victory.

A comparison of contributions to and pensions paid under the pension scheme in 1942 and 1952 is very interesting. In 1942 the retired and incapacitated mine-worker received a pension of £2 a week, and in 1952 a pension of £3 17s. 6d., an increase of £1 17s. 6d. a week, or 93.75 per cent. Under the Bill introduced by the Minister he will receive a pension of £4 10s. a week, which is an increase of £2 10s. a week or 125 per cent. compared with the 1942 rate.

The retired mine worker and his wife in 1942 received a pension of £3 a week, and in 1952 they received £7 a week, an increase of £4 a week or 133.3 per cent. Under this Bill the retired mine-worker and his wife will receive a pension of £8 5s. a week, an increase of 5 guineas a week, or 175 per cent.

The widow or female dependant of a deceased mine-worker in 1942 received £1 10s. 0d. a week whereas in 1952 she received £3 2s. 6d. a week, an increase of £1 12s. 6d., or 108.3 per cent. Under this amending Bill a female dependant or wife will receive £4 a week, an increase of £2 10s., or 166.2 per cent. That makes the age and invalid pensions increases quoted by the hon. member for Whitsunday, Mr. Lloyd Roberts, look very small.

In 1942 the mine-worker contributed 2s. 6d. a week to the Pensions Fund, and in 1952 6s. 6d., an increase of 4s. a week or 160 per cent. That has now been reduced to 6s. making the increase since 1942 3s. 6d. or 140 per cent. In 1942 the weekly contributions of the mine-owner to the fund was 6d. a ton in both New South Wales and Queensland, but because of the action taken by certain colliery proprietors, who refused to pay any levy on coal exported from New South Wales to other States or out of the country, those in control of the Pensions Tribunal in New South Wales were forced to change their method of collecting contributions from the owners, and Queensland very wisely followed them. The contributions paid by the mine-owners—they are really paid by the consumers—in 1942 was 8s. 9d. a miner a week, whereas in 1952 it was £1 2s. 9d., an increase of 14s. a week or 160 per cent. The contribution under the amending Bill will be £1 7s. 0d. a week, an increase of 18s. 3d. a week or 208.5 per cent.

The Government subsidy in 1942 was £13,000. Some people still make the mistake of saying that the State subsidy has never been increased. The first amendment to the Act was made in 1942 and the Government increased their subsidy to the extent of £2,000, making it £15,000, which still stands. In 1942-43 this represented 19 per cent. of the total income, and today the £15,000 subsidy represents only 5 per cent. of the estimated income for the year.

I think it is very wise that provision is made that our scheme shall be actuarially sound, so that it will retain the confidence of the people who are coming into the industry at the age of 14, 15 and 16 and ensure that there will be pensions for them when they reach the age of 60. If the contributions by the mine worker and the owner are not sufficient to make it actuarially sound the Government should follow the example of the West Australian Government, which increased their subsidy from £16,000 to £24,000. I do not know what the original figure was.

Mr. Hiley: They would have fewer miners.

Mr. DONALD: Yes, of course.

1952—3H

Under the New South Wales scheme the Government subsidy has stood at £80,000, but that is not as generous as our £15,000 when you take into account the greater number of miners in that State.

There is one interesting point that is worth mentioning in regard to contributions by mine workers. I have given the figures in Queensland. In New South Wales the contribution of the mine worker has been increased from 2s. 6d. to 5s. and under the new Act it will be 6s., an increase of 40 per cent., the same as in this State. The weekly increase of New South Wales mine workers jumped from 8s. 9d. to £1 2s. 6d., an increase of 157 per cent. At the moment the Queensland mine owners are paying 3d. an employee a week more than the New South Wales colliery proprietors although the latter are paying 4½ times the amount of their employees' contributions, as against the Queensland employers' 3½ times. On the other hand, the mine workers in this State are required to make a payment of 1s. 6d. in excess of the rate in New South Wales in order to obtain uniform pension rates with those of retired mine workers in that State.

While it has been said that these higher rates of contributions were necessary in order to make the funds of the tribunal actuarially sound, attention is drawn to the fact that on the basis of 3,200 mine workers contributing continuously through the present financial year, the present method merely returns to the scheme £14,560 in excess of the amount that would accrue to the scheme under the New South Wales formula. While it may be a debateable point whether this £14,560 additional income has had the desired effect of stabilising the funds of the tribunal, the fact remains that of this amount the sum of £12,480 has been subscribed by the mine-workers, and a mere £2,080 by the coal-owners. For example—

3,200 mine workers, 52 weeks x 1s. 6d. per week in excess of New South Wales rates	£ 12,480
Owners, 3,200 mine workers, 52 weeks x 3d. per week in excess of New South Wales rates	2,080

Additional income under present method of contribution as against New South Wales formula £14,560

We know that the Minister is of a very kind and generous nature, also that he is a very jovial fellow, but the mine worker-pensioners of Queensland would appreciate that by amending this Act and making the amendment retrospective to 2 October he has given them a very acceptable Christmas box. Without a doubt he is playing the role of a real Father Christmas.

The amendment removes an anomaly, not only an anomaly but an injustice, and I refer to the removal of the provision that requires men to continue in the industry till they reach the age of 65 before they can retire. The workers coming under this heading will be principally managers, clerks, and electricians. As the Minister has said, there are many men who play the rôle of managers, particularly in small mines and sometimes in the larger mines, for the convenience of their employers. They reach the age of 60 years—in many instances they are not qualified

to be managers, and by reason of sickness are not able to carry on that position. However, they cannot work as a mine worker because they have reached the age of 60. For that reason they cease to be regarded as a mine worker. These men are compelled to wait five years before they can get the miners' pension. On reaching the age of 65, if they satisfy the means test, they will be qualified for the age pension. This Bill removes an injustice, and in addition it will give a number who have spent years in the industry pension rights at 60 years of age. This will be appreciated throughout the coalfields.

I have already mentioned the appreciation due to the Minister for making this increase in pensions retrospective to October, 1952, and I am tremendously pleased that he has decided to continue payment to all dependent children in Queensland to the extent of 10s. a

week. Even though there are not many children in Queensland to come under this scheme—there are 94—it must be recognised that the parents are benefiting by the extra 10s. a week payable for each child. If a mine worker has three children—and it is not uncommon for a mine worker to have that number—instead of receiving 10s. a week for the children, he will now get 30s. a week for his three children, and that means an extra £1, which will go a long way towards helping the family budget.

That reminds me that I should inform hon. members of the facts and figures contained in the report and balance sheet tabled here a few weeks ago. A summary of the position regarding pensions allowed since the inception of the scheme in January, 1942, and of matters dealt with by the tribunal during the year under review is shown hereunder:—

Pensions Allowed—

Number allowed to 30th June, 1951	1,134
Add allowances during the current year	84
Total number allowed from the inception of the scheme to 30th June, 1952	1,218
Deduct payments discontinued:—	
To 30th June, 1951 as shown in previous report	279
During the current year—	
Pensioners deceased	48
Payments reduced to Nil on account of Compensation and Commonwealth Social Service benefits	1
Payments suspended on account of earnings	4
	332
Less payments resumed on cessation of earnings	8
	324
Number of payments being made as at 30th June, 1952	894

Details of such payments:—

	Dependants.			
	Applicants.	Wives and Female Dependants.	Children.	Total.
Retired Mine Workers	626	450	51	1,127
Incapacitated Mine Workers	53	38	10	101
Widows and Female Dependants	215	..	33	248
	894	488	94	1,476

That shows the hon. member for Whitsunday is incorrect when he says that an incapacitated mine worker has to wait until he is 60 before he receives a pension.

Mr. LLOYD ROBERTS: I rise to a point of order. I did not say anything of the kind and I ask that the statement be withdrawn. I said an incapacitated miner did not receive his pension until his workers' compensation payments had run out, and I said that he would not be drawing pension if he was entitled to the invalid pension, that he would receive only the difference between the two.

The TEMPORARY CHAIRMAN (Mr. Graham): Order! I ask the hon. member for Bremer to accept the denial of the hon. member for Whitsunday.

Mr. DONALD: How can I accept his denial when he is still wrong? A miner on

compensation after he is 60 years of age draws both the miners' pension and the compensation.

The suspension of the compulsory Clause of the Act resulted in the tribunal's dealing with 20 applications and I feel sure from reading the report that the policy of the Miner's Federation of opposing extensions for mine workers is still being pursued and the suspension of the compulsory retirement clause is exercised only in the cases of key men, such as engine-drivers and deputies.

The report continues—

“Applications for suspension of the compulsory retirement provisions of the Act were considered and decided by the tribunal in accordance with the requirements of the industry.

“Investment of surplus funds to the best advantage has resulted in further interest receipts which have again greatly

exceeded administrative costs. All contributions were therefore available for the payment of pensions and the strengthening of the fund."

That reflects great credit on the officers in control of the pensions scheme in Queensland. I do not want to go on repeating how fortunate we are in having these men in control.

The report goes on to say—

"Office efficiency has been maintained and the co-operation of the Deputy Registrar and the staff has enabled the operations of the year, involving numerous adjustments of pensions and a considerable volume of regular office work to be performed efficiently and expeditiously."

In addition to this work, it can be said that the pensions tribunal is carrying out a considerable amount of work in connection with the payment of long-service leave to mine workers in Queensland. Other administrative expenses are—

	£	s.	d.
Fees, salaries and incidental expenses	3,119	18	9
Printing, stationery and office expenses	606	18	3
Postage	363	0	7
Stamp duty	163	12	11
Exchange	13	5	11
	<u>£4,266</u>	<u>16</u>	<u>5</u>

The interest on moneys invested was—			
Commonwealth inscribed stock	12,355	1	1
City Electric Light inscribed stock	697	1	5
State Electricity Commission inscribed stock	189	17	3
Commonwealth Savings Bank	176	4	1
	<u>£13,418</u>	<u>3</u>	<u>10</u>

As a result of the wise investment of the surplus moneys coming into the hands of the Pensions Tribunal from time to time, we find that the interest exceeds administrative costs by £9,151 7s. 5d.

Some reference was made by the hon. member for Whitsunday to faith in the Government. It is said that the Government are not guaranteeing that they will amend the Act, irrespective of whether the amendment is to the advantage of the mine workers or whether they are to suffer a reduction similar to any reduction made in the New South Wales Act. I have sufficient confidence in the Government to know that they will look after the mine workers in this State with reasonable fairness.

The hon. member for Whitsunday also made some sarcastic remarks about hon. members on this side of the Chamber watching plebiscite and election results and if he was referring to me let me say that the mine workers of the Bremer electorate gave their views in no uncertain terms just recently, when they gave me the biggest vote ever recorded by a member contesting a plebiscite. I leave it to the electors of Bremer to say whether I have served them faithfully and whether they want a continuance of a Labour Government.

The hon. member also went on to quote a lot of figures but, Mr. Farrell, the mere

quoting of figures does not mean anything. He quoted figures concerning the tribunals in Queensland and New South Wales and asked this Committee to accept as a fact, from the mere quoting of figures, that the tribunals in New South Wales and Queensland were actuarially sound. No actuary would give an opinion on figures until he had made a complete examination.

The hon. member also went on to say that by dividing the accumulated surplus by the number of coal-miners in Queensland it would work out at £141 14s. 1d. a mine worker, as against £63 19s. 7d. in New South Wales. We have known that New South Wales has been in an awkward position and we have known that for many years we in this State, were not actuarially sound. If unemployment comes in the industry, which seems likely, the fund will be hit extremely hard and we might have to again examine our scheme to meet the circumstances.

The hon. member was again wrong when he referred to ex-service men not receiving the miner's pension at 60 years. In Queensland they have always received the full pension payment in addition to the service pension on reaching their 60th birthday and this was not always so in New South Wales. He also spoke about handling the scheme over to an insurance company, and mentioned the State Government Insurance Office. Let me say that if we were looking for an insurance office to handle the business efficiently, we could not get a better office than the State Government Insurance Office.

(Time expired.)

Hon. E. J. RIORDAN (Flinders—Secretary for Mines and Immigration) (10.28 p.m.): I have no wish to detain the Committee any longer than is necessary but if Press reports are true that the hon. member for Whitsunday was called off the plane so that he might be able to take part in this debate and in fact lead the debate for the Opposition on this Bill, I think he might have gone away. I do not want to appear ungrateful; I thank him for his statements this evening. He might have let me know them and we might have come to some arrangement.

The hon. member made the statement that the Queensland pension should be tied to the Commonwealth age pension. I suggested to the miners in conference that they might accept the rise and fall in the Commonwealth pension as the basis for future pension adjustments but they were not willing to do so; as a matter of fact, they turned the suggestion down flat. All the suggestions made by the hon. member for Whitsunday about what he has said in the past cut no ice with me because we are not living in the past but in the present. This Bill means the bringing about of uniformity. There has been a clamour by New South Wales miners for the most desirable things in the Queensland scheme and the Queensland miners have been demanding the most desirable things in the New South Wales scheme.

The hon. member for Whitsunday went to a lot of trouble to quote figures that he said

proved that the scheme was actuarially sound, and I think he said that I said the scheme was actuarially unsound.

Mr. Lloyd Roberts: No, I do not think I said that. I did not mean to convey that.

Mr. RIORDAN: At the present time the scheme is actuarially sound. I have it on the word of the actuary, the only competent person to make such a statement, that that is so. We do not act on these requests unless we satisfy ourselves that everything is in order. I do not come into this Chamber and make loose statements; I make certain that they are correct by seeking the advice of our actuary.

In New South Wales, in order to get benefits similar to those in this State, miners have to pay an increased contribution of 1s. a week, whereas the contribution in Queensland has been reduced by 6d. a week.

An Opposition Member: It was higher here in the first place.

Mr. RIORDAN: But in order to pay the present pension in New South Wales they have had to increase the contribution by 1s. a week, whereas in Queensland, to bring about the same result, we have reduced the contribution by 6d. a week.

It would be just as competent for me to say that the New South Wales scheme is actuarially unsound as for the hon. member to tell me that something is not right actuarially with our scheme. Officials of the Miners' Federation have doubts whether the fund in New South Wales is actuarially sound. In this State we retain the right to have an actuary determine what the contribution shall be, by both the mine workers and the mine-owners.

I have given as much detail of the Bill as I can, and I submit that it is worthy of consideration by all hon. members.

Motion (Mr. Riordan) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Riordan, read a first time.

BRISBANE GAS COMPANY ACTS AMENDMENT BILL, No. 2.

INITIATION IN COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Hon. E. J. RIORDAN (Flinders—Secretary for Mines and Immigration) (10.35 p.m.): I move—

“That it is desirable that a Bill be introduced to provide for the registration of the Brisbane Gas Company under the Companies Acts, 1931 to 1942, and to amend the Brisbane Gas Company Acts, 1864 to 1952, accordingly, and for other purposes.”

I want to give hon. members the full reasons for the introduction of the Bill. It is an important one. It provides for the registration of the Brisbane Gas Company under the Companies Act, with a modern constitution. The company has requested the legislation embodied in the Bill.

The company was originally formed as a society or association of persons for the purpose of manufacturing gas and coke and supplying them to the inhabitants of Brisbane. It was formed by means of a written instrument purporting to be a deed of settlement and its constitution is set out in that instrument. The company's powers under that deed of settlement are circumscribed. In particular, its power to amend its constitution as set out therein is limited. The provisions of the deed respecting the power to amend the constitution are difficult of construction and consequently the validity of desirable amendments, if made, is uncertain.

The company requires objects, that is, powers, additional to those set out in the deed of settlement. Every hon. member will appreciate that in 1864 or thereabouts, when the company's deed of settlement was drawn up, the activities of a gas company were largely confined to producing gas and distributing it to consumers. The many commercial products which modern scientific discoveries nowadays enable a gas company to derive from the carbonisation of coal were then unknown. Many of these residual products are essential to the community for domestic and industrial requirements. It follows that no-one will dispute the necessity, let alone the desirability, of empowering any gas company to manufacture from the residuals derived from the carbonisation of coal the many commercial products for which there is a public demand. Because these products were unknown about 1864, the constitution of the Brisbane Gas Company as originally formulated, and still in force, did not empower that company to do this.

An even more serious omission was that the constitution gave no clear power for its amendment to extend the company's objects to cover the manufacture of these products. Apart from its defects, the constitution in other ways sets the Brisbane Gas Company apart from every other gas company in this State. It was not, because it could not be, incorporated by the constitution. The company was incorporated by the 1864 Act, but with the constitution set out in the deed of settlement. Legislative authority is necessary to enable a gas undertaking to operate but the necessity is not associated with either the incorporation or the constitution of the undertaking. It is related mainly to the special powers the undertaking must have so as to enable it to distribute its gas to consumers. This, amongst other things, involves placing gas mains and pipes under roads, which cannot be done without legislative authority. In Queensland, the legislative authority is given to each gas company by a special Act. Every other company is

formed and incorporated under the Companies Acts. The Brisbane Gas Company is the only company incorporated by its own special Act, i.e., the Brisbane Gas Company Act of 1864 and, as already pointed out, its constitution is defective.

For instance, a usual one could almost say a routine—power that a company takes by its constitution is the power to borrow money. The borrowing powers of the Brisbane Gas Company, according to its constitution, were so doubtful that not long ago the company approached the Government and special legislative power was given to it to borrow. But that special legislative power did not of itself remedy still another defect. Lenders commonly want to know the circumstances of their borrowers before they make a loan. In the case of a company, this involves the lender's knowing exactly what is its constitution, particularly as it may affect his rights as a lender. Much the same conditions, it is thought, would apply with respect to contractors with the company.

The Brisbane Gas Company is faced with an expanding demand for gas, resulting partly from the growth of the city, which adds largely to the numbers of both its domestic and industrial consumers, and partly from an increase in industrial demand from existing consumers. To meet this demand it must modernise and expand. This means obtaining much additional plant.

Every relevant factor leads to the inescapable conclusion that the company's constitution must be modernised. The Companies Act already provides for the registration thereunder as companies or corporations constituted outside those Acts, namely, as by Act of Parliament, but such registration can only be effected in accordance with the requirements of the Companies Acts. One of these requirements is that the outside corporation shall register with its existing constitution. It is very doubtful, however, whether this company could satisfy the Registrar of Companies as to exactly what its constitution is.

Having that and the urgency of the matter in mind, the Government have acceded to the company's request for the special legislation embodied in this Bill. It is, in the opinion of the Government, essential in the interests of consumers of gas that provision be made to allow the company to register under the Companies Act with a modern constitution. This Bill provides special powers to enable the company to so register under the abbreviated name of Brisbane Gas Company Ltd. The abbreviated name is a formality asked for by the company to facilitate frequent repetition of its name in documents.

This Bill sets out in a schedule a modern constitution in compliance with the requirements of the Companies Act, namely, by way of a memorandum and articles of association. The company itself has formulated its new constitution. I emphasise that the Government are in no way imposing a constitution on this company. All the Bill does is to

give to the company the constitution it is asking for. The Bill provides that, once the new constitution is registered under the Companies Act, it can be altered in the way provided in that Act. This adequately safeguards the rights of the company's shareholders.

Because of the doubtfulness of the existing constitution and the pressing urgency of the matter, the Bill dispenses with the consent of the shareholders as such to the adoption of the new constitution. Two factors led the Government to do this, the primary one being, as I have already mentioned, the defects in the existing constitution, and the second one being consequent upon those defects, namely, the difficulty of ascertaining what would constitute due consent by the shareholders. However, I think that the Committee will agree that the Bill adequately protects the shareholders.

Some consequent repeals of provisions of the 1864 Act that the Bill will make obsolescent are contained in the measure.

The Bill will be advantageous to the company, to its shareholders and to its consumers and I commend it to the Committee accordingly.

Motion (Mr. Riordan) agreed to.

Resolution reported.

FIRST READING.

Bill presented, and, on motion of Mr. Riordan, read a first time.

REVIEW OF VALUATIONS BILL.

INITIATION.

Hon. P. J. R. HILTON (Carnarvon—Secretary for Public Works and Housing) (10.45 p.m.): Mr. Speaker, I gave notice of a motion for the introduction of a Review of Valuations Bill, and I now intimate that I do not propose to proceed with that motion. I ask permission of the House to move a motion without notice.

Hon. P. J. R. HILTON (Carnarvon—Secretary for Public Works and Housing), by leave, without notice: I move—

“That the House do now resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to provide for a review of certain valuations.”

Motion agreed to.

INITIATION IN COMMITTEE.

(The Chairman of Committees, Mr. Farrell, Maryborough, in the chair.)

Hon. P. J. R. HILTON (Carnarvon—Secretary for Public Works and Housing) (10.46 p.m.): I move—

“That it is desirable that a Bill be introduced to provide for a review of certain valuations.”

The necessity for the measure arises out of a recent judgment by the President of the Land Court in which it is stated—

(a) The Valuer-General's valuations were made without regard to economic circumstances and restrictive factors operating on the 30th June, 1952, and that a review should be made of all valuations made by the Valuer-General as at the 30 June, 1952.

(b) If such a review be not made, there will be a medley of valuations, some being reviewed and some not, a needless waste of time, waste of private and public monies, needless congestion of the Courts and much general dissatisfaction.

Apart from the widespread publicity given to this judgment and the profound effect which it must have upon public opinion, the Government feel that a judicial pronouncement upon a matter of such major importance calls for immediate action.

It is therefore proposed by this Bill to set up as speedily as circumstances will permit a board of review that will have full power under the Commissions of Inquiry Act of 1950 to make a full and careful investigation as to whether or not the valuations in the several local government areas concerned are fair and equitable.

Should the board of review find that the valuations are not fair and equitable, the board will have power to amend the valuations to the extent necessary in its opinion and, so that the whole matter may be expeditiously dealt with, the issue of fresh valuation notices will be dispensed with.

In lieu of this procedure, immediately the finding of the board of review is conveyed to the Secretary for Public Works and Housing, he will cause the finding to be gazetted and published in the local press.

Whether the board of review finds that the valuations made by the Valuer-General are fair and equitable or not, or whether or not the board of review alters any of the valuations, every owner whose lands were valued by the Valuer-General as at the 30 June, 1952, will be given the right of appeal.

The appeal will be to either the Land Court or the Valuation Court, as the case requires, as provided in the Valuation of Land Acts at present.

Should the board of review amend the valuation, the appeal will lie against the amended valuation.

Mr. Sparkes: Even though he has the right of appeal.

Mr. HILTON: That is so. Should the board of review amend the valuation, the appeal will lie against the amended valuation. That is fairer still. All appeals pending against valuations as at 30 June, 1952, will be suspended on and from the passing of this Bill but, after publication of the finding of the board of review by the Secretary for Public Works and Housing these appeals may be continued, withdrawn or substituted by a fresh review.

All objections against the Valuer-General's valuations as at 30 June, 1952, shall lapse.

Any alterations that may be made in the valuations by the board of review shall be recorded by the Valuer-General in his roll and by the local authorities concerned and the Commissioner for Land Tax in the copies of the rolls held by them.

If, in consequence of any amendment to the valuations that may be made by the board, any owner has overpaid rates or land tax or both, the amount of the overpayment shall be set off against the amount of rates or land tax, as the case may be, for the year to commence on 1 July, 1953.

Briefly, those are the provisions of the Bill.

Motion (Mr. Hilton) agreed to.

Resolution reported.

FIRST READING.

Bill presented and, on motion of Mr. Hilton, read a first time.

The House adjourned at 10.55 p.m.
