

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 13 OCTOBER 1953

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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—

Unauthorised Documents Bill.

Sheepskins (Draft Allowance Abolition) Bill.

Registration of Firms Act Amendment Bill.

DEATH OF Mr. R. M. BELL.

REPLY TO MOTION OF CONDOLENCE.

Mr. SPEAKER: I have to inform the House that I have received a letter from the widow of the late Mr. R. M. Bell conveying thanks for the motion of condolence passed on 3 September.

QUESTIONS.

STATES' MARGARINE QUOTAS.

Mr. NICKLIN (Landsborough—Leader of the Opposition) asked the Secretary for Agriculture and Stock—

“What was the maximum quota for manufacture of table margarine in each State (a) at 30 June, 1951, and (b) at 30 September, 1953?”

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

“(a) New South Wales, 1,248 tons; Victoria, 1,196 tons; Queensland, 645 tons; South Australia, 312 tons; Western Australia, 364 tons; Tasmania 208 tons. (b) New South Wales, 2,500 tons; Victoria, 1,196 tons; Queensland, 6,860 tons; South Australia, 468 tons; Western Australia, 800 tons; Tasmania, 208 tons. The manufacture of table margarine during 1952-1953 amounted to 1½ lb. per head of population in Queensland and 2½ lb. per head in New South Wales. Manufacture in Queensland during 1952-1953 showed a gain of 123 tons over the previous year compared with an aggregate gain of 627 tons in Victoria, South Australia, Western Australia, and Tasmania.”

BUILDING OF WEST CARMILA ROAD.

Mr. EVANS (Mirani) asked the Minister for Transport—

“In reference to my representations over a period of about six years, now that ample roads funds are available, will he give favourable consideration to the construction this year to the West Carmila road?”

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

“It is anticipated that a scheme for works on a section of the Carmila-Carmila West road, just under 2 miles in length, will be released shortly.”

DATE FOR GOVERNMENTAL RETURNS.

Mr. H. B. TAYLOR (Clayfield), for Mr. LOW (Cooroola), asked the Premier—

“With the object of simplifying as much as possible the preparation of returns under various Acts and Regulations, will he kindly give consideration to making 30 June, being the last day of the year for income-tax purposes (in most cases), the date which applies to as many returns (statistical and other) as is practicable? In this connection, will he give particular attention to stock returns and statistical returns generally required from primary producers?”

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

“With few exceptions, returns required by Government Departments are made as at 30 June in each year. In relation to stock returns, it is found that the present date for these, namely, 1 January, is the most appropriate for the purpose in that the stock population is then virtually stationary. At other times of the year large numbers of stock are on the move, and to alter the date for the lodgment of returns would throw the responsibility for such returns on to the drovers rather than the more satisfactory method of having them submitted by the property holder himself. As to agricultural returns required for statistical purposes, I refer the hon. member to a reply given by me as Secretary for Labour and Industry, to the hon. member, in relation to a similar question submitted by him on 13 September, 1949.”

PRESERVATION OF DOCUMENTS.

Mr. LLOYD ROBERTS (Whitsunday), for Mr. FLETCHER (Cunningham), asked the Premier—

“Will he kindly make a brief statement for the information of hon. members as to what is done in this State towards preservation of documents of historical value and other things of that nature; indicating the associations which are actually concerned in that work and the extent of Government assistance respectively?”

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

“The Government is fully alive to the necessity and advantage of collecting and preserving important documents relating to the history and development of the State, and for this purpose, in 1943, passed through this Parliament an Act which, inter alia, provides for the preservation of the public records of the State. Unfortunately, it has not been possible to proclaim this portion of the Act owing to

difficulties which have arisen, chief of which has been the lack of suitable space in which to store and display these documents. In the Government's view, it would be necessary to house these records in a setting appropriate to their importance, and where they could be readily available for public inspection and to permit of research work by interested and competent parties. Since the termination of the war the Government's building activities have been concentrated on providing homes, schools, hospitals, and other urgently required buildings, rather than on the erection of new buildings for administrative purposes. At the present time all documents of a historical nature in the custody of the Library Board are housed in the Oxley Memorial Library, which is the State's principal repository for material dealing with Australian history and sociology, with particular reference to Queensland. In addition, those Departments which have been in existence for a lengthy period of time and have in their possession quantities of valuable records of previous administrations, take every precaution to ensure that these records are preserved and that nothing of any value is destroyed."

PAPER.

The following paper was laid on the table, and ordered to be printed—

Report of the Chief Inspector of Machinery, Scaffolding, and Weights and Measures, for the year 1952-1953.

LOCAL GOVERNMENT ACTS AMENDMENT BILL.

INITIATION.

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

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider of the desirability of introducing a Bill to amend the Local Government Acts, 1936 to 1951, in certain particulars."

Motion agreed to.

CITY OF BRISBANE ACTS AND OTHER ACTS AMENDMENT BILL.

INITIATION.

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

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider of the desirability of introducing a Bill to amend the City of Brisbane Acts, 1924 to 1952, the City of Brisbane Improvement Act of 1916, and the Metropolitan Water Supply and Sewerage Acts, 1909 to 1949, each in certain particulars."

Motion agreed to.

SUPPLY.

COMMITTEE—FINANCIAL STATEMENT— RESUMPTION OF DEBATE.

(The Chairman of Committees, Mr. Clark, Fitzroy, in the Chair.)

Debate resumed from 8 October (see p. 643) on Mr. Walsh's motion—

"That there be granted to Her Majesty for the service of the year 1953-1954 a sum not exceeding £883 to defray the salary of the Aide-de-Camp to His Excellency the Governor."

Hon. T. A. FOLEY (Belyando—Secretary for Public Lands and Irrigation) (11.16 a.m.):

At the outset I should like to congratulate the Treasurer on the splendid statement that he has submitted to Parliament dealing with the public accounts. It is interesting to note, as he points out, that in 15 successive years the Labour Government have succeeded in balancing their accounts in no fewer than 14. That indicates at least that Labour Governments have given proper attention to public expenditure and that they have acted wisely in allocating the funds available to them to various public purposes. But although it may be said that the Financial Statement is a splendid record of the activities of the Government over a very wide sphere, it also points to the urgent necessity of carrying out development work at a faster rate than we are able to do just now. It is a matter of history now that when representatives from Queensland attended the last two Loan Council meetings and sought funds for the development of Queensland the Premier returned on the first occasion and the Treasurer on the second with considerably less money than the Loan Council had been told the State would require to carry out our programme of work if Queensland was to keep pace with the needs of a rapidly increasing population.

It is regrettable that the Central Government should have handled public affairs in such a way that capital for investment had not been directed to Queensland to be used for the development of Queensland and Australia generally. There is no use in talking about the need to defend Australia against an invasion from the teeming millions of coloured people to the North if we do not develop the State and the country so as to encourage and maintain a bigger population than we have here now. If the wherewithal for necessary public works is not forthcoming from the Loan Council naturally the State Governments are hampered. However, it is to be hoped that there will be a change in the Government at Canberra and as a result better management of public affairs will make available enough loan moneys to carry out essential development to meet the needs of an increasing population.

It is necessary to refer to the remarks of the hon. member for Mt. Coot-tha, who in the earlier stages of the debate criticised what he alleged were deficiencies in Labour administration in regard to war-service land settlement. The hon. member has a habit of using extravagant language on such

occasions and he observed that custom on this occasion in an endeavour to bolster up his case. He said that the Government failed in regard to war-service land settlement, that funds had been misappropriated, that returned soldiers had been left lamenting, and that my figures in regard thereto supplied to the Press were basically untrue. That comprised the main part of his speech, except his reference to the benefits that accrue to agent States as against principal States and his attack on the Government in connection with that matter. Let me deal with his allegation.

First, the Government have not failed in the matter of war-service land settlement; as a matter of fact, the Queensland Government have made a better showing—and I shall prove it as I proceed—than any other Government in the Commonwealth of Australia. (Opposition interjections). No funds have been misappropriated. There is an allocation by the Government for war-service land settlement from the total amount received from the Loan Council. Those total funds belong to nobody but the Queensland Government and they can be expended as that Government think fit and proper. The hon. member alleged that the Loan Council made a specified allotment for war-service land settlement which is not true; they made a bulk amount available to this State and to the other States; and it was left to the respective governments to allocate to it the amounts they thought could be profitably used in any financial year.

Then the hon. member said that the returned soldiers were left lamenting. As a matter of fact, every returned man placed on the land will have an excellent opportunity of making good. Up to date it is estimated that the returns from war-service land settlement farms were £1,117,000 for last financial year, whereas previously this land returned produce to the value of £176,000 based on 1952 values. That is the difference up to date. I think I have demonstrated clearly that these men have been settled on good land and that they have every possibility of making good. That is borne out by the returns I have quoted, which indicate that there is no prospect, except in an odd case that these settlers will fail.

Mr. Morris: You settled only one-tenth of those who applied.

Mr. FOLEY: It is not a question of the percentage of those who applied; it is a question of those who have been classified as suitable from the many thousands of returned men over the whole of the Commonwealth including this State who applied to come under war-service land settlement. Only a percentage of these men were selected as suitable by the classification committee set up under the War Service Land Settlement Act. A few are still being placed in Queensland, just as in every other State of the Commonwealth.

The third contention, that my statements as regards assistance to ex-service men was basically untrue, can only be described as vile political prejudice on the part of the

hon. member. I will prove as I proceed that I have understated the position with regard to the measure of aid rendered to these men in this State. We have carried out to the letter the conditions of the War Service Land Settlement agreement between us and the Commonwealth Government; in fact we have gone much further than other States in helping these ex-service men to establish themselves. It is true that there has been a lag in the past two years but that lag is the result of the high costs that have developed, placing men on suitable farms, and insufficiency of loan funds. These things have definitely hampered progress. Comparing the earlier stages of war-service land settlement and help generally to ex-service men, we find that formerly a man could be placed on a dairy farm for £5,000 whereas today the figure has jumped to over £10,000; in fact, the sum of £10,170 is required today to bring the man's farm to the stage of development laid down in the agreement. Common sense tells us that if the development of farming land costs double what it did less work can now be carried out with the same amount of funds and certainly less work can be done with the funds available to the States today than when the scheme was started.

The hon. member contends also that the total figures I gave were incorrect and that option-holders and land-holders should not be included in them. The hon. member should know, because he helped in the House in passing what is known as the War Service (Sugar Industry) Land Settlement Act, an Act apart altogether from the War Service Land Settlement Act that sugar-mill peaks were increased by 3 per cent., that provision was made that peaks could apply to sugar lands so that landless ex-service men could be allotted farms and men owning land without assignments could also be assisted by way of an assignment to enable them to grow cane. The man with an option over certain lands also came under that Act. The result has been that the War Service Land Settlement Department has carried out the work of the calling for and the receiving of the necessary applications, arranging for applications to come before the various classification committees in the various towns, inspection of the land concerned and co-relating and assembling all information for submission to the Central Sugar-Cane Prices Board. This board in its wisdom, after inspecting and studying that information, would make the assignment if they thought it justifiable. The result has been that 257 ex-service men have been helped under that Act, i.e. option-holders and land-holders and another 175 landless men, but because they are included in the sum total of figures the hon. member for Mt. Coot-tha quibbles over it and says that my statements are absolutely untrue.

Mr. Morris: Of course they are.

Mr. FOLEY: The War Service Land Settlement staff is not very big, and it has had to do all this work. Further, I submit I am justified in asserting that I have understated the number of ex-service men placed

on the land in this State. Queensland has four systems of assistance to ex-service men under the following headings—

1. Queensland and Commonwealth War Service Land Settlement Act.
2. War Service (Sugar Industry) Land Settlement Act.
3. Special priority of 50 per cent. to ex-service men over grazing lands opened for selection.
4. Advances under the Agricultural Bank Acts to ex-service men free of interest and redemption for three years either to buy a farm or to improve farms they may have already.

No other State in the Commonwealth has the same facilities for settling ex-service men.

Mr. Morris: They have better.

Mr. FOLEY: If, under those different headings, we have actually placed ex-service men on the land, how can the hon. member for Mt. Coot-tha dispute the fact? How can he dispute our figures when these men are actually on the farms? Farms that were previously virtually non-producing—they may have had one or two head of cattle on them and nothing else—are now prosperous cane farms in the North, as a result of our activities under the War Service (Sugar Industry) Land Settlement Act.

I emphasise also that the work of the War Service Land Settlement Branch in satisfying the Central Sugar Cane Prices Board in connection with these farms has been just as great as it has been where we were settling them under the War Service Land Settlement Act. Our critics give very little consideration to the huge amount of work this Branch has done. For instance, just prior to the lifting of land-sales control, we could get land on the Darling Downs for from £5 to £7 an acre. We designed and had ready for ballot and allocation just on 100 farms, but when land-sales controls were lifted we found it impossible to get the land for less than £25 an acre. With the limited amount of finance at our disposal we could not proceed with that proposal.

Mr. Morris: You were always niggardly with the money you allocated to war-service land settlement.

Mr. FOLEY: In the Calliope Valley we had another batch of farms reported as being suitable for this purpose but after thorough investigation and survey we found that only 26 of those farms would be suitable for ex-service men. In addition, the cost of establishing a cream-run in the district was so great that no cream-carter could be induced to undertake the work.

Let us examine the position from another point of view. From the inception of the schemes until 30 June, 1953, the cost of acquisition in connection with the various types of farms has been—

	£	s.	d.
Mixed farming	371,724	9	2
Cane farms	106,761	15	1
Tobacco farms	1,649	4	0
Miscellaneous expenses	3,132	6	9

The total cost of acquisition to that date was £983,267 15s.

I want to go a little further and tell the Committee that the amount actually advanced by the Agricultural Bank to 30 June, 1953, was £2,230,856 5s. 2d. Advances for a greater sum were approved of by that Bank but that is what was actually advanced. To go further still, no less a sum than £5,372,614 was advanced to 3,223 ex-service men by the Agricultural Bank under the three years' interest- and redemption-free concession under the Agricultural Bank Act of 1953, and with the £3,727,636 for acquisition and advances, there has been a total expenditure of £9,867,087, made up as follows:—

Acquisition and advances under the War Service Land Settlement Acts	£3,727,636
Advances under the Agricultural Bank Acts (of which £5,372,614 is interest and redemption free for 3 years)	£6,139,451
	£9,867,087

Mr. Morris: Even Western Australia and Tasmania can beat you.

Mr. FOLEY: The hon. member can have Western Australia, Tasmania, South Australia; he can have the whole lot of them, but none of them will come up to the position in Queensland.

Mr. Morris interjected.

The CHAIRMAN: Order!

Mr. FOLEY: If the hon. member can be calm and control himself I will give him the actual figures. The number of ex-service men helped up to date is given under these headings—

Mixed farming	198
Tobacco farming	72
Sugar farming	175
Land holders and option holders under War Service (Sugar Industry) Land Settlement Act ..	257
Sheep lands	78
Cattle	5
	785

Add to that number the 3,223 ex-service men who received advances to buy farms or to improve farms they had, and we get a grand total of 4,008 ex-service men helped from the inception of the scheme. The hon. member can take Tasmania, South Australia and Western Australia and he will not get a total of 4,000-odd. Under the various headings in Queensland we have been able to give 4,008 returned men some measure of help to enable them to go on the land. The hon. member can quibble but the point is that those men are on farms and are doing well.

Let me deal now with the part that the Commonwealth plays. To hear the hon.

member for Mt. Coot-tha and Mr. Kent Hughes speaking, one would think that the Commonwealth Government were doing a tremendous job. From Press statements one would think that the Commonwealth Government were carrying out a tremendous task in helping returned men, but I will give the position as it affects Queensland and hon. members can sum up the position.

The total figure for this State from all sources by way of acquisition and advances under the various headings is £9,867,087, which is a fairly considerable sum of money. What was the Commonwealth's contribution? It was a mere £318,668.

Mr. Morris: As arranged between you and Mr. Curtin and Mr. Chifley. Those were the arrangements you made with your own Labour Prime Ministers.

Mr. FOLEY: We have arrangements to help returned men that exist in no other State. Those are the indisputable figures. From all sources we have rendered help to the extent of £9,867,087, as against a miserly £318,668 by the Commonwealth Government.

What is the use of trying to make out that the Commonwealth Government have been very beneficent in helping returned men? Those are the actual figures. If hon. members want detailed figures I can supply them. If you work out those figures on a pro-rata basis they show that this State is contributing £31 for every £1 contributed by the Commonwealth Government, yet hon. members speak as though they were doing a tremendous thing for the returned men.

The other day the hon. member for Mount Coot-tha implied that under the agent-State scheme operating in South Australia, Tasmania and Western Australia, the money provided by the Commonwealth Government was virtually a grant, that it cost nobody anything. It is no such thing. Those moneys are advanced to help settlement in those States and they are handled by the respective State Governments as agents. The returned men have to repay any moneys they receive under that system, in just the same way as they do under the principal-State system that has been so severely criticised by hon. members opposite.

Mr. Morris: You are confusing the issue again. You say they have to pay back the money—

Mr. FOLEY: Of course they have to pay it back. The whole scheme is based upon advances to returned men to enable them to get into a state of production so that their success will be assured.

Mr. Morris interjected.

The **CHAIRMAN:** Order! I ask the hon. member for Mt. Coot-tha to be a little quieter.

Mr. Morris: I would be if he was truthful.

Mr. FOLEY: I am stating a case that cannot be disputed by either the hon. member for Mt. Coot-tha or any other member of

this Committee. I am stating the bare facts of the whole position. There is nothing untruthful in anything I am saying today.

The hon. member tried to make out a case that the agent States had spent 10 times more than, and settled 10 times as many soldiers as, those operating under principal-State conditions. Again he is either lying or has been misled. I do not say he did it deliberately, but wherever he got his brief, it was incorrect. Expenditure by the principal States, that is, New South Wales, Queensland and Victoria, has amounted to a total of £61,353,713, whereas the amount that has been spent by the agent States is £24,145,214. In other words, instead of a 10 to 1 ratio in favour of the agent States, it is almost 3 to 1 in favour of the principal States.

Let us go a little further. Some correspondence on the agent-State proposal was quoted by the hon. member. It is true that during the last couple of years work in connection with war-service land settlement has lagged.

I am not disputing that fact. I am not trying to hide it—the whole world knows it. However, I have given the reason for it. When the matter was discussed in its early stage this State thought it desirable to retain control of its land tenure instead of handing it over to some other authority. In addition, the cost of placing an ex-service man on the land was lower then than it is today, and having regard to all the circumstances Queensland decided to accept the principal-State conditions.

I want to emphasise the fact that the report of the Rural Reconstruction Committee, on which soldier settlement is largely based, advocated State control of the settlement scheme, with substantial financial help from the Commonwealth. That was the whole tenor of the discussion between the Commonwealth and the States. I have to admit that a Labour Federal Government were in power at the time and that they would not agree with the desires of some of the State Governments. I repeat that in the early stages the desire of the State to exercise control over its own tenure instead of handing it to someone else, which would have been necessary under the agent-State scheme governed the decision in Queensland, where 93 per cent. of the land is held under leasehold tenure and naturally we desire to continue it. If we had agreed to the agent-State principle we should possibly have witnessed the conversion of our leasehold land to freehold at the hands of the anti-Labour Government if in power. That was a possibility.

Mr. Walsh: And the Commonwealth owning the land too.

Mr. FOLEY: And the Commonwealth owning the land. That was one reason why the Premier of this State hesitated about coming under the agent-States provision. Of course, there was the other factor that at that time the cost of installing a new selector was not as high as it is today, and the State Premier and Treasurer realised

then that a reasonably good job would be done at the prevailing cost. It was then estimated that it would cost between £4,000 and £5,000 to place a settler on the land, and it was never expected that the figure would rise to £10,000, as it has today. The financial conditions were totally different in the early stages of the scheme from what they are now.

Perhaps some hon. members opposite might question the cost of £10,000 to which I have referred, but I made use of these figures in a previous debate, and I am sure it would be worth my while having them recorded again now. I pointed out in a previous debate that a special committee consisting of Commonwealth and State representatives—officers of the War Service Land Settlement Department, the State Department of Public Lands, Agricultural Bank, and the Department of Agriculture and Stock—met for the purpose of arriving at the minimum cost required to place settlers on the land, one of them a dairyman carrying on dairying and beef-raising in addition, and the other a grain-grower also carrying on beef-raising in addition to the cultivation of grain. These are the minimum figures that they have supplied—

Item.	Cost of dairying plus beef production.	Cost for Grain-growing plus beef production.
	£	£
Dwelling	1,200	1,200
Barn and machinery shed	300	300
Bails	250	..
Yards (includes facilities for hand spray for ticks)	300	300
Equipped water point ..	1,500	1,500
Second water point ..	1,000	1,000
Fencing—		
Boundary 5 miles		
Internal 3 miles		
(about £120 per mile)	1,000	1,000
Ringbarking (area to be brought up to 600 acres)	600	600
Clearing for cultivation ..	300	1,200
	(100 acres)	(400 acres)
Plant and machinery ..	1,480	4,500
Milking machines	420	..
Stock	1,030	1,030
Refrigeration	300	..
Truck	350	350
Miscellaneous	100	100
Totals	10,130	13,080

I point out that they are definitely on the conservative side, and they indicate what is happening today compared with the time when the principal-State idea was adopted by the Government in the earlier stages of this scheme.

The whole tenor of the attack on the Government by the hon. member for Mt. Coot-tha was on the basis of principal-State versus agent-State conditions. It is rather interesting to notice that first of all the hon. member eulogised the advantages of the agent-State conditions and then he castigated the Government for considering a transfer to agent-State conditions, which we have pointed out we are prepared to do. The hon. member cannot have it both ways; he must make up his mind what he wants.

The proposal that Queensland come under an agent-State condition originated from the Commonwealth Government through Mr. Kent Hughes. We were charged by Mr. Kent Hughes, officially and publicly, with not going fast enough and he suggested that we take the agent-State conditions. I will quote his letter, which indicates the type of man we are dealing with. One would imagine from his statements that he was spending all the money available for war-service land settlement in this State. His letter reads as follows:—

“Minister for the Interior,
“Canberra, A.C.T.,
“14th November, 1952.

“Dear Mr. Minister,—

“The Commonwealth Government is concerned about the slowing down of Soldier Settlement in the Principal States. Soldier Settlement is also vital to the expansion of the Nation’s food programme.

“It has been apparent that this financial year your State has been unable to sustain the former rate of settlement though the scheme is only about one third completed and the increased flow of materials, machinery and labour would permit an increase in the tempo of settlement.

“To overcome this lag in settlement, the Commonwealth is prepared to offer your State the opportunity to operate as from the next financial year on the same basis as the States of South Australia, Western Australia and Tasmania. I am enclosing copy of the conditions under which Commonwealth funds are made available to those States and suggest the formulation of an arrangement along similar lines for the operation of a scheme in your State.

“Would it be convenient for you to be present at a conference commencing at 10 a.m. on Tuesday 25th November at Canberra to which I am also inviting the New South Wales and Victorian Ministers administering War Service Land Settlement.”

“Yours sincerely,

“(Sgd.) W. S. Kent Hughes.”

“The Honourable T. A. Foley, M.L.A.,

“Minister for Lands,
Brisbane, Queensland.”

An invitation to the conference was accepted but owing to the illness of Mr. Kent Hughes the conference did not take place till 31 March, 1953. Sir Philip McBride presided. At that conference I pointed out that we were prepared to accept in principal the suggestion that we come under the agent-State scheme.

Mr. Morris: But you made your own conditions.

Mr. FOLEY: Of course. What is wrong with that? Who can object to the conditions? Nobody. As a matter of fact, conditions we suggested are really an advantage to the Commonwealth. They were that we wished to retain sovereignty of our land and complete control of our land. What is wrong with that? To do so we do not ask,

as other Governments do, that the Commonwealth buy the land for war-service settlement. We were prepared to do that ourselves. We are still prepared to do that and, that being so, how in the name of God could any Government object to having the scheme based on our control of the land? In Western Australia, South Australia and Tasmania the Commonwealth Government have to buy the land and naturally therefore have the right to control the collections from that land until the indebtedness is paid off. As a matter of fact, as far as the Commonwealth Government is concerned, that would be in perpetuity. The only alteration we suggested was that we would find the land and make it available and that we therefore retain control of that land. What Government could logically complain against that condition? It was an advantage to the Commonwealth Government, inasmuch as that Government would not have to raise the necessary money either from loans or revenue, which in our case is bordering on £1,000,000. If we can save them that outlay, what is wrong with the proposal? That is the only condition on which we insisted. I informed Sir Philip McBride on 9 April that Cabinet was prepared or had agreed in principle to the agent-State conditions, amended as I have stated in this debate. At a later date, Sir Philip McBride acknowledged that letter and later again the Deputy Premier of Queensland officially intimated to the Commonwealth Government—

“My Dear Acting Prime Minister,

“I refer to the proposal that Queensland should transfer from principal to agent-State status for conducting war service land settlement.

“My Government has agreed in principle that the conditions of agent-States are acceptable, if amended to provide that the State acquires the land, determines the terms and conditions of the lease and collects and retains the rentals.

“Advice to this effect was forwarded to the Hon. the Acting Minister for the Interior on 9 April, 1953, by my colleague, the Hon. the Minister for Lands, who suggested that if the proposal was acceptable in principle, officers of the Department of the Interior, and the Department of Public Lands should examine it in detail.

“It will be appreciated that in planning the developmental works of this State, it is very necessary to know under what conditions war-service land settlement will be conducted and it would be very much appreciated if an early decision in this matter could be made.

Yours faithfully,

(Sgd.) John E. Duggan,
Acting Premier.”

As hon. members know, the matter was delayed and we find that on 17 July, after the financial year had ended, this letter was received from Sir Arthur Fadden:—

“I refer again to your letter of 19th June, 1953, concerning the proposed transfer of Queensland from principal to agent-State status for conducting war-service land settlement.

“My Government has considered the proposals submitted on behalf of your Government by the Minister for Lands of your State, and has decided that, as the Loan Council has determined the 1953-1954 allocation of loan moneys, the amendments proposed by you should not be considered for the year 1953-1954.”

In other words, he was politely wiping off our acceptance of the proposal made to us previously.

We went a little further, and on 21 August, 1953, the Acting Premier wrote again to the Prime Minister pointing out that the fact that loan funds had been allocated should not be any obstacle to arriving at a definite agreement. If it involved a refund of loan moneys to the Commonwealth, it was only a matter of having a conference to discuss the point and arrange for the refund, if that had been necessary, but I submit that no refund would have been involved.

Mr. Evans: Would it not have affected the Commonwealth Budget?

Mr. FOLEY: Of course not. If the hon. member cares to study the Commonwealth Treasurer's Budget he will see what is done. He will discover that the amount of loan money raised by the Commonwealth is comparatively small. He will learn that the bulk of the finance comes from revenue. In any event, if that was the only stumbling block, the whole position could have been discussed at a conference and an adjustment made very easily. The whole point is that the proposal was first submitted by Mr. Kent Hughes in his desire to speed up soldier settlement in this and the other States. Queensland accepted the proposal, with the simple amendment I have outlined. Queensland has carried out the agreement to the letter. We have now reached the point at which costs have doubled and it is impossible for either Queensland, New South Wales or Victoria to carry on the same programmes of work as we were carrying out when costs were lower, especially when we remember that we now have less loan money than we had when those costs were much lower.

Again, it is sheer nonsense for the hon. member for Mt. Coot-tha to suggest that Queensland chose to be a principal State in the first instance because this State Government thought they would be doing better for themselves as a principal State. We thought that we should have control of our land, and that was the main thought prompting the decision of our Premiers.

It is also completely wrong for the hon. member to suggest that under the agent-State system the Commonwealth made a grant to the settler. Let me point out here that it makes absolutely no difference whatever to the returned soldier whether he is settled under agent-State or principal-State conditions.

Under any of the schemes he has to pay back any advance made to him; there is no gift or grant by the Commonwealth Government. As a matter of fact, when you sum up the whole position you find that £61,353,713 was expended by the principal

States as against £24,145,214 by the Commonwealth Government on the agent-States basis. That shows how much the Commonwealth gave away, and when one compares Queensland's expenditure one will see that the Commonwealth did not give very much away. As I have said, over £9,000,000 was expended from all sources by the State Government in helping ex-service men to buy farms and improve their land, as against the miserly £318,000 from the Federal Government. Is it any wonder that at the last two Premiers' conferences the States have appealed to the Commonwealth for more generous help? That Government get front-page publicity in every newspaper in Australia for their work for ex-service men but when one compares what Queensland has expended with what the Commonwealth Government have given one finds that it is in the ratio of £31 expended by the State to £1 expended by the Commonwealth.

I have dealt a little more extensively than I proposed with that matter but I have demonstrated that Queensland has made an extremely good showing, especially in the face of the adverse circumstances of the last two years. I had the opportunity in 1952 of attending a Premiers' Conference and a Loan Council meeting and one found there that as a result of a policy of reduced loan expenditure and increased taxation adopted by the Federal Government, exactly the same story was told by each State, and even the agent-States were pleading for more generous help from the Commonwealth. Why? I heard the Leader of the Opposition say that we were singing our song of "Gibbit." Why is every State pleading for more funds? It is because of the deliberate policy laid down by the Commonwealth Government and followed by that Government over the last three years, which has resulted in a hamstringing of the activities of the State.

Mr. Morris: You don't spend the money you get.

Mr. FOLEY: Don't we.

Mr. Morris: No.

Mr. FOLEY: In 1952, when the Premier came back from a Loan Council meeting, he had approximately £21,000,000 as against his programme of £30,000,000 and on that occasion we had to make up the difference between the two figures to prevent unemployment and depression in this State. Hon. members opposite cannot argue that we have not spent money. The same thing occurred this year, when our Treasurer and Acting Premier returned from Canberra with less funds for this State than they thought desirable. Their submissions to the Loan Council were for a greater figure than the sum they received. Hon. members opposite suggest that it is only a matter of waving a hand and you can get all the things required to develop the State.

In conclusion, I remind hon. members that it is expected that a conference will be convened by Mr. Kent Hughes, who is in charge of war-service land settlement under the Commonwealth Government, and at that conference the matter of agent States will be

brought up. In response to a suggestion by Mr. Kent Hughes, we have already offered to come under that system. That offer will be carried out with the slight amendment to which I have referred, that is, that we, instead of the Commonwealth, will buy the land, we will make it available to returned men, and the Commonwealth will find all the other capital expenditure, as they are doing in the case of other States. If they agree to that proposal we shall have an opportunity of seeing whether an improvement will take place in contributions by the Commonwealth Government.

Mr. NICKLIN (Landsborough—Leader of the Opposition) (12.11 p.m.): For the last hour we have been listening to the Secretary for Public Lands and Irrigation endeavouring to justify the terrific mess this Government have made of soldier settlement in this State. Unfortunately I have not sufficient time to deal with this matter adequately, but I might say very briefly that he has adopted exactly the same tactics as the Treasurer does when he is endeavouring to justify himself. He has misrepresented the true picture of soldier settlement in this State. He said that Queensland has helped more returned soldiers than any other State in Australia, but he cannot get away from the fact that in assistance granted under the War Service Land Settlement Act, Queensland has the worst record of any State in the Commonwealth. That fact cannot be controverted by the misleading statements made by the Minister this morning. He has contended that every few pounds advanced under the Agricultural Bank Act to help a returned soldier has settled a returned soldier on the land. The real fact, however, is that those men have settled themselves on the land as the result of their own initiative. They got on the land in the first place by the use of their own capital, and all that the Government have done through the Agricultural Bank has been to help them by supplementing their capital. The Government contend that those men have been settled on the land as the result of the Government's efforts under the War Service Land Settlement Act. That is not so.

Mr. Walsh: The Minister did not say anything of the sort.

Mr. NICKLIN: He implied that in every statement he made. By misrepresenting the help that has been given to returned soldiers in this State, he has endeavoured to build up a case for his Government. Whatever the Minister said, he cannot get away from the fact that Queensland has made a tragic mess of soldier settlement in this State and has settled fewer soldiers on the land than any other State in the Commonwealth, notwithstanding the fact that Queensland has greater opportunities for the settling of soldiers on the land than any other State in the Commonwealth.

The Government cannot, by misquoting and mishandling figures, get away from their real record, which is known only too well to those disappointed returned men who have endeavoured unsuccessfully to get some help from the Government under the War Service

Land Settlement Act. I hope that something will come out of the pending negotiations to give the Queensland returned soldiers the opportunity that has been given to the returned men in the other States.

Now let me come to a consideration of the Financial Statement itself. At the outset let me say that the Treasurer starts off with much satisfaction at the fact that he is able to present his second Budget surplus to Parliament. I congratulate him on presenting his second Budget surplus but might I tell him that he was mighty lucky to be able to do it and that he was able to do it only because over the past 12 months he has very shrewdly done some political juggling of State funds with the idea of creating a false impression for election purposes. As a result of that political juggling of State funds the Government gained an advantage at the recent elections. Do not forget that the theme at the last elections was that the Federal Government were a great big bad wolf that would not give this State the money it needed to carry out developmental work and so give employment to the workers here. Do not forget also that in this very Financial Statement that the Treasurer presented to us we find that he has plenty of money and perhaps more than he knows what to do with. Despite the fact that 12 months ago, when presenting the Budget to the Committee, he said that as the result of the wise conservation of funds there would be plenty of money to enable the Government to carry out their activities we now know that in order to suit his own political purposes he permitted unemployment to exist in this State, he allowed the State assets to depreciate just to create the impression that we were being badly treated by the Federal Government, just to give the State Government that theme song. That is why I say that the Treasurer was very lucky to be able to express so much satisfaction throughout his Financial Statement this year. Acts such as those, which the Treasurer and the Government carried out in mishandling the State's funds for political purposes over the past 12 months, are no credit either to the hon. gentleman or to the Government themselves.

Mr. Walsh: You seem to be worried because we have so much money.

Mr. NICKLIN: I am not worried about what money the hon. gentleman has but I am worried about its wise and proper expenditure. If hon. members opposite are satisfied at the way in which public funds have been mishandled up to the last elections they are easily satisfied. All they are concerned about is political expediency, not political decency in the handling of the financial affairs of this State.

Let us have a look at the Budget. It sidesteps the real problems of the State and sacrifices the interests of the people on the altar of Labour propaganda. It is a buck-passing Budget, without a single redeeming feature, and without a single constructive idea or proposal that might bring about any real improvement or help to overcome the serious difficulties with which the industries of the State are now faced. The alleged

shortage of funds alleged by the Treasurer from every public platform from one end of Queensland to another is made to look ridiculous by the fact that despite a record railway deficit of £4,660,550 the Government finished the year with a total credit balance in cash and liquid funds of £19,511,886.

The financial position, which is plain for everyone to see, emphasises the point that the Government did not use the financial resources of this State wisely; they were used politically for their own purposes during the last 12 months. The Government have made themselves absolutely ridiculous because they prefaced the reply to every tin-pot request with the statement, "Owing to the shortage of loan moneys, we cannot do this." Recently we had an example when an application was made by a Government employee for electric-light amenities of such a nature that if a private employer did not supply them he would find himself in the Industrial Court, and the reply of the Government was that owing to the shortage of loan moneys they could not spend a few bob on giving their employees electric light, etc. They are making themselves absolutely ridiculous by the constant cry of shortage of money when they have the large liquid funds that I have pointed out are available to them.

Let us continue. Following on the lines of previous Queensland Budgets, and helped by the fact that the deplorable practice of having one Government raising money for another to spend still exists, this Budget continues the spurious attack upon the Commonwealth Government as the only excuse left for its own deficiencies. Under the same Commonwealth Government whom the Treasurer wastes so much time on condemning, South Australia, not with a Labour Government but with a Country-Liberal Government, have ceased to be in need of their Federal disability grant. Queensland, after 35 years of Labour government, has become a claimant for a special disability grant. What a commentary on Labour Governments in this State!

It is significant that this Budget does not tackle the real problems that face the people and industry of this State at the present time. Those real problems, which affect not only Governments but industries also, particularly those subject to competition, are excessive costs, both capital costs and working costs. That position would be made worse, not better, by more Government spending or by greater supplies of money from the Commonwealth Government that the Treasurer and his Government are continually advocating. One would have thought, in view of the seriousness of this problem, that we should have found something in the Budget relating to how we should tackle this problem as it affects vital Government finance. It vitally affects the Railway Department, which spends a large sum of money and whose financial affairs have a vital effect on the Budget. Yet we find not one single constructive idea in the whole of the 30 pages read by the Treasurer dealing with how to tackle this problem if we are to retain sound

economic conditions. The outstanding impression is that the welfare of the people depends entirely on the amount the Queensland Government have to spend, but you do not find any mention by the Treasurer of the credit that should be given to industry for the part it plays in maintaining the economic position of Queensland. Do not let us forget that Government expenditure is responsible for only 20 per cent.

Mr. Walsh: Are you sure about that?

Mr. NICKLIN: Perhaps the hon. gentleman will say it is only 19.75 per cent. and consequently I am wrong. Private industry is responsible for approximately 80 per cent. of the economic effort in this State but it is not worthy of any mention in the Budget. All one gets is the continual cry that the prosperity of Queensland and the welfare of the people of this State are being handicapped because the Commonwealth Government has not lent enough money.

The second impression of the Budget is that the Commonwealth Government are a foreign Government who get their money from foreign sources. Reading pages and pages of condemnation and diatribe against the Federal Government one gets the impression that that Government are not within our own Commonwealth but are some foreign Government who have no interest or concern in the affairs of Queensland.

The third impression is that the people of Queensland do not contribute towards the money that came from the Commonwealth. Queensland makes its contributions to the moneys that the Commonwealth Government have to hand out to the States but one would not think so on reading this Budget. One gets the impression that the Commonwealth Government did not get any money whatever from Queensland but got it all from outside sources and consequently should hand out more and more to this State.

The fourth rather outstanding impression is that the size and not the quality of Government spending is all that matters. So long as it is spent on a great project involving tens of millions of pounds it must be worth while. The Treasurer is not concerned with the economics of such a scheme and what will be the result of the expenditure of all that money. The larger the scheme and the larger the amount of money expended, irrespective of its value the more that scheme is valued by the Treasurer and his Government.

Let us think of one large expenditure of money that the Treasurer does not say very much about, i.e., the large expenditure that this State has made in various housing schemes. Is the hon. gentleman satisfied that he is getting value £1 for £1 for the millions of pounds invested in prefabricated houses introduced into this State? It would be very interesting if we had an inquiry into the actual costs of the various pre-fab proposals in this State. I think it would be found that this State is not getting value for the money, that the State has overspent itself when it

advances the amount of money it has to import these homes, many of which are not suitable for Queensland conditions and many not up to the standards required and all of them to cost this State much more than comparable buildings constructed from local materials.

Mr. Devries: They have roofs over their heads.

Mr. NICKLIN: They have roofs over their heads but the roofs will not keep out the weather. Is the hon. gentleman satisfied with that? And a roof that does not do that is a mighty costly roof. One of the reasons why emphasis is being placed on this expenditure of large sums of money, irrespective of results, is that heavy expenditure during times of national stress has created false ideas and such ideas have been fostered since by the Labour Government because they suit the interests of the Labour Party. Time and time we see hon. members rising and asking, "We could get money for war. Why can we not get it for peace?" The Treasurer knows only too well that we are able to get these moneys in war-time because we mortgage our very existence. He knows that under the stress of national danger we do things that are not expected to be done in times of peace. But it suits hon. members opposite to use that false idea that has been fostered by political parties, and as a result of this pernicious propaganda the sound principles of economics are being increasingly discarded and new fantastic notions of easy money have taken their place. As a result, we have found creeping into the economic structure of Queensland a condition of State Socialism that the people of this State do not want, as has been evidenced by their votes on many occasions. This State Socialism has reached formidable dimensions.

Mr. Walsh: Your own C.O.D. is guaranteed for £1,250,000 by the Government.

Mr. NICKLIN: And the Government have valuable assets for it. If all the business investments of the Government were as sound as that, the Treasurer would have no worries at all.

As a result of this propaganda people have become puzzled. The easy money has become a delusion and a snare and the promised gains have proved to be illusory. They no not realise that they have been caught in a web of Labour propaganda. The present deplorable condition under which one Government are supplying money for another Government to spend has made the Treasurer's job one of easy responsibility and there has never been a more irresponsible Treasurer in this State than the present occupant of that position when it comes to using the moneys of this State for his own political purposes. It has also given a semblance of truth to his spurious propaganda.

But let us compare the present Treasurer's outlook on the financial affairs of this State with the sound outlook of previous Queensland Treasurers, of former Labour men who

were not bitten by the socialistic bug that is gnawing at hon. members of the present Government. Let us go back to the early days of the Labour Party, and first I refer to Mr. David Bowman, a grand old man of the Labour Party who did much to found the great Australian Labour Party. When speaking to the Budget in 1910, he said—

“Well, speaking for myself, and I know that a number of members agree with me, while we are prepared to support a borrowing policy for reproductive works, we should be careful in the amount we borrow. We should only have restricted borrowing . . . I think it would be a big mistake for this Government or any other Government to go in for borrowing indiscriminately.”

Mr. Walsh: Did you say he was a Treasurer?

Mr. NICKLIN: No. I said he was one of the grand old founders of the Labour Party. Compare Mr. Bowman's attitude with that of the present Treasurer. It does not matter how much money is given to him, he still wants more to spend. I point out here that the loan expenditure about which Mr. Bowman was speaking on that occasion was £1,995,301, of which £1,686,451 was for railways and £249,429 for loans to local bodies, whereas the loans for 1953-1954, including those for local bodies, totalled £43,341,000 and, according to the Treasurer, this amount is not nearly enough. If he had twice as much he would still want more.

In 1913 the late Mr. Theodore had this to say—

“There is no doubt that the interest burden in connection with the expenditure of Loan moneys is borne to a large extent by the primary producers and to an enormous extent by the workers of the State.”

Undoubtedly that is a fact, but the Treasurer does not come out on the political platform and tell the workers and the primary producers of that fact. He simply says that he wants more money than he is getting, and he does not worry as to who will pay it back. He knows full well that it must inevitably fall on the worker and the primary producer of this State to pay it back.

Mr. Theodore said also—

“Everyone in the community pays the taxation, because it is passed on. The consumers are really paying the tax; it is passed on to them.”

The Treasurer cannot say that those statements made by the late Mr. Theodore were not sound.

Mr. Walsh: We are carrying out his policy.

Mr. NICKLIN: And the late Mr. McCormack in 1926 said—

“It must be admitted that, in the last analysis, the great bulk of the people carry the great bulk of taxation.”

That also is true, but hon. members opposite do not think anything about that today when their great cry is that they have not enough money to spend.

Mr. Walsh: This Government have not increased taxation.

Mr. NICKLIN: Why, the Treasurer is in the very happy position of being able to get a considerable amount of money from another Government who have to increase taxation to give him what he wants. He must not forget that he made a very stout effort, in putting up railway freights and fares in order to get a few bob together.

It is interesting to compare the Budget presented by the Treasurer with those presented in previous years in this State, and after reading those Budgets one can come to only one conclusion, that a Queensland Labour Budget has no relationship to facts, it depends upon whether a Labour or non-Labour Government are in office at Canberra. The present Budget is no exception.

Let us look back to the 1949-1950 Budget presented in this Chamber, and I ask hon. members to note that this Budget was delivered in the last year of the Chifley administration. I quote these words from it—

“The Loan programme approved for Queensland is £11,959,000 which is reduced tentatively to £9,208,430, but the full sum will be made available if it is required. A sum of £1,250,000 is included for Queensland under the Commonwealth State Rental Housing Scheme.”

There was not one word of criticism or complaint about the inadequacy of funds allocated to Queensland because the Government in office at Canberra were of the same political colour as hon. members opposite.

We find also in that 1949-1950 Budget the following in regard to income-tax reimbursements—

“I submit now another table showing the increased allocations to Queensland in recent years—

1945-1946	..	..	£5,821,000
1946-1947	..	..	£6,601,000
1947-1948	..	..	£7,426,125
1948-1949	..	..	£8,832,622
1949-1950	..	..	£11,535,000”

The Budget Speech on that occasion proceeded to give much praise to the Commonwealth Government for such help to Queensland and for giving £1,634,000 under the Federal Aid Roads and Works Agreement. Mark you, of course, a Labour Government were in power in Canberra at that time.

Now let us turn to the 1953-54 Budget. Before contrasting statements in the present Budget with those when the Chifley Government were in power, let us first examine the figures relating to allocations to Queensland.

They make very interesting reading indeed. The figures for 1949-1950 and 1953-1954 respectively are as follows—

	1949-1950.	1953-1954.
	£	£
Income Tax Reimbursement	11,539,000	22,718,000
State Loan Works	7,861,000	18,450,000
Housing	1,250,000	4,500,000
Semi and Local Government	8,292,000	20,391,000
Commonwealth Aid Road		
Grants	1,634,000	2,995,000
Total	30,576,000	69,054,000

The figure under the heading "Semi and Local Government" excludes loans and subsidies from the State Government totalling approximately £5,000,000.

Mr. Walsh: How would you like to relate those figures to costs?

Mr. NICKLIN: I will relate them to costs very shortly. In the short space of four years, most of those payments have more than doubled and the overall increase has been 132 per cent.! Is any gratitude expressed by the Treasurer for the liberal treatment he has received from the Federal Government?

Mr. Walsh: Why should it be?

Mr. NICKLIN: That is the attitude of the Minister. Why should he be grateful to a Government who are not of the same political colour as himself? Although the Federal Government have increased the amount made available to him by more than 132 per cent., he expresses no gratitude but only abuse.

Let us keep those facts in mind and turn now to the statements in the current Budget. Dealing with the loan programme, the Treasurer has said—

"It will be noticed that the State's share of public borrowing is considerably less than two years ago, and in such a circumstance limitation of development cannot be avoided."

It is the old, old story that limitation of development is necessary because of the alleged shortage of funds. In 1949-1950, under Mr. Chifley, the amount was £9,111,000 and there was nothing but praise from hon. members opposite. In the present year, under an anti-Labour Government, it is £22,950,000, yet we find nothing but abuse coming from the Treasurer and hon. members opposite.

Let us turn to a quotation in the previous Budget and compare it with the quotation under the same heading in this year's Budget. This is what was said under the heading of "Income Tax Reimbursement"—

"States have been compelled to prepare their Budgets on tax reimbursement grants totalling £142,450,000 or a reduction of £23,451,000 from the figure they regarded as necessary."

In 1949-1950, under Mr. Chifley, £11,500,000 was quite satisfactory to hon. members

opposite but now, when they get £22,700,000, it is not nearly enough, notwithstanding the fact that in previous years they have been unable to spend all the loan moneys allocated to them.

Let us examine this continual squeal from hon. members opposite in respect of loan raisings. They forget that Queensland is a sovereign State and it could, if it so desired, withdraw from the existing agreement with the other States and raise its own moneys. I venture to say that on their present credit-worthiness the Queensland Government would not be able to raise ten bob, to say nothing of the many millions they say they need. They give no credit whatever to the Federal Government for their generosity towards the State, not only in the current financial year but in previous years. And the generosity of the present Federal Government is much greater even than the figures showing the allocations made from time to time. For instance, from 1951 to 1954 the Commonwealth guaranteed State loans amounting to over £237,000,000. It was absolutely impossible for that amount of money required by the States to be raised on the money market and the Commonwealth came to their aid to that extent. A benevolent Federal Government were ready to help the States with their development programmes, not that the State got all that it needed but it got at least enough to enable it to carry on its activities.

Mr. Hilton: What would the Federal Government have done with their excess tax collections if they had not handed them to the States?

Mr. NICKLIN: They would have done what they should have done, that is, left the States to their own resources and reduced their own taxation. Even at the expense of making themselves politically unpopular they were prepared to help the States with their programme of works and in one case even increased taxation for that deliberate purpose. Yet the Secretary for Public Works and Housing and others condemn the Federal Government for not giving them enough money for their activities. They have given them far too much money now and when the day of reckoning comes they and their departmental spending will be a very sorry picture indeed.

Let us have a look at the generous treatment that the Commonwealth Government have extended to the States. In addition to guaranteeing a loan of £74,000,000, the Commonwealth Government provided £152,000,000 out of their own money. In 1952-1953 they guaranteed loans amounting to £58,700,000 and added £131,500,000 pounds from their own money in order to meet State requirements. In the current year they hope to raise £105,000,000 from loan funds and to provide £95,000,000 from their own resources to enable State programmes to be carried out. If loan raisings do not come up to expectation there is no doubt that the Federal Government will strain their own resources

still further in order to help the States. But what thanks do they get for that? All they get is constant abuse from the States and in this State a chorus of abuse led by the Treasurer. For the three years 1951-1952 to 1953-1954 the direct Commonwealth contribution to the works programmes of the States is over 61 per cent. of the total. That is a pretty stout effort and let me emphasise this point—that never before had any Federal Government made such generous contributions to the States. These are not contributions from a Labour Federal Government; a Labour Federal Government would not be so generous to the States. These are contributions from a non-Labour Federal Government and what do they get in return for them? They got nothing but political abuse and political misrepresentation.

Mr. Walsh: Do you suggest we got our fair share compared with the other States?

Mr. NICKLIN: What I suggest is that the Treasurer has more money than he has been able to spend, so he must have been adequately treated. As I said in the previous debate if the whole £617,800,000 that was raised during the last three years by loan was given to the Treasurer, he still would not be satisfied. When we look at the many contributions made to Queensland by the Commonwealth Government, we realise that they have not treated this State badly.

Mr. Walsh: Compared with other States?

Mr. NICKLIN: It has not been badly treated.

Mr. Walsh: Compared with other States?

Mr. NICKLIN: Take any comparison you like. In answer to a question that I asked the Treasurer, he gave a list of payments received from the Commonwealth for 1952-1953, other than for loan projects, totalling £27,507,755, but with his usual astuteness he omitted to mention many other contributions that the Commonwealth Government have made to this State directly and indirectly.

Mr. Walsh: Through the State Treasury.

Mr. NICKLIN: Not necessarily through the State Treasury, but some of them that the Treasurer forgot to mention were through the State Treasury.

Mr. Walsh: Name them.

Mr. NICKLIN: I will name them. The Treasurer omitted to mention payments totalling over £6,000,000 that this State received, and instead of getting £27,500,000, as the Treasurer has mentioned, this State received approximately £33,500,000. Let us have a look at some of the payments omitted by the Treasurer. The following are estimated figures for the year 1952-1953 and the actual figures for 1948-1949.

Mr. Walsh: Why not give us last year's figures without the estimates?

Mr. NICKLIN: I will give you 1952-1953, and the corresponding figure for 1948-1949. The figures are set out in the following table:—

	1952-53 (a)	1948-49.
	£	£
Imported Houses Grant ..	186,000	..
Price control reimbursement ..	170,000	95,037
Coal industry, long service leave	94,000	..
Encouragement meat production	350,000	..
Dairy industry subsidy ..	3,600,000	825,280
Wheat subsidy (stock feed) ..	740,000	..
Other assistance primary producers—		
Provision of fertilisers, etc. ..	403,600	172,635

(a) Estimates.

Mr. Walsh: Why did the other States get more?

Mr. NICKLIN: No doubt they used more. It is based on the quantity of butter and wheat produced and the quantity of fertiliser used. Naturally other States that used more got more. The Treasurer knows that the Commonwealth cannot differentiate in the rate of payments to the States. That is one of the principles of Federation and the Treasurer knows it only too well. Excluding loan works, the total Commonwealth contributions to Queensland from the Chifley Government for 1948-1949 were £13,554,446 and from the Menzies-Fadden Government for 1952-1953 they were £33,532,585. That is a substantial increase but one for which the Treasurer will not give credit to the present Commonwealth Government.

Mr. Collins: Why do you not relate it to the value of money?

Mr. NICKLIN: The Minister does not know what I was about to say. Even making full allowance for the depreciation in the value of the £ since 1949 and the increase in population, the Commonwealth payments and allocations to Queensland for 1953-1954 are much greater than the corresponding amounts for 1948-1949 and 1949-1950 under the Chifley Government. Notwithstanding this, the Treasurer and hon. members opposite give praise for the generosity of that Government and the way in which they helped this State, and only abuse for the Menzies-Fadden Government who have made such a magnificent contribution to the economic welfare of the State.

Mr. Walsh: The Snowy River scheme and the Leigh Creek railway?

Mr. NICKLIN: The Treasurer is a past-master in endeavouring to divert an argument to other lines. I would refer the hon. gentleman to the speech I made on Private Members' Day—I have not time to repeat it now—when commenting on the Treasurer's Budget and the fact that he is not prepared to give credit where credit is due to the Commonwealth Government. Time and time again the Treasurer complains that the Queensland Government have been starved of money by the Federal Government.

Mr. Walsh: That is true.

Mr. NICKLIN: He reiterates it again but we have these figures, which show the Government have received comparably more than they ever received—whatever measure is applied to the figures—from former Labour Governments. If the Treasurer was starved for funds we find, despite the record railway deficit last year of £4,660,555, he finished up with a revenue surplus of £190,897, making to use his own words, 14 surpluses in the past 15 years and a net total surplus of £1,256,630. Anybody could get a surplus by using special funds in the way in which the Treasurer has used them. If there had not been such considerable transfers from one fund to another, Loan fund to Trust fund, and expenditure out of Consolidated Revenue never previously made out of Consolidated Revenue, there would have been a very considerably larger surplus than there is. One point to which I would draw the Treasurer's attention is the fact that a considerable sum of money has been expended out of Consolidated Revenue this year for work in the Forestry Department, which is something that I have been advocating because revenues gained by the Forestry Department should go back into its own work. We all know it goes into Consolidated Revenue; it is now getting for its own work a little of the money it raises.

The Treasurer was very anxious to know whether Queensland had been as well treated as the other States, his interjections leading one to imagine that Queensland had received a raw deal in the allocations compared with those other States. Looking at the income-tax reimbursements grants for the year 1952-1953, we find that the figures per head of population were—

	£	s.	d.
Western Australia ..	18	1	1
Queensland ..	17	10	8
New South Wales ..	15	18	7
South Australia ..	15	13	8
Tasmania ..	15	0	2
Victoria ..	14	4	5

The average for all the States was £15 15s. 10d. It will be seen, therefore, that Queensland received £1 14s. 10d. a head above the average for all the States.

Mr. Walsh: Why not include all the grants?

Mr. NICKLIN: Because Commonwealth grants were in vogue a long time before income-tax reimbursements came into operation. The figures I have quoted do not include the special disability grant; they are based purely upon income-tax reimbursements. The special disability grants have no connection with the figures I have quoted, and they came into operation long before uniform taxation, which was introduced in 1942-1943. The special disability grants came into operation first in Western Australia in 1910, in Tasmania in 1912, and in South Australia in 1929-1930. The fact that Queensland has become a claimant for a special disability grant after 35 years of Labour Government—

Mr. Walsh: Who says we have become a claimant?

Mr. NICKLIN: Is sufficient proof of its blighting effect. It is a great commentary on the success of Labour Government in this State that after 35 years of it we have reached the stage where we become a claimant State for a special disability grant.

In reply to the Treasurer's interjection, I point out that on page 16 of his Budget he quotes with approval the Premier's claim to become "one of the so-called mendicant States." When speaking on the Appropriation Bill on 8 August, 1953, the Treasurer said—

"We have reached a stage in our development when the States which were supposed to suffer a disability because of Federation are now far ahead of Queensland in industrial development."

The Treasurer said that they were the words of Thomas Playford, the Liberal-Country Party Leader in South Australia, and I point out that since 1915 Queensland has had 35 years of Labour government and South Australia only eight years. Since 1938, South Australia has been governed continuously by the Playford Liberal-Country Party Government and Queensland continuously by a Labour Government, and nobody will contend that South Australia has anywhere near the potentialities possessed by Queensland. South Australia is a State with an arid inland, virtually no coal and very few natural resources of any kind, while Queensland has the major part of the cattle industry of Australia, a tremendous tract of good sheep country, agricultural, dairying, and gold and mineral potentialities well above the Australian average, as well as abundant coal supplies and the benefit of the great sugar industry. Under 15 years of non-Labour government since 1938 South Australia has gone ahead by leaps and bounds, whereas Queensland, one of the three major eastern States, has reached such a deplorable condition that the Acting Premier, Hon. J. E. Duggan, said at the Premiers' Conference on 10 August last—

"He would have no hesitation in recommending that the Queensland Government examine the possibility of becoming a claimant under the States Grants Commission."

Mr. Walsh: You actually said that we were a claimant State.

Mr. NICKLIN: The Premier also made that statement during the last election campaign.

Mr. Gair: I do not make any apology for it.

Mr. NICKLIN: We can only accept the irrefutable evidence of the disastrous results of Labour government in Queensland with which the Premier, the Acting Premier, and the Treasurer have supplied us. Those were their words, not mine—that Queensland has reached the position when she might have to make a special claim to the Commonwealth Government.

I move on now to another real problem facing this State and it is that of ever-increasing costs, which the Government have to tackle and which industry has to tackle.

A Government Member interjected.

Mr. NICKLIN: I am certainly blaming the hon. member because his Government made a big contribution towards this ever-increasing spiral of costs.

Mr. Walsh: By spending extra money.

Mr. NICKLIN: No, in the first place by their action in introducing the 40-hour week which was the mainspring that started the rising spiral of costs. To support my words I quote the remarks of Labour leaders. The late Mr. Curtin at Canberra in 1945 said—

“Competitively with the world, Australia must keep costs to the absolute minimum. This means that all elements in costs, including wages, must have the substance of stability. It is the national economy that has to be maintained, not the particular interests of a group or individual.”

The late J. B. Chifley in 1948 said—

“If the industrial production of Australia is not maintained and greatly improved, one must expect economic disaster . . . Costs have necessarily risen following the 40-hour week and they will continue to rise.”

The Hon. E. J. Walsh, Treasurer of this State, said in August, 1952—

“Rising costs are a problem for all governments, all public bodies, and industry generally and, as a matter of fact, Mr. Turner, I think it will be agreed that the workers have got to the stage where they almost fear the next increase in the basic wage.”

The Hon. J. E. Duggan in July, 1953, said—

“Rising costs are striking at the very heart of the nation's economy . . . Our export surplus and our production for home consumption will keep on falling unless we cut our costs . . . The situation has grown so serious that we cannot as a nation afford to pass the buck any longer.”

There is no doubt, as I said at the outset of my remarks—and I am sorry I have not the time to develop my argument—that this problem is striking at the roots of the economy of Queensland and no real effort is being made to solve it.

Mr. Walsh: Why do you say that potatoes are at £108 a ton?

Mr. NICKLIN: Because of the damn-fool attitude of the present Government and their inability to tackle the problem in a realistic way and give the growers the cost of production. If they did that they would get potatoes.

No realistic approach has been made to this problem. It will wreck us if we do not take hold of it. Even the Deputy Premier said that we could not afford to pass the buck any longer. Who is passing the buck? The Hon. J. E. Duggan and his Government. He makes very fine speeches outside this

Chamber, but when it comes to action the Government he supports fall down on the job completely.

Let us look for instance at the Railway Department, which the Minister for Transport controls. He says we should not pass the buck, but the rising costs that are caused by the inefficiency of the Railway Department pass on the buck to the producers of this State. From time to time railway fares and freights are increased to the detriment of industry generally, making a major contribution to the evergrowing burden of rising costs. Our export industries are being priced off the world's markets, and when that eventually happens this community will indeed be in a very serious position. The Government, however, regard the position as so serious that they do not think it worth while to mention it in the Budget! All they can think about is worsening the rising spiral of costs by spending more and more money on projects from which they receive very little return. The problem of spiralling costs is too serious a matter to be banded back and forth across this Chamber; it should be tackled by everybody in this Chamber realistically. The Government's contribution towards tackling it so far has been nil. They do not think it even worth mentioning in the Budget. All that the Treasurer is concerned about is blackguarding the Federal Government for favouring this Government with the best treatment that any Queensland Government have ever received from a Commonwealth Government.

(Time expired.)

Mr. WOOD (North Toowoomba) (2.27 p.m.): The Financial Statement that is now being discussed is not only a recitation of the achievements of this Labour Government, but also a demonstration of the way in which the money coming to this State will be spent in the ensuing year. It is a very sound Financial Statement and one that could be brought down only by a Government with years of sound administrative experience behind them. I do not suppose there is in the world a Government who have enjoyed the confidence of the people for such a long period as have the Queensland Labour Government, and the experience drawn from those years has helped the Treasurer considerably in presenting to this Chamber a Budget that admits of no real criticism.

The Opposition attack on the Budget, if it could be called an attack, was delivered by the hon. member for Coorparoo, and after hearing the speech just concluded by the Leader of the Opposition, during which he spent most of his time in apologising for the sins of commission or omission of the Federal Government, we can quite easily understand why the responsibility for the attack was passed to the Deputy Leader of the Opposition.

The hon. member for Coorparoo, in leading the debate from the Opposition benches, gave us what could be considered as more or less an academic lecture on methods of accountancy. Everyone in this Chamber doubtless

recognises the qualifications of the hon. member for Coorparoo as an accountant, but if the purpose of his hour-and-a-half speech was to air his undoubted knowledge of accountancy, his speech fell into mediocrity. If, on the other hand, it was designed to show where the Government of this State have fallen down in their handling of Queensland's finances, it must be counted an abject failure. In no way did he show that the Government or the Treasurer had not discharged their responsibilities to the people, and having failed to do that his attack on the Budget must be regarded as a failure on all counts.

Let us look at the responsibilities of a Government in general and a Treasurer in particular. I should say that the first duty is to see that the maximum use is made of all money available but I have not heard any cogent argument from the Opposition to show that either the Treasurer or the Government have not made the fullest possible use of the money that has been expended. The second responsibility of a Treasurer should be to see that the minimum burden is placed on the people. As the Treasurer has pointed out, no additional taxation was levied by the State in the past financial year, while on the contrary heavy additional imposts were thrown on the people by the Canberra colleagues of hon. members opposite. The third responsibility is to see always that extravagance and inefficiency are avoided and again not one concrete example has been given by any Opposition speaker to prove that the Government have been extravagant or wasteful or inefficient in any way in their handling of the public finance.

The Leader of the Opposition referred to prefabricated houses, a matter mentioned by the hon. member for Lockyer also. I can say that the prefabricated homes being constructed by Pasotti at Harlaxton are a better type of house than many that are being built by private enterprise. I do not know whether the hon. member for Lockyer has visited Harlaxton to see these houses but I have been there at least half-a-dozen times and I am satisfied that they are better than quite a number now being built by private enterprise. Surely no-one can accuse the Government of inefficiency or extravagance because they strain every nerve to see that their people are adequately housed? No self-respecting Government should hesitate to help the people to solve their housing problems, and that is being done. When I was elected to Parliament in 1950 I had a dozen people a week coming to see me asking me to help them to get them State houses but now the number of such people does not average one a month. The fact is that the housing shortage is being solved I repeat that the houses at present under erection at Harlaxton compare favourably with most of the houses that have been built in Toowoomba by private enterprise.

The fourth responsibility of a Treasurer is to see that as far as possible all money spent is used in developing the State. The Opposition cannot give any illustration of

how the Government have misused money entrusted to their care. All the money raised in this State or received from the Commonwealth in the many forms these payments take has been allocated, for instance, to education, to giving our children the education that is their birthright, to providing hospitals, improving our railways, and for use in many other fields of activity that go towards the development of the State and the people in it.

It appears to me that the whole gravamen of the charges made by the hon. member for Coorparoo is that the Treasurer budgeted for a deficit and achieved a surplus. If the Government had spent more money and had finished with a deficit the criticism against the Budget would have been more trenchant than it was. The fact that the Government achieved the 14th surplus in 15 Budgets through wise handling of our resources and competent administration seemed to arouse the petulance of the hon. member. The whole basis of his attack on the State was that there was a surplus instead of a deficit. Members of the Opposition have mentioned unemployment and they have made the base and worthless charge that the Treasurer, and through him the Government, brought about unemployment in this State deliberately. Members who keep in touch with the unemployment position in their electorates know that a very serious unemployment position was developing in Queensland, and had it not been for prompt action on the part of the State Government the position would have been infinitely more serious. The fact that Queensland is in a more favourable position today than it was is a tribute to the way in which the Treasurer and the Government have handled the finances of the State.

The hon. member for Coorparoo complained that money passed by Parliament and not expended had been transferred to another vote. The hon. member did not make any charge of waste and inefficiency; in no way did he suggest that the money moved from one vote to another for very obvious purposes had been wrongly expended. If the hon. member had criticised the Government for waste or extravagance or inefficiency and had provided evidence to support his argument we should have listened to his criticism with some concern, but the whole of his criticism was directed more to academic methods of accountancy.

I do not suppose there is any State or any Government in Australia whose accounts are more scrupulously kept than the accounts of this State. The deliberations of the Public Accounts Committee in Canberra show that there are very real grounds for doubt that in all cases the accountancy methods down there are as scrupulously exact as they are in Queensland. I do not think this Government have anything at all to hide; their accounts have been scrupulously kept, and every sum expended has been faithfully applied. If any other Government in Australia are superior to this Government in their handling of finances, their ethical code must be a very high one indeed.

In passing I should like to say this: from my own observation I do not think any Parliament in Australia has a higher sense of political morality than the Queensland Parliament. Although the Queensland Labour Government have been in office for very many years they are untouched by the breath of scandal and there are none of their activities that will not bear the closest scrutiny. I do not think there is a Parliament in Australia whose members—and this goes for members on both sides—can surpass the members of the Queensland Parliament in their standards of political morality.

At the end of his speech the hon member for Coorparoo made the amazing statement that the Federal public servants were disinclined to let go the money-bags of Australia. In doing so he made a very grave admission that at least there was a strong likelihood that the Government in Canberra were dominated by the wishes of the public servants and not so much by Parliament itself. (Opposition interjections.) I am quoting the words of the hon. member for Coorparoo—"The Federal public servant is disinclined to let go the money-bags of Australia." That bears out the contention we on this side have made, that the real seat of government is not in the Parliament House at Canberra but in the offices of the various public servants who have set up that type of control to which hon. members opposite have been so pleased to refer so often as bureaucracy. There is that real danger in Canberra today: the Government have grown so far away from their people and their people's needs that they are daily passing more and more responsibility to the heads of departments, and their subordinates, so there is the real chance that authority will ultimately pass to such a bureaucracy as the Opposition have so often criticised.

The hon. member for Lockyer had very little to say about the Budget. I will not say much about that hon. member—I honestly do not think the hon. member would expect anybody to take seriously his frequent bids for notoriety—but there is one matter on which I must reply to him. In one of his frequent attacks on the railways and railways administration he repeated stories that were told about what were called foreign jobs being done in railway workshops, and quoted the workshops at Ipswich. He said the story was going the rounds that one workman had made so many toys that he had to make a wheelbarrow to cart them away. I do not know that you can make a much graver reflection on a public servant or Crown employee than by repeating charges that they spend a great deal of their time not in carrying out their legitimate work but in making toys. It would not have been so bad had the hon. member repeated it as a story and then remarked, "Of course, I do not believe it."

Mr. Chalk: I said it was facetious.

Mr. WOOD: No, the hon. member did not say it was facetious. His exact words were, "That may sound facetious." He did not say it was facetious. The fact that he asked for that story to be checked shows that

he placed some reliance in it. Over the weekend many men from the Willowburn workshops at Toowoomba discussed this charge with me, and as railway employees of this Government they expressed in no uncertain terms strong resentment against a member of Parliament who, without making a check himself, repeated such obviously false stories. I cannot see how an hon. member has served this Parliament or Queensland by repeating such stories without himself first making a check and in telling the story saying that it may sound facetious, but that it should be checked.

I now wish to spend some time dealing with educational matters as raised by the hon. member for Mt. Coot-tha. As usual, that hon. member has acted as a knocker in anything pertaining to Queensland, Queensland's welfare, or achievements. He spoke of educational experts, and made this amazing statement: that experts on educational problems had visited Queensland and that every one of them said fearlessly that the educational system in Queensland is the worst in Australia and one of the worst in the British Empire. I would not mind the hon. member's speaking of these so-called educational experts if he told us who they were, but I would say to this Committee, and say it emphatically, that the statement that every one of the visiting education experts said our system was the worst in Australia is entirely inaccurate. If I asked him to name the education experts who have said this, I think we should find him strangely silent.

Mr. Morris: I will name them when the Estimates of the Department of Public Instruction are before the Committee.

Mr. WOOD: We welcome criticism from experts, if they are experts, not tyros, in education, as is the hon. member who makes these destructive criticisms. There is no hon. member on this side who would not appreciate constructive criticism. Hon. members on both sides of the Committee—

Mr. Sparkes interjected.

Mr. WOOD: Never mind particularising. Most hon. members, except the hon. member for Aubigny, have made constructive suggestions on our education system. Those suggestions are welcomed, but at the same time hon. members should not make obviously false statements. Let me name some of the education experts who have visited Queensland in the past few years. They are—Cramer, Kandel, Cunningham, Lent, Jordan, Hemming.

I have read their criticism. Some of it was caustic on occasions but not one of them has said that Queensland has the worst educational system of the Commonwealth. Any criticism they offered was directed at the Australian educational system in general and I object to the tactics of the hon. member for Mt. Coot-tha who says that every expert says ours is the worst system in Australia and then neglects to name his authority for it. Much of the criticism was favourable. Some of it was unfavourable, but when we invite experts here we do not expect them to tell us that everything is rosy. I have

made many suggestions about education in this Chamber, as have hon. members opposite. I agree that there is room for criticism, but at the same time nobody can agree with the statement by the hon. member for Mt. Coot-tha that every educational expert has fearlessly said that ours is the worst system in Australia.

On 30 October, 1949, James Hemming, a British educationist, had this to say—

“If Australia was to take her place in world leadership, education subjects and methods must be courageously changed. In every State I have visited I have found confusion, and with it the apathy which always accompanies confusion. This confusion in teaching practices and policy must be cleared if Australia is to educate mature citizens.”

He probably had sound grounds for his criticism. It is on a par with the criticism offered by visiting educationists, but they have not set Queensland against the other States. I have read what these critics have had to say and many of them assert that Queensland's system is the best of all the systems of the Australian States. As a general rule, they criticise our Australian type of education.

Let us now consider what some of those critics have said when they have gone home. It must not be thought for a moment that they came out here, criticised our system and then, upon returning home, agreed that everything in the garden was rosy compared with their own system. One leading educationist, Professor C. C. MacDuffee, of the University of Wisconsin, who gave the 1948 presidential address to the Mathematical Association of America, is recognised as a leading educationist. Although he might make caustic comments about our system, it is interesting to read what he says about his own country's system. One of his statements was—

“Children are taught citizenship and the American way of life. I am not always clear just what this means. Occasionally it seems to be football and the cult of the gods and goddesses of Hollywood.”

He also had this to say—

“The only obvious way out was to water down the contents of the courses to the capacities of the least capable, and this has been one of the aspects of progressive education during the past couple of decades.”

Then, dealing with their secondary schools, he said—

“The greatest failure of our secondary schools is in their unsympathetic handling of the potential scholars.”

He spoke of the European and American schools of 40 years ago and said that they cultivated more ground and ploughed deeper than most of our modern schools.

A further statement by him was—

“Within the great system of our public schools there are many pressure groups working for the furtherance of their own best interests. I do not refer to anything so crass as the teachers who struck last

winter and tied up many schools. But there are groups who are perpetually striving for the over-emphasis of their own particular subjects or sideshows at the expense of scholarly subjects.”

If a visiting critic comes here and tells us that everything is not right with our education system generally, do not immediately fall into the trap of saying that it must make our education system the worst in the world, because those critics have commented as caustically about their own systems in their own lands.

The hon. member for Mt. Coot-tha said also that we see nothing but retrograde steps being taken during the last few years in this State, but I am sure that most fair-minded members of this Chamber will agree with me that any hon. member who makes such an announcement must be far removed from our schools, from our teachers, and from what is happening in our schools today. He made a broad sweeping statement that every step we have taken in the past few years has been a retrograde one. I readily recognise that we have not in any way attained perfection. There are points on which I will agree with hon. members of the Opposition. For instance, I should like to see the raising of the school-leaving age, a great extension of our area-school system, the building of a modern training college, the establishment of hostels, and the building of more teachers' residences. I am prepared to say that there are many things we still need.

Mr. Low: What is holding you up?

Mr. WOOD: “What is holding us up?” says the hon. member for Cooroora. I will tell him. If the Secretary for Public Instruction had £10,000,000 available to him this year for school buildings, he could easily use the money and would be looking for more, just as the Secretary for Health and Home Affairs could use £10,000,000 for new buildings in the hospital service, and just as the Minister for Transport could use £100,000,000 on the modernisation of our railways. He could wisely and sensibly and for the benefit of Queensland spend the whole of £100,000,000 and still be looking for more. What we must recognise is this: if you look at education generally you cannot find any universal panacea to solve immediately or remedy the defects in any education system. There are so many varieties of education and there are so many disagreements between education experts as to where education should lead that we cannot, by putting a finger on one spot in an education system in any country, say that is the thing to solve all our difficulties.

Education authorities tell us that before embarking on sudden changes we must exercise caution. Sweeping and revolutionary changes have been introduced into schools before the teachers or children were ready for them and as a result real harm has often been done by making sudden changes before the teacher himself thoroughly understood either the need for the change or the method by which the change would be brought about.

In different lands different systems of education are necessary. The system of education in a highly industrial area would not necessarily be the same as that which would best serve an area of scattered population. In an agricultural country the system of education would need to be different from the one in a country that did not rely upon agriculture for its living. There is no universal system of education and it is hard to get agreement among education authorities themselves as to the best form of education any particular area should adopt.

But in considering any system of education we must remember the important point that the education of the individual must be related to the whole life of the individual. You cannot consider the pupil just as a child; you must think of him first as the child he is and then as the man he will be and so correlate your educational system to thinking of the child and the man to be. You train him first of all for his vocation in life, next—and this is equally important—in the way in which he can best use his recreation or leisure hours, and thirdly—equally important again—in citizenship, which covers such an infinite scope of usefulness to the community, including character and morality. All those things are embraced in the one word "citizenship." To be effective an educational system must have those three aims in view: the training of the child for his vocation, training to fill his leisure time, and training in citizenship.

There is nothing fundamentally wrong with our educational system in Queensland. No matter what criticism experts in Queensland, Australia or abroad may have directed at it, there is almost unanimous agreement that fundamentally our educational system is sound.

I was reading the other day "Education, The New Horizon," written by Harold Shearman, and this is what he says—

"Unfortunately too few of us have any real knowledge of what the schools are trying to do, how they are controlled and what are their problems; and it is only when things go wrong that most of us take more than a fleeting interest in it."

I find that most of the trenchant criticism directed against our Queensland educational system, such as that delivered by the hon. member for Mt. Coot-tha, comes from men who have very little understanding of our educational system and its problems. As a rule, you find that the criticism coming from a man who understands our system is generally helpful, although it may sometimes be caustic. No man who knew education would make those sweeping assertions that I quoted from the speech of the hon. member for Mt. Coot-tha. Rather than helping the State, the Government, the schools, and the children, the hon. member is doing a disservice by appointing himself an expert on education and condemning everything that has been done in this State.

And now for some of the things that have been achieved in Queensland. I have seen schools in various parts of Australia, and wherever I have had the opportunity I have

tried to look closely into their work and to compare or contrast their systems with ours. Nowhere have I found children whose sense of initiative and self-reliance has been more highly developed than that of children in Queensland. There cannot be a great deal wrong with a system that turns out a boy or girl who goes into the world with initiative and a feeling of self-reliance. That is the result of our Queensland educational system.

One of these retrograde steps that the hon. member spoke of was the greatly modified and expanded syllabus. One result of that syllabus has been that the system in Queensland schools has lost its rigidity; the emphasis now placed more on the child than on the teacher. Today we find that the child is not there for the school, to belong to a school whose tie he will be proud to wear when he leaves it; the idea has been developed that the school is there for the child. There is an important difference between those two things. When we approach our educational problems with the idea that the school is there for the child, and not that the child is there for the school, we take the first step in approaching them from the correct attitude. The child is encouraged more, year by year, to show his self-activity and not to rely so much on what he is taught.

I do not think there is an hon. member in this Chamber who will dispute my statement that one of the greatest changes we have seen in our schools in recent years has been the improved relationship that exists between the teacher and the child. Year by year it is getting better. That is not happening accidentally. It is because of our changing attitude towards education, because we realise more and more the importance of education. It is possible, perhaps, that we have not yet even scratched the surface. The more we realise and emphasise the importance to be placed on education, the more we realise that the greatest opportunities should be given to the child for the expression of his self-activity, the more we realise the closer relationship that should exist between the teacher, the school, and the child, the better the education system we must build up. No-one would say that that was a retrograde step.

Another recent change that I do not think anyone would say was a retrograde step was the extension of the domestic-science and manual-training lessons in the school. I do not think that any hon. member of the Opposition would say that that was a retrograde step because we often hear them ask for the extension of these services to their own areas. Scores and scores of times I have seen valuable work being done by the girls in our domestic-science rooms and by the boys in their manual-training classes. I do not think we should rest satisfied until these facilities are brought within the reach of all children. Gradually, in fact rapidly, this system is being extended. This step cannot by any stretch of the imagination be called a retrograde one.

One of the greatest changes in recent years is the altered attitude towards the teacher's responsibilities. I have said before that education fails unless the child develops as we believe it should, and it would have no

chance of successful development without sound teaching. One of the greatest aids, therefore, to sound teaching is a better training system that allows a teacher to take charge of a school with some degree of confidence in his ability and with some measure of skill. There has been a remarkable change in the attitude of the Queensland Department of Public Instruction towards teacher training and each year more and more teachers are coming out better and better trained than before. Would you call that a retrograde step?

One of the greatest changes in the last decade has been the attitude of the child towards its physical education. I suppose there is not an hon. member in this Chamber who does not remember the severe Swedish drill that they did in the name of p.t. or perhaps just straight-out drill. It had much to commend it; I am not a critic of drill. However, there was a severity associated with it, and a tendency for each child to regard himself as an automaton, not as an individual. Now the stress has been taken out of the severity and the child is given a greater opportunity of self-activity than in any form of physical education before. That is just indicative of the altered attitude of education towards the child and it is one of the most marked changes in the domestic life in the schools today.

Again, agricultural project work in country schools has been greatly extended. I am not saying that it has been extended as far as we should like but gradually, year by year, more schools are being brought within the scope of agricultural project clubs.

Road-transport services have shown a tremendous advance and this year it is estimated the State will spend something like £150,000 in transporting children to and from the schools.

I have spoken at length in this Chamber before about area schools and I do not intend to develop that theme today. Under the guidance of the Minister each year there is a greater improvement in the road-transport service.

Another marked change has been the attitude of the district inspector towards his teachers. I know it is not so many years ago when a large section of teachers regarded the district inspector as nothing more nor less than a "spotter" who came in not to assess the merit of the work done but to find fault and drag the teacher down. There has been a tremendous change in the attitude of the district inspectors towards the teachers.

There has been an infinite improvement in the furniture and equipment supplied. This applies to desks and to the much-discussed textbooks, which are becoming increasingly available. I am not in love with the textbooks and a large percentage of teachers are of that opinion. You will find that the better the teacher, the less use he makes of textbooks. I cannot imagine anything more depressing in an educational system than to lay down a standard textbook whereby you would know each week that every child in the same grade in Queensland would be taught the same subject in exactly the same way.

Nothing could narrow the scope of education more than tying teachers down to textbooks. The less use a teacher makes of a textbook, the greater the background of his own knowledge and the more successful he is as a teacher. Let us not unfairly criticise the Government because every teacher has not the textbooks in mathematics for Grade V. or in geography for some other grade. It would be better if we had a large number of textbooks and allowed teachers to make their individual selection. Do not think that because every child has a textbook that he is going to be taught successfully.

Another change has occurred in the playground improvements subsidy scheme. I do not think there is a member in whose electorate schools have not been helped materially by those subsidy improvement schemes. The fact is that a fifty-fifty subsidy is given. It is a marked advance on the system operating before the scheme was introduced.

Finally, one of the advances that I have taken at random has been the aid given to schools with radiograms and projectors for visual education. Today a very efficient educational service is given by the A.B.C. It is certainly a great help to the school to have a radiogram installed. I know in the larger schools they are connected to each classroom.

Mr. Low: It's a pity they could not be supplied more quickly.

Mr. Wood: It is a pity they could not be supplied quickly. I have struck the same trouble. I point out that it is not the efficiency of the Government or the Minister that is at fault. I know I have had requests from schools for provision of radiograms and if the radiogram has been available it has been supplied; and when it has not been supplied it was because it had not been delivered by the manufacturer. I know it is annoying to be told that one will not be available for another 12 months, or sometimes two years. A radiogram has been of great assistance to the teacher, particularly in one-teacher schools. The same applies to the provision for projectors for visual education. These are part of the forward movement that has taken place, yet the hon. member for Mt. Coot-tha made the wild statement that every step the Government had taken over the past few years has been a retrograde one. I do not think there is one member of the Opposition who would agree that that statement is true.

It has been fashionable throughout the years to attack any Government on their educational policy. Personally, I think it is a healthy sign: the greater the public awareness of the need of educational reform, the greater the certainty of getting educational reform. I know that when I have taken any requests or criticism to the Minister he has been earnest and co-operative and I think hon. members of the Opposition will say they have found him the same. The greater part of my life has been spent in the educational system and I would say that if anyone has any criticism to make of it, let

him not be afraid to make it but at the same time he should not make stupid statements and have people believe there is nothing right with our system. There are things that are not right but when we weigh the blemishes against the achievements we must come to the conclusion that Queensland has tremendous reasons for being proud of its educational systems, schools, teachers, and the way in which the children are being educated.

(Time expired).

Mr. AIKENS (Mundingburra) (3.11 p.m.): I have a couple of very important matters to deal with this afternoon and start by saying that anyone who has read the memoirs of Viscount Montgomery will clearly remember his saying that when he went to India first as a junior military officer he found that most of the other military officers in India went there purely to drink gin, play polo, and have a good time. I am forced to the conclusion that that is the attitude of many of the permanent military officers in Australia today. We know very well that attacks have been launched on the National Training Scheme but these attacks have been in the form of generalities. We know also quite well that members of the Opposition have jumped up in their places in this Chamber and refuted in generalities the charges laid against the military-officer caste that has sprung up in Australia in recent years, particularly fostered by the Menzies-Fadden Government.

As is usual, I will buttress my remarks with irrefutable facts and documents. This is the case of a young boy. Names are available for publication in the Press. It is the case of a young boy named Melvyn Ray Anderson, 27 Hubert Street, South Townsville, who is, or was, a National Service trainee at Wacol. On 22 July last, while these National Service trainees were undergoing what is termed rigorous Army training, —I understand that takes the form of an egregious type of obstacle race; the trainees must climb through barbed wire, jump into ditches, climb over big picket fences and so on—this young boy, fully equipped, fell and broke his thigh. It was a serious break and he was taken to the Greenslopes Military Hospital. His parents lived in Townsville, at the address I have given, but the first intimation they had of the boy's serious accident at Wacol was a par in the Brisbane "Courier-Mail" 23 July written by Arthur Richards, in which the writer extolled the fortitude of the boy. I do not remember the actual wording of the par but if any hon. member cares to go to the Library he can find it in the Brisbane "Courier-Mail" of that date. In the par it will be found that the boy said, "Mum will be disappointed when she hears about this." Mum heard of it on 23 July in the most fortuitous circumstances. She does not take "The Courier-Mail" but a neighbour, fortunately, does, and the neighbour, luckily, brought "The Courier-Mail" over to the boy's parents at 27 Hubert Street and said, "Mrs. Anderson, would this be young Ray who is mentioned in 'The Courier-Mail' as being in Greenslopes with a badly broken leg?"

Mr. H. B. Taylor: When did the accident happen?

Mr. AIKENS: On 22 July.

Mr. H. B. Taylor: The day before?

Mr. AIKENS: Yes. In the middle pages of "The Courier-Mail" also was a big newspaper report of the training exercises that had taken place at Wacol and details of the accident that had occurred to young Melvyn Ray Anderson. The mother, naturally frantic, went down to Northern Command Headquarters at Sturt Street in Townsville and asked them if they had any information about the accident. They said, "No, we have not got any information, Mrs. Anderson, but we will wire and try to get some for you." The mother, however, not satisfied with that, went down to the post office herself and sent an urgent prepaid-reply telegram to Wacol. It cost her 10s. 6d. That afternoon—it arrived in Townsville at 12.52 p.m.—she received this telegram from Wacol—

"F Anderson

"27 Hubert Street

"Townsville

"Melvyn Ray Anderson admitted Greenslopes RGH fractured thigh otherwise well Patrick B Coy."

That is monstrous enough, the thought that the mother of the injured boy had to send an urgent prepaid-reply telegram to Wacol to get information about her National Service trainee son who was badly injured, but listen to this for sheer impertinence and sheer military upstartism: Northern Command also had wired, probably through departmental channels, to Wacol, and got this reply that afternoon—

"1/707145, Anderson Melvyn Ray, 27 Hubert Street Townsville admitted R.G.H. Greenslopes 22 July fractured left thigh stop—"

It does not matter about the wrong thigh, of course—

"Condition satisfactory. N. O. K. advised stop"

The "N.O.K." of course, are the next of kin. The point is that Wacol did not have the decency to tell Northern Command that the next of kin were only informed when the mother sent an urgent prepaid-reply telegram to them for information. That is the only information the mother got.

The parents brought to me the telegram and the copy of the telegram that Northern Command had received, and I wrote this letter to the Minister for the Army on 23 July, the same night—

"Hon. J. Francis,

"Minister for the Army,

"Canberra.

"Dear Mr. Francis,

"Mr. F. Anderson of 27 Hubert Street, South Townsville, called on me this evening and complained about the callous indifference of the Army Command at Wacol Camp to the feelings of parents and relatives of trainees.

"Mr. Anderson said that after he had left for work this morning, a neighbour brought a copy of to-day's 'Courier-Mail' to his wife, wherein Arthur Richards in his 'Day-to-Day' column had commented upon the toughness of a Townsville trainee named Anderson, who had broken his thigh during harsh training routine at Wacol; the young trainee saying "Mum won't like to hear about this." Later, on page 6 of the paper a report of the harsh training and the accident to young Anderson was also found. This was the first intimation that Mrs. Anderson had that her son had been injured.

"Mrs. Anderson immediately went to the Army Headquarters here, and asked them if they had had any word of the accident and the boy's condition, and was told that they had none. The anxious mother thereupon sent an urgent prepaid-reply telegram to Wacol at a cost of 10s. 6d. asking for information about the accident and her son's condition, and at 12.43 p.m. received a reply as follows, "Melvyn Ray Anderson admitted Greenslopes R.G.H. fractured thigh otherwise well, Patrick B Coy.'"

"Later young Anderson's sister rang Army headquarters here and was told—'L/707145, Anderson Melvyn Ray, 27 Hubert Street, Townsville admitted R.G.H. Greenslopes 22 July fractured left thigh stop condition satisfactory, N.O.K. advised stop.' But the N.O.K. (next of kin) were not advised until they had sent an urgent pre-paid-reply telegram. Apparently their feelings in the matter are of little or no concern to the officers in charge at Wacol, and, had a friend not drawn the attention of the parents to the article in Richards's column in 'The Courier-Mail' the parents would no doubt be still in ignorance of their son's accident.

"I would be grateful if you would conduct a searching inquiry into this shocking example of callous indifference to the feelings of trainee's parents exhibited by the Wacol command, and, in addition, I would be grateful if you would arrange for the lad's parents to travel to Greenslopes to see him. Otherwise they will probably have to spend more money to find out how he is getting on."

That letter was airmailed to Mr. Francis, Minister for the Army, that night and a copy was airmailed to Mr. Arthur Richards, of "The Courier-Mail". Mr. Arthur Richards got his letter because I discussed it with him when I came down to Brisbane for the opening of Parliament. I had a long discussion with Arthur Richards.

An Opposition Member: Why did you send it to Arthur Richards?

Mr. AIKENS: Because the first article appeared in his column in "The Courier-Mail" and I thought he might comment again in his column.

I have had previous dealings with Mr. Francis, the Minister for the Army, and I found that he was a man who would acknowledge promptly any letter sent to him and in

the long run send you full and frank information about the whole affair. I took up with him a matter in connection with a boy called Dagg, of Townsville, who was a conscientious objector, and I was pleasurably astonished at the wealth of information Mr. Francis eventually sent me in connection with that case, but whilst I was pleasurably astonished I am certain that Army Command at Wacol was not so pleasurably astonished.

When I sent my letter about young Anderson to Mr. Francis I naturally expected a prompt reply, but I did not get one. In fact, I did not get an acknowledgment of the letter, and when weeks went by—

Mr. Kerr: There was a change of secretary, you know.

Mr. AIKENS: It was not a case of change of secretary. When the weeks went by and I did not get a reply to my letter I got in touch with the Federal member for Herbert, Mr. Edmonds, and I asked him to approach the Minister for the Army personally and ask him why he did not reply to my letter, because his lack of reply was at a distinct variance with the distinct courtesy and promptness he showed in another case. I received a letter from Mr. Edmonds telling me that Mr. Francis assured him that no trace of my letter could be found in Canberra. I am forced to the inescapable conclusion that somebody in Mr. Francis's office at Canberra deliberately destroyed, withheld, or suppressed my letter.

When Mr. Edmonds personally saw Mr. Francis in Canberra, as Mr. Francis had been apprised of the shocking state of affairs with regard to the boy—

An Opposition Member: Did you give Edmonds a copy of your letter?

Mr. AIKENS: I gave him everything in connection with the matter.

Mr. Morris: Who posted the letter?

Mr. AIKENS: I posted them both—the one to Mr. Francis and the one to Arthur Richards—on the same day or rather, the same night. I went to the post office specially to post them. Arthur Richards got his but Mr. Francis did not get his.

Mr. Low: He might have got them both.

Mr. AIKENS: One could expect such an asinine statement, coming from the composite secretary of the Opposition. Whether the hon. member is secretary of the composite Opposition or composite secretary of the Opposition, I do not know, and if the hon. member for Cooroora can regard facetiously the statements I am making here and can exhibit such callous indifference to the feelings of the parents of this young boy, his place is in Goodna and not in this Chamber. If the hon. member can laugh and snigger over the facts of this case, his place is not in this Chamber—he should be in the giggle-house, putting little stones into bottles and pouring them out.

Mr. Low: I should take it up with the Minister. I fixed up one before for you.

Mr. AIKENS: I once used the hon. member as an instrument of political blackmail. He came in very handy. He walked into a little trap I laid. I used him as an instrument of political blackmail and got what I was after for my constituents. As a matter of fact, this matter has already been fixed up by Mr. Edmonds.

This is the only information that the parents of this boy ever received about his serious accident. He has been in Greenslopes Hospital since 23 July, and my latest information is that he will be there for several months yet and may end a permanent cripple. This is the only notification his parents ever received. They received it on 2 August, 11 days after the boy was seriously injured, and you will notice that it is an ordinary cyclostyled document. I do not know whether it comes under the Printers and Newspapers Bill—it probably will—but it is an ordinary cyclostyled document with the particulars filled in in ordinary typing. It is headed "Australian Military Forces", and reads as follows—

"11 National Service Training
Battalion,
Wacol.

"Mrs. C. N. Anderson,

"27 Hubert Street,

"South Townsville, Queensland.

"Dear Madam,

"I wish to inform you that your son 1/707145 Pte. ANDERSON, N. R. was admitted to Camp Hospital YERONGA on 22 Jul 53. He is suffering from injured thigh. The Medical Officer considers that his condition is not serious.

"I would like to assure you that your son is receiving the best of Medical attention, and that his stay in Hospital should not be very lengthy.

"Yours faithfully,"

I do not know whose signature appears on the letter. It is not the Treasurer's signature, which is pretty hard to read at times. The letter is signed for the adjutant, 11 N.S. Training Battalion, Lieutenant Colonel, Commanding Officer, 11 National Service Training Battalion.

That paltry, cheap, shoddy, cyclostyled piece of paper, received 11 days after the boy's serious accident, was the only notification his parents received that he had been badly injured, other than the reply to his mother's pre-paid reply-paid telegram.

Mr. Low: Why didn't you send your first letter through the Federal member for the district to the Minister, which is the correct procedure?

Mr. AIKENS: I am not concerned with correct procedures. The hon. member should know me well enough to know that I am not concerned with ethics, or anything of that sort. I am concerned only with getting justice for the people I represent. It has always been my custom, when dealing with Federal Ministers, to write to them direct. I have always got prompt acknowledgment in my correspondence with every Federal Minister,

and I received full, interesting and informative facts in the last case that I represented to the Minister. It was only when I did not get a reply from Mr. Francis and immediately sensed that something was wrong that I approached Mr. Edmonds. I immediately had a hunch that someone in the Minister's office had, to use the vernacular, swiped my letter and that consequently it would be useless to write another one because he would swipe it too, in the hope that he would wear me down and that I should get tired of writing. I therefore got hold of Mr. Edmonds and asked him, not to write to the Minister but to see him personally. I did not write to Mr. Edmonds in the first place nor did I ask him to write to the Minister in the first place. I told him what I had done—I told him all the facts—and I said, "Will you go and see the Minister for the Army personally and ask him why he has not replied to my letter concerning young Anderson?" Mr. Edmonds did that and the Minister said, "I can find no trace of Mr. Aikens' letter." I have no doubt that the military upstarts in the Minister's office, knowing what the repercussions would be from this serious state of affairs, would suppress the letter or deliberately withhold it from the Minister in the hope that I and the parents would say, as people too often say, "Oh well, it is past and gone now; let us forget about it." It is now being brought under the Minister's notice. The people in his office do not know the type of man I am. They do not know that when I get onto a job I never let go until I get some satisfaction for the people who have sought my help.

Mr. H. B. Taylor: Do you know the staff at the Minister's office?

Mr. AIKENS: I know that if they are anything like the Wacol upstarts they will be spending most of their time playing golf, playing bridge, and lapping cocktails.

Mr. Muller: That is not what Mr. Francis said. You saw him.

Mr. AIKENS: Mr. Francis is not a military officer. He has too much intelligence for that.

Mr. Muller: You said that the troops were not well trained. The boys are well trained.

Mr. AIKENS: I am not speaking in generalities. I am dealing with the shocking state of affairs in connection with a particular boy, and if the hon. member does not believe me, let him go and see the boy in the Greenslopes hospital.

Mr. Muller: You said that the boys were wasting their time and not training.

Mr. AIKENS: I spoke about the officers at Wacol, not about the trainees. The hon. member has not got his hearing aid properly adjusted. The hon. member should have heard me say earlier in my speech that Lord Montgomery said that men went to India to serve as British officers with the idea of drinking gin, playing polo, and having a good time. I was suggesting that most of

the military officers at Wacol spent most of their time playing golf, playing bridge, lapping up cocktails, and having a good time.

Mr. Morris: Which isn't true.

Mr. AIKENS: If it is not, then how can the hon. member justify just what I have read to the Chamber, and the fact that the letter I wrote to the Minister for the Army has been deliberately suppressed? Here are the facts available to the hon. member if he wants to peruse them.

I have also a letter from Mrs. Anderson. She had to make her own arrangements to come down to Greenslopes to see her boy. In her letter she refers to a Dr. Grant. She says she got in touch with Dr. Grant. The letter is dated 7 October. Dr. Grant told her that the lad would be in there for another three months. He has already been in for three months. The doctor said also that his leg was progressing very slowly, but with a miracle it might be better at the time when it is due for another X-ray.

Mr. Pizzey: You were going to give us Mr. Edmonds's reply.

Mr. AIKENS: He said that he had approached the Minister and the Minister had told him that he could find no trace of the letter but he would have the matter investigated and would inform him in due course. Now that the Minister knows all about it, I am certain that he will give me complete information on the matter, as he has done on other matters. I have no quarrel with him. I have always found him courteous and particularly frank and truthful.

Mr. Morris: The fault does not lie with the officers at Wacol. Immediately he comes under hospital control, that is where the responsibility is.

Mr. AIKENS: Whose responsibility is it?

Mr. Morris: On the medical side.

Mr. AIKENS: What a No. 1 prize quibble that is! Here is a National Service trainee who is injured in military exercises at Wacol. The hon. member has the nerve to say—I would not like a tooth with a nerve as big as the hon. member has. (Laughter)—that it is not the military officers' place to inform the parents but it is the medical officer's place to inform them after the boy gets to Greenslopes.

Mr. Morris: How would the company officer know until he had the X-ray?

Mr. AIKENS: He would know he went to Greenslopes.

Mr. Morris: He would not.

Mr. AIKENS: If the company officer did not know that he went to Greenslopes why did he reply to the mother's telegram saying that Anderson was admitted to Greenslopes?

Mr. Low: You are handling it pretty badly.

Mr. AIKENS: I will say this. I know that with the passage of years and association

with quite a number of people in this Chamber it is only natural that I should become somewhat cynical and callous, but I hope I never become as callous and cynical as the hon. member for Cooroora apparently is, when he could laugh as he laughed when I was reading out those disgusting facts to the Committee.

Now I will deal with the subject nearest and dearest to my heart, the neglect of North Queensland. We had in "The Courier-Mail" the other day quite a spate of propaganda about the suggestion that some taxation reduction should be given to people who live in North Queensland and North Australia in order to entice people to go there and to encourage people who are there to remain there. That is part of our party's policy. I put it forward in this Chamber in my speech on the Address in Reply in 1947, and I am pleased to see that "The Courier-Mail" at last is reluctantly swinging round to our party's line in that regard. I told the people of Queensland and members of this Committee—many of whom do not even know where North Queensland is—that the people of North Queensland are not more lightly taxed than the people of other parts but they are more heavily taxed than the people in other parts. I know that we pay the same rate of income tax but we pay a bigger rate of sales tax than anyone else because sales tax is assessed not only on the manufactured value of the article but on the sale price of the article. Therefore a man who lives in North Queensland who buys a motor-car—and not too many of them can afford to buy a motor-car—pays more sales tax than a man in the South. If you buy it in Brisbane for £1,000 plus £280 sales tax the price in North Queensland is £1,000 plus railage plus sales tax, not only on the £1,000 but on the railage also. That applies to every article bought in North Queensland. The people in North Queensland pay sales tax, not only on the cost of the article but on the cost of the transport of the article to North Queensland.

Mr. H. B. Taylor interjected.

Mr. AIKENS: We pay sales tax on the railage to North Queensland and on the shipping freight to North Queensland. If the hon. member for Clayfield wants to argue with me—and I know he is ever ready to do so—I suggest to him that he take on his old friend in Townsville, Joe Holliday, secretary of the Townsville Chamber of Commerce, who sees eye to eye with our party on this matter of the taxation imposed on the people of North Queensland. They pay the same sales tax on the article as the favoured Brisbane buyer, but they pay sales tax also on the cost of getting the article to North Queensland.

Here is another matter that I think will interest Ministers on the front bench; it is a question with regard to the development of North Queensland. We have heard about the need to develop North Queensland but we have heard more about it during the 10 years that I have been here than in the 50 years before I got here. We have heard members of both sides talking about the need to develop North Queensland. They talk of the need of populating North Queensland but we cannot get either the Liberal-Country Party on the one hand

or the Labour Party on the other hand to do much about developing and populating North Queensland; interest in North Queensland begins and ends with their tongues.

Everyone knows that schools and bridges are necessary, modernisation of railways is necessary, hospitals and other things are necessary, but let us stick right to facts and realise that in order to get the people to go to North Queensland and stay there you first of all have to guarantee them continuity of employment and a reasonably well-filled pay envelope each fortnight. It is useless to ask people to go to North Queensland either to take a chance on getting a job or simply to engage in seasonal industries from which they will either have to go on relief or take catch-as-catch-can jobs in the slack season. That is the fundamental reason why we are losing population in the North and why the population of Brisbane is growing faster than the population of all the rest of the State combined. In Brisbane people can get continuity of employment and when they can get that and the worker can take home a fairly well-filled pay envelope regularly every fortnight, it will be found that the women-folk and children come here also, and consequently the drift to the big city is accentuated.

Mr. Walsh: Why have not northern interests contributed so much capital to the cement works in the North?

Mr. AIKENS: Northern people themselves do not have very much capital to subscribe to any industrial undertaking in the North but many big mercantile firms and banking institutions did subscribe fairly well but the subscriptions were made as from their southern branches. The people of the North as a whole are almost impoverished by the neglectful attitude of the present Labour Government; and you cannot get money out of your pocket if you have no money to take out.

Let me give the Committee an instance of what the Government will do to establish industry in Brisbane. We read in "The Brisbane Telegraph" the other day displayed under big black headlines—

"Hamilton Site For £½M. Bitumen Plant.

"The £500,000 bitumen refinery of Bitumen Oil Refineries (Aust.) Ltd. will be established at Hamilton.

"Announcing this in Brisbane today the managing director, Mr. E. E. Griffen, said the co-operation extended by the State Government had influenced the decision.

"Mr. Griffen said the speed with which the Government had handled negotiations, coupled with the keenness of officials to get the project under way, had convinced him that the Government was going out of its way to attract private enterprise to Queensland."

The remainder of the article deals with the type of plant but I read that particular part of it in order to emphasise the eagerness and speed that will actuate the Government when there is any suggestion of establishing industry in Brisbane.

We know the Government have paid scores of thousands of pounds and will spend scores of thousands of pounds for years in order to reclaim land at Hamilton and make it available for the establishment of industry.

Mr. Walsh interjected.

Mr. AIKENS: We know the Government will get a peppercorn rental. As a matter of fact, they will give most of the land away.

Mr. Walsh: Land Court rentals.

Mr. AIKENS: We know of course this self-same Government spent the best part of £500,000 to acquire from the Commonwealth Government all the works at Rocklea, which they promptly made available at the same peppercorn rental to all those companies that were prepared to establish industries in Brisbane, but when an industry wants to establish itself in the North what do they get from the Government? The Treasurer interjected a moment ago and said, "We guaranteed £200,000 overdraft to the North Australian Cement Co. to enable it to establish their works at Stuart." That is the biggest laugh in North Queensland. The main shareholders of the Northern Australian Cement Company—even the Treasurer is starting to grin because he knows what I am going to say—are Mt. Isa Mines, Darra Cement, the Adelaide Steamship Company, and the Howard Smith Steamship Company. Can anyone imagine the Government of Queensland guaranteeing a lousy £200,000 overdraft for four companies such as those, which between the four of them, or any two of whom, could not only guarantee the Treasurer's deficit but could also finance his public-works programme for the year? That is just as ridiculous as saying the Warrego branch of the A.L.P. is guaranteeing the overdraft of B.H.P. or the C.S.R.

Mr. Walsh: We could withdraw the guarantee, if you like.

Mr. AIKENS: It would not matter two hoots in hell to them if the guarantee was withdrawn ten times over. Imagine guaranteeing a lousy £200,000 overdraft for Mt. Isa Mines, the Adelaide Steamship Company, or Howard Smiths, and this is a combination of all of them!

When we talk about the need for establishing industries in Northern Queensland, and when we ask the Government to do something about it, this is the type of statement we get in reply—I have heard it from several Ministers; I am not sure I have heard it from the Treasurer, but I have heard it from the Secretary for Labour and Industry, the Premier and the Deputy Premier, and if the Treasurer has not said it, it is only because he has not thought to say it—

Mr. Walsh: If I said it I will not go back on it.

Mr. AIKENS: This is the statement—

"We would like to see industry established in Northern Queensland but we cannot compel industry to go there. We can

only ask industries to go to Northern Queensland and if they want to establish themselves in Brisbane we can do nothing about it."

I ask the Treasurer whether he did make that statement.

Mr. Walsh: No, but it would be true enough if I did.

Mr. AIKENS: The newspaper article I have quoted shows what they are willing to do to encourage the establishment of industries in Brisbane. They are willing to show keenness on the part of officials, speed by the Government in handling negotiations, they are willing to find money for land at Hamilton and to make land available for nothing, they are willing to find the money for works at Rocklea and provide those works for nothing, but when they are asked to help establish industries in Northern Queensland, what do they do?

Mr. Walsh: We will do the same for the northern industries.

Mr. AIKENS: I wonder why the Treasurer, who should know me fairly well, always walks into the little juvenile traps I lay for him. He says, "We will do the same for the North." I challenge him. Let him go to the Premier's Department or the Department of Labour and Industry and ask to see the files of various men who have gone to the Government from time to time and asked those departments to help in the establishment of industries in Northern Queensland. In the last 12 months I have seen the actual letters these men have received from the Premier, from the Secretary for Labour and Industry, and from the Government, and they are all of the one pattern.

The other day I went to see a man who really wanted to establish an industry in Northern Queensland. He did not want to establish it in Brisbane. Let us be honest about all this. If we allow an industry to choose its own site, it is natural that it will choose Brisbane. Here they have cheap electric power, compared with the power in the North. Here they have a 500,000-consumer market right at their doorstep. Here they have easy freight and transport concessions and easy and short transport lines by rail, road, or sea, so that if they are looking for a profit immediately they start operations, and if they are left to their own devices and if they are not helped in any way, I admit it is only natural that they will establish themselves in Brisbane. But we have had the Director of Secondary Industries almost every year telling the Government what we have been trying to tell them over the years—that if they are going to get industries to go to North Queensland and establish themselves there the Government will have to give some tangible form of help. Here I will tell the Treasurer what tangible help the Government will give. I have seen not one but several of the letters that have been written by a Minister or the Government or the Premier or Deputy Premier to people who have asked the Government for aid to enable them to establish themselves in the North. They

did not get any speed from the Government, they did not get any eagerness from the Government; all they got, to use one man's words, was the cold shoulder. They were pushed about from department to department and if they wanted land they were told to go and argue the matter with the Department of Public Lands, and if they wanted to discharge the effluent from their factories they were told to go and argue it with the Department of Harbours and Marine. If they wanted railway freights they were told to go and argue it out themselves with the Railway Department. Actually, they were pushed about from department to department, cold-shouldered from Minister to Minister for months on end, until they became sick, discouraged, disheartened and disgusted, and finally established their industries here in Brisbane. Every one of them got this type of letter from the Premier or from the Secretary for Labour and Industry or from somebody else who was speaking for the Government—

"We are prepared to assist you——" and contrast this with the help the Government have given to the establishment of industry and the concentration of population in Brisbane—

"to the extent of guaranteeing two-thirds of your overdraft at the bank provided that the bank has a first mortgage on your land, your building, your stock, your plant, and all your assets."

In effect, the Government told them that if they can get an overdraft from the bank and give the bank a first mortgage on their assets, including buildings, land, stock, plant, and their personal belongings and everything else, they will guarantee two-thirds of the overdraft. Every man said to the Government, "If we have enough stock, plant, land and buildings to get an overdraft from the bank on a first mortgage, what the hell do we want with your two-thirds guarantee?" I challenge the Treasurer—the Secretary for Public Lands is apparently not interested—to deny that that letter was sent out, not once but at least a dozen times, to men who were eager to establish industry outside of Brisbane.

Mr. Walsh: According to your story we should not have given a guarantee to the North Queensland Cement Company.

Mr. AIKENS: The Treasurer's guarantee to the North Queensland Cement Company was not worth a roasted peanut and it would be as futile as the Bundaberg A.L.P. guaranteeing the overdraft of the C.S.R. or B.H.P.

There are men—and I have spoken to them personally over the last 12 months—who were desirous of establishing industries in the north. They have become disheartened, discouraged, pushed from department to department, and cold-shouldered from department to department, and finally in the long run they received this facetious offer of a two-third guarantee of their overdraft, provided the bank held a first mortgage on land, building, stock, and plant.

Mr. Sparkes: The guarantee would not be worth a snap of the fingers.

Mr. AIKENS: The guarantee would not be worth a dumper, because if they had all the assets to get an overdraft on a first mortgage from the bank they would not want the two-thirds guarantee from the Government. The cold fact remains that whilst the Government profess to be interested in the development of industry in the North and interested in attracting and holding the population of the North, their interest begins and ends with the tongue.

And, then again, we have cases of industries that were established in the North and were crushed out of existence in North Queensland by preferential rail freights given to allow industries to become established along the same lines in Brisbane and then the northern industry has been crushed out of existence. We can pick up the rail freight schedule any day of the week and find that this is so—and let me tell hon. members that the same old racket in regard to special freight rates has again been introduced into the railway service. All these big Brisbane concerns, all these big Brisbane manufacturing industries, many of which should be in North Queensland, enjoy this preferential rail freight rate, through which they can crush out any industry that is established in North Queensland in competition with them.

There is my challenge to the Treasurer. Let him bring those letters forward. Let him lay the files on the table of the House and he will find that in almost every case that was the extent of the Government's assistance in the establishment of industry in North Queensland.

Mr. Walsh: What is Big Business in the North doing for itself? If they want free enterprise and free banks, let them have free banks.

Mr. AIKENS: Let us deal with the openly expressed hypocrisy of the Treasurer. He says, "What is Big Business in the North doing for itself?" In other words, the Treasurer says, "If industry wants to establish itself in the North, let it go north and establish itself." Why do not the Government adopt that same policy with regard to industry that wants to establish itself in Brisbane.

Mr. Walsh: We do.

Mr. AIKENS: The Government do not.

Mr. Walsh: We do.

Mr. AIKENS: The Government do not. They give them free land at Hamilton or free buildings at Rocklea. If they are not entirely free, they are almost free.

Mr. Walsh: You are telling a deliberate untruth. I cannot call you what I should like to call you.

Mr. AIKENS: And I cannot call the Treasurer what I should like to call him. We are on an equal footing there.

Mr. Walsh: No free land and no free buildings have been given to anyone.

Mr. AIKENS: It is given to them at a rental so low that it is almost free. What is the difference?

Mr. Walsh: The Land Court determines that eventually.

Mr. AIKENS: If the Treasurer says, "Let industry go to the North and establish itself," why does he not say the same to industry in Brisbane? Why do we have men like Mr. Griffen, the managing director of Bitumen Oil Refineries (Australia) Ltd., saying—

"The speed with which the Government had handled the negotiations, coupled with the keenness of officials to get the project under way, had convinced him that the Government was going out of its way to attract private enterprise to Queensland." What he meant to say, of course, was that the Government were going out of their way to attract private enterprise to Brisbane, and so they are.

Mr. Walsh interjected.

Mr. AIKENS: If the Treasurer said Mr. Griffen is a bigger rat-bag than I am, Mr. Griffen will be pleased to hear it. I am sure Mr. Griffen will be pleased to hear that the Treasurer thinks he is a bigger rat-bag than I am.

Mr. Walsh: If Mr. Griffen had wanted to go to Townsville he could have, and we would have helped him to get a site.

Mr. AIKENS: I will guarantee that if he had said to the Treasurer "I propose to establish my bitumen industry in Townsville," the Treasurer would have moved heaven and earth to stop him.

Mr. Walsh: That is why we won back two seats in the North.

Mr. AIKENS: I notice that you did not do too well in my electorate. That is the mildest thing I can say.

Mr. Walsh: We will get it back eventually.

Mr. AIKENS: It all depends on one's interpretation of the word "eventually".

Mr. Sparkes: I suppose you have to die some day.

Mr. AIKENS: I suppose I shall have to die some day.

Now that the Treasurer has brought up the matter, let us deal with this progressive party in the North called the North Queensland Labour Party. I know, of course, that Mr. Herlihy, of the State Electoral Office, named us the "Thomas Aikens Party" in the electoral records last year. We know, too, that the sycophantic "Truth" and the sycophantic A.B.C. followed his lead, but to the credit of "The Sunday Mail" and "The Courier-Mail" they gave us our correct title.

Let us have a look at the North Queensland Labour Party and see whether we can determine the stuff of which it is made. I do not think any A.L.P. branch in Queensland is as firmly rooted in the trade-union movement as the North Queensland Labour Party. Let us have a look at some of our officers

and the positions they hold in the trade-union movement. Our president, J. J. Abercrombie, is the Townsville and District secretary of the Vehicle Builders' Federation. Our secretary, Mr. Gormley, is the Northern president of the A.M.I.E.U. Our auditor, Mr. Murgatroyd, is the secretary of the North Queensland Branch of the Federated Clerks' Union. One of our vice-presidents, Mr. O'Brien, is the State president of the Australian Railways Union. On our committee we have men like Ned Harris, who have given a lifetime of service to the Labour Movement. Amongst the rank and file of the North Queensland Labour Party we have men second to none in their record of fervour and loyalty in the trade-union movement, apart, of course from the Australian Labour Party. This is not a one-man show, as some people would have you believe, because in 1952, which is only last year, we contested the Townsville municipal election. In Townsville we provide for the election of 10 aldermen who are elected en bloc. Every elector is given 10 votes, using the figures 1 to 10, and each vote has the same value. The No. 10 vote has the same value as the No. 1 vote. Consequently with 18,000 electors and with a fair amount of cross voting the T.C.A., that is, the Liberal Party, filled first eight places with their eight candidates, the Independent Alderman Gill and Alderman Parry taking the other two places.

Let us have a look at the North Queensland Labour Party and see how their 10 candidates fared and how the 10 candidates of the Australian Labour Party got on. Here are the figures for the 10 candidates of the North Queensland Labour Party—

8,844
5,587
5,268
4,802
3,793
3,475
3,381
3,249
3,039
3,039

Total 44,477

That gives an average of 4,447 for each candidate. The top man got 8,844.

Now let us see how the top man of the A.L.P. got on. He got 3,477. Here are the figures for the A.L.P. candidates—

3,477
3,354
2,887
2,547
2,520
2,462
2,441
2,283
2,138
2,023

Total 26,132

That gives an average of 2,613 for each candidate. Yet they would have you believe that the A.L.P. is a power in Townsville.

Mr. Kerr: You have got them on the run.

Mr. AIKENS: We have got them all on the run. Then I come to the State elections this year. Our candidate in Townsville against the redoubtable George Keyatta improved our 1950 figures by nearly 50 per cent., despite the fact that the Labour Party enjoyed the most tremendous swing since 1918. Against the firmly entrenched member for Haughton, Mr. McCathie, our candidate also improved his position.

An Opposition Member: What about the position in Mundingburra?

Mr. AIKENS: I will tell you what my majority was in Mundingburra. In 1944 I got a majority. It was just a majority, I just got my nose in front of the next candidate, and at no time did I get an absolute majority. I was 700 in the lead of Mr. Tomlins, the Labour candidate, in 1944. In 1947 I was 200 in the lead of Mr. Coburn, the Independent candidate, and in 1950 I was 600 in the lead of the Liberal candidate, Mr. Bracken. Despite the tremendous swing to Labour at the last elections I was 2,100 in the lead of the strongest Labour candidate the Labour Party ever had, Mr. Gleeson, and 2,700 in the lead of the Liberal candidate, and had an absolute majority of 500 over both in an 8,000-odd poll. Is there anyone here who can entirely dissociate himself from either the Liberal-Country Party or the Labour Party and get an absolute majority over a Liberal candidate and a Labour candidate in his electorate? I doubt very much whether the hon. member for Clayfield could do it and I throw in his top hat, gardenia and spats.

I suppose our bitterest political opponent in Townsville would be "The Townsville Daily Bulletin." I use the word "political" deliberately. I do not think there is any personal animus between the editor and the sub-editor and me. They would like to see me and my party swept into oblivion to-morrow. They do not miss a trick. The hon. member for Haughton will tell you that since the Townsville show resumed in 1946 after the war "The Townsville Daily Bulletin"—although the showgrounds are in Mundingburra and I attend every day and night of the four days and three nights of the show—has deliberately tried for eight years to convince everyone that I am the only local member who does not go to the show. The hon. member for Haughton has only to go for half-an-hour and he gets half a column. The same applies to the hon. member for Burdekin and the hon. member for Townsville; and the hon. member for Hinchinbrook has only to make a fleeting appearance and he gets a whole half column of sycophantic slush. They say, "No show would be complete without dear old Nugget, who holds the responsible position of Government Whip." (Laughter.) Every other politician gets half a column of sycophantic

slush from "The Townsville Daily Bulletin" and I get not a word. I asked them one day why they did not mention me and they said, "We only mention any visitors who come, and as you are not a visitor you do not get a mention." That shows the depths to which that paper will go in order to try to wipe us out politically.

Even "The Townsville Daily Bulletin" knows and recognises that there is a North Queensland Labour Party. I suppose we have spent with them over the years hundreds and hundreds of pounds in advertising propaganda. It is no secret that our bill for the last State election was well over £300 and when they submitted their account they received a cheque promptly. They know the North Queensland Labour Party's cheques do not bounce; I will not go any further than that—our party cheques do not bounce. (Opposition laughter.) The secret of the North Queensland Labour Party's success lies in its membership, in the integrity and nature of its members. The party is not split into factions and schisms. There is no bitterness and back-stabbing, and no personal enmity and no sectarian division. We have Royal Arch Chapter masons sitting alongside members of the Holy Name Society and men who profess no religion; they hang their religion on the peg with their hats when they come in the door.

I know the hon. member for Mt. Coot-tha has been waiting for me to reply to him. He came up to Mundingburra three years ago and he addressed meetings for Braekēn and he said to one supporter, "No more for me going to Mundingburra talking to two bloody dogs and the trees." Contrast that loyalty and good standing of the North Queensland Labour Party with the state of affairs in the A.L.P. in Townsville. Recently we were all distressed to hear of the illness of George Keyatta. I went down the street one day and met a prominent A.L.P. member in front of the post office. He said to me, "Have you heard how George is?" I said "I did not think you would be interested." He said, "Oh yes, I am interested." I then said, "What is that in your pocket?" He said, "That is my plebiscite nomination form all filled in." (Opposition laughter.) He had his plebiscite form filled in waiting for George to die. That is the loyalty you get in the A.L.P. and that is why we have them on the run and that is why they are discredited. That is why they are on the nose. (Laughter.) That is why the hon. member for Haughton does not have too much to do with them. Not only have we loyalty and mateship within the party but we have honesty of purpose. The people know what we stand for. They know the things we advocate and that when we get into Parliament or on the public platform we will advocate these things. Incidentally, I brought with me one of the party tickets, if anyone is interested enough to see it. It used to be the Hermit Park Labour Party but now, of course, it has been incorporated into the North Queensland Labour Party and hon. members would be astounded at some of the fellows who hold these tickets. I will not make

suggestions about any members in this Chamber but members of the Committee would be astounded if they knew the number and calibre of the men in North Queensland who have these tickets in their pockets. They know the things for which we stand. We stand for the workers, the farmers, and the useful people; and above all things we stand for North Queensland.

(Time expired.)

Mr. LLOYD ROBERTS (Whitsunday) (4.11 p.m.): It is not my intention to take up my own or the time of this Committee on a general discussion of the Budget, which after all is said and done is nothing more than a mock Budget. The Deputy Leader of the Opposition, the hon. member for Coorparoo, made a fairly good job of exposing it the other day. Confirmation of this was given by the Leader of the Opposition this morning. The people of Queensland are indeed fortunate in having such a sympathetic and generous Federal Government as the Menzies-Fadden Government and as a result of their generosity over the period of their administration this Queensland State Government have been able to show a surplus on each occasion. Though they cry out to the high heavens about how badly they are being treated I know that anybody who studies the subject can discern that in the last two or three months of each year the ratio of expenditure, compared with the other months of the year, is terrific because they rush to find which particular trust fund they can dump this money into so that they will not show too big a surplus at the end of the year.

The matter on which I wish to touch is the subject of a question I asked in this Parliament some days ago about the Mackay-Barnes Creek Road. This is one of the main arterial roads entering Mackay. The Nebo Road runs in one direction and the Barnes Creek Road in another. Although this road is separated from the heart of Mackay only by the Forgan Bridge, which is approximately a quarter of a mile long, it is possibly the worst road within 10 miles of any city, not only in Queensland but in the whole of Australia. Some time ago, after much pressure was exerted, the Main Roads Commission agreed on a widening and repair job amounting to approximately £4,000. I asked a question in this Chamber whether the job was completed and if so, whether the Main Roads Commission was satisfied with the job. Hon. members may remember that I got quite a lengthy answer and reference was made towards the finish of the reply to the fact that it was stated by one councillor that excessive speed was the main cause of the difficulty. The reply continued—

"The job, although finished, is still in the maintenance period, during which time any slight blemishes which appear are corrected. That the Press campaign is completely unfounded is amply demonstrated by the remarks of the chairman of the Pioneer Shire Council, as reported in 'The Daily Mercury' of Saturday, 3 October, 1953."

On 24 September there appeared in the Mackay "Daily Mercury" an item headed "£4,000 spent on Barnes Creek Road."

"About £4,000 has been spent on the Barnes Creek Road.

"Pioneer Shire Council engineer (Mr. H. J. Hannam) said this at the meeting of the council yesterday.

"Councillors expressed disappointment at the way the road had turned out.

"Not Safe.

"Cr. M. A. McColl said he blamed speed hogs for smashing the road. It was not wide enough and was not safe for women and children.

"I would rather stand on a battlefield than stand on that road at night," he said.

"Cr. C. J. McKinley: It is disappointing, but we can't do anything about it. The design should have been the full width of the road.

"Cr. A. Franetovich: I am disappointed with it also.

"Cr. C. J. McLennan said more work had yet to be done on the road.

"Mr. Hannam said the work had been a big improvement."

Then, on the 26th, two days later, we read—

"Road Job Draws Attack.

"Recent widening and resurfacing of Barnes Creek road was severely criticised by Harbour Board members yesterday.

"City Council Alderman J. C. M. Chataway said he thought the board should have something to say about the road.

"I am not satisfied with it. It was too limited by the specifications and costs to make a worthwhile job," he said.

"Horrible Job."

"Chairman of Pioneer Shire (Cr. H. Woodyard) described the road as a 'horrible job.'

"The chairman (Mr. A. S. Hamilton): It is a terrible job. I think the city and shire council should pursue the matter and take it up with the Premier.

"Mr. Woodyard: The city council did not stick to the specified mixture of bitumen. They later spent days and days with experimental mixes with harbour stone. In some cases there was insufficient tar to cover the stone. They did arrive at a mix which covered the stone sufficiently, but it lifts. That is why it is patched.

"Hard Worked.

"Mr. J. M. Mulherin: That road does a lot of work.

"Mr. Woodyard: I think the city council got away with it before the Main Roads found out.

"Mr. J. M. Mulherin: Evidently they put on too much on the first mix and had too little for the rest of the job. The first flood will take it off."

Of course, that brought the Mackay City Council in and on 29 September we find this published—

"Responsibility for Barnes Creek Road Job Denied.

"Mackay City Council could accept no responsibility for the Barnes Creek Road job.

"Chairman of the Works and Town Planning Committee (Ald. J. P. Casey) said this at last night's council meeting.

"The City Council appears to have come in for a deal of criticism over this road job. It should be made known the City Council had nothing to do with the design, nor was it the constructing authority.

"Men Used.

"It was a Main Roads Department project carried out under the supervision of the Pioneer Shire Council. The City Council only came into it because our men had been engaged on similar work in the Nebo Road area.

"The men were paid by the shire council and the work was supervised by the shire engineer. We can accept no responsibility for that road. I am afraid I must admit it is not a 100 per cent. job," he added.

"Ald. J. C. M. Chataway: I can go back to the days when people came into town in bullock drays and on horseback. Even then there was a fenced off walk for pedestrians. Nowadays, with the high speed traffic, there is no provision for pedestrians.

"I contend it would be a physical impossibility for a woman to push a pram along the side of that road. She would have to use the bitumen pavement, where she is endangered by the traffic.

"That road is a disgrace. It is just a waste of money—pure and simple waste."

"Must Refute.

"The Mayor (Ald. Binnington): We have to refute this charge against us. It is unfair for us to cop the crow all the time when we are not responsible for it.

"Ald. Chataway: We should protest to the Main Roads Department about it. It is their specifications."

Then on Saturday—remember I asked the question on Thursday—we see—

"Creek Road Job Upheld."

Here is the Chairman of the Shire upholding the road job. I have already read his opinion of it on two different occasions.

Mr. Evans: Is he a member of the A.L.P.?

Mr. LLOYD ROBERTS: He is a member of the A.L.P. also. Of course, as we have seen happen only recently, a man might express an opinion in all good faith and then, when the whip is cracked, there is no doubt that he has to toe the line.

There is another matter with which I wish to deal, and it is one to which I have given considerable thought and quite a bit of study. Every thoughtful person throughout Queensland, and for that matter in Australia today, must be greatly concerned over the perilous position existing in the coal-mining industry. There is not the slightest shadow of doubt that this condition has been brought

about by a complete lack of foresight and business acumen on the part of the men charged with the handling of the coal-mining industry, without doubt the lifeblood of any nation. It is not very many years ago when Australia was crying out for coal production, and it must be admitted to their credit that the coal-miners as a whole responded freely to the call for increased production. Evidence of this can be found in the figures of production that have been presented to this Chamber over a number of years, dealing not only with Queensland production, but production in Australia. Although the underground production increased considerably, a big increase resulted in the open-cut methods, and a blind man would have been able to see that with the huge increase in open-cut mining, it would not be long before there was over-production, and this would be greater in Queensland perhaps than in other areas, because of this State's vast coal resources and the possibilities of her open-cut production. It could be easily seen that when the over-production period came Queensland would have perhaps the most severe battering of all the Australian States. What has this State done towards meeting the over-production problem? I should say very, very little—nothing at all, for that matter to my mind, and I should say to the mind of the people of Queensland generally.

Mr. Devries: Are you opposed to mechanisation?

Mr. LLOYD ROBERTS: I shall deal with mechanisation in turn; in fact, I shall deal with several phases of the coal-mining industry, and perhaps the hon. gentleman will realise how far I am opposed to mechanisation or in favour of it. The public must still remember vividly the Blair Athol fiasco, in which an overseas organisation as devoid of capital as a frog is of feathers was made a grand presentation of the vast coal resources of Blair Athol in exchange for a mere pittance of royalty and without any obligation to open up any of the country and without any obligation whatever to even cart one ounce of foodstuffs or fodder or anything for the people who might settle along the proposed railway route.

Mr. Evans: Exclusively to themselves.

Mr. LLOYD ROBERTS: One of the worst arrangements that could possibly have been entered into. The devil certainly looked after his own when this organisation flopped and could not take advantage of the Government's mighty donation of the people's assets. As to what has happened since, I leave it to the people to decide what effort the Government have made towards finding a market for Blair Athol coal.

We might take a look at Callide, too. Some few years ago, because of the generosity of the Menzies-Fadden Government, a first-class road was built between the Callide open-cut field and its natural seaport, Gladstone. Within some short time later, entirely for political expediency and in an endeavour to appease the electors of Rockhampton and

adjoining areas, who by some strange coincidence had not polled too well at the previous election, the Government decided to go in for a railway line from this field to link up with the Biloela line and bring this coal to Rockhampton.

Mr. Kerr: They were Labour members.

Mr. LLOYD ROBERTS: There were two of three round there who would benefit as the result, whereas in Gladstone there was only one poor unfortunate. The natural port of Gladstone was to be banned to the wilds, merely to provide some political advantage for the Rockhampton area. That line is almost completed—I believe it will be completed within a month or so—and I believe the total cost will be about £500,000. There is some talk now of some of the Callide coal's going down to Gladstone by rail, but of course that is possibly another little racket that is being worked between the various Ministers as the result of which "There will be something for you and I will get something out of it too."

We had the recent example of potatoes from North Queensland being railed to the border at Wallangarra and then being returned to North Queensland and sold there. It has been suggested to me that that was nothing but a great racket between the Minister in charge of prices and the Minister for Transport. The Minister in charge of prices kept the price down so that it would have to happen and the Railway Department would get double freight.

Mr. A. JONES: I rise to a point of order. I suggest that the hon. member should withdraw his statement that Ministers have been engaged in rackets. It is offensive to me, and, I am sure, to other hon. members.

The TEMPORARY CHAIRMAN (Mr. Graham): Order! I ask the hon. member to withdraw.

Mr. LLOYD ROBERTS: I have no hesitation in withdrawing the word "racket". I will put it this way: if it was a scheme, as was suggested to me, I should say it was a very good little scheme and one that paid excellent dividends to the Railway Department.

Mr. Devries: You know it is not true.

Mr. LLOYD ROBERTS: It may be true or it may not. I am not saying it is true. However, it has been said—and it would be said—that the same thing will happen in the case of Callide coal.

One would think that the expenditure of £500,000 on the railway line and the expenditure on the road would have caused the Government to look for markets for this coal. It appears that some sort of an agreement was entered into by this State for the sale of Callide coal to Victoria, but something seems to have gone wrong with it. This Government have not a very happy record in the agreements they enter into. My mind goes back immediately to the time when a Queensland Premier made a couple of trips overseas to conclude a sugar agreement.

Certain statements appeared in the Press, and it was not until some time later that we learned that no agreement at all had been entered into. The same thing could have happened in the case of the agreement on Callide coal between Queensland and Victoria, or there must have been some flaw in it. I did not notice any great hue and cry or any howl and whinge when the Victorian Government decided not to go on with it.

Prior to the last State election, this Government forced their understrapper, the Brisbane City Council, to stockpile coal against its wishes.

Several other Government and semi-Government departments were required to do likewise. While that might be a handy procedure in the face of an impending election, what good can it eventually do? It is only delaying the evil day. For some years now the Government have had stockpile coal at Gladstone, which they have fictitiously taken into their report and balance-sheet at a certain tonnage. The coal covers a wide area with trees, shrubs, and all sorts of things growing through it. I doubt whether it would be worth 10s. a ton today. It has a shallow depth and through the passing of time I think that it would be nothing more nor less than powdered dust today. I very much doubt whether the Government could get a tender of 10s. a ton for it at Gladstone.

Let me now travel further afield. Recently the Bowen Consolidated Mine obtained permission to start open-cut mining. This is a privately-owned mine and the shareholders with the controlling interests, wish to develop the mine to the fullest extent. Virtually the whole of the output will be used by Mt. Isa Mines. The company has the right to mine the coal as it sees fit and I agree entirely with the Government's decision on the matter. However, there is an obligation on the company and Government to see that no unemployment is caused by the adoption of open-cut methods at this mine. I understand also that the Collinsville State mine will be fully mechanised in the near future. Indeed, that work should have been completed by now. It is expected that the output of that mine also will be increased considerably. I am concerned to see that there is continuity of employment for the miners, even after the mine has been fully mechanised. This is a very important matter. Here is a reasonably large township dependent entirely for its existence on the work in the coal-mines. People have lived there for years and have reared their families. They have sunk every penny they possess into the building of their homes and so it is the responsibility of the State to see that continuity of employment is maintained. The only future open to boys is to follow in their fathers' footsteps and go down the mine, always realising full well the hazards involved, that they go down the mine in the morning not knowing whether

they will come up at night. It is the responsibility of the Government to see that there is continuity of employment for these people. These safeguards must be taken if this town is not to become the ghost town that it could easily be if action was not taken to prevent it.

I know that the Government have said through their department that there will be no loss of employment for the coal-miners but how much of the Government's say-so can we accept? Their record in matters such as this is not one of which they can be proud. Any Government who would cut off the air from a coal-mine while the miners were underground on strike would not hesitate to change their minds in regard to unemployment. I am not concerned one little bit with the merits or the demerits of the stay-down strike. Personally, I believe it was very foolish, but when the Queensland Department of Mines—I do not know who had the final say in it—cut the air off when those men were down the mine it might have had the effect of condemning them to death or permanent injury. It must go down as a very black mark in the already chequered record of this Government. I will go further and say that a blackfellow would not do it to his dog, yet it was done by this Government.

Mr. Gair: You are very solicitous, aren't you? Who compelled them to stay down the mine?

Mr. LLOYD ROBERTS: I have said that I am not concerned with the merits or demerits of the dispute, but anybody who would switch off the air and cause these men to run the risk of black damp or anything else they might suffer because the air was cut off and they were subjected to foul air—well, that is not a very good record for this Government.

I go further and ask: what have the Government done towards finding a market for any surplus coal we shall have? The answer is, very little. Hon. members may remember that we had a delegation in this State from Pakistan some time ago, and there has been some talk of exporting to China and Korea, and I believe that some coal was actually exported from the South recently and more will be exported shortly. What have this Government done towards finding a market? The ordinary procedure, when you have something to sell, is to go out and find a market for it. I, as well as other members, have been a salesman over a period of years and I have never sold anything by sitting on my backside waiting for a buyer. There is only one way to sell it and that is to go out and find buyers. Has the sugar industry waited at home for a market? Has the meat industry or the butter industry waited at home for a market to come to it. Of course it has not. Both these industries have gone out after a market. In the case of our coal, that is the responsibility of the Minister holding the portfolio of Secretary for Mines and Immigration. During the short period

I have been a member of this Parliament, I have been pleased to learn that certain Ministers went overseas. I think it is a good thing because it develops one's mind and it would make a Minister more fit to administer his department than otherwise. I suggest that the Secretary for Mines and Immigration should go overseas and find a market for any surplus coal we may have. I am not suggesting the Minister would be anything out of the box as a salesman—possibly he might be flat out selling ice creams in hell—but a Minister usually has competent officers with him on these visits. I have no doubt that if there were some entertaining and things like that to be done he would handle the job very well and return with a sizeable order tucked away in his pocket.

There is another angle from which the coal-mining industry can be safeguarded, probably the safer and sounder angle than the finding of overseas markets. This is in the development of other uses for coal within our own country. I cannot think of any better or more nationally needed avenue than the hydrogenation of coal, in other words the conversion of coal to oil. I do not intend to be parochial in this matter and do not care where the conversion is carried out, whether at Callide, Blair Athol, Nebo, Collinsville or anywhere else. But I am concerned to ensure that the hydrogenation of the Queensland coal is carried out in Queensland. I am a Queenslander and I want this industry in Queensland but unless we are wide awake and fight hard for it now, not leaving it until a later time, hydrogenation of coal will come in Australia but not to Queensland. The Premier supports me very strongly in this matter because I read in today's paper that at a small gathering last night that he addressed he said virtually the same thing. The Press report states that Mr. Gair condemned any policy of "We can't do this and we cannot do that because it is uneconomic. Unless we do it someone else will do it for us." That is the text that I want to bring before this Committee forcibly. At the present time the large-scale national works are being carried out in New South Wales and to a lesser degree in Victoria and South Australia; very little on a national scale is going on in Queensland.

Recently I had the opportunity of inspecting a hydro-electric scheme at the Snowy River. For myself, I believe this is only the matter of a sop to the miners. They were told that these power-houses, 16 of them to be exact, will generate more than 10 times the whole of the power in Australia today, but will be used only at peak periods of the day and consequently will not affect consumption of coal. I do not believe that and I do not think that very many other people believe it but I merely mention it to bring before this Committee the seriousness of the coal position in Australia. In addition, we have the use of diesel locomotives. These are now being used in Queensland as well as other States

and must already have curtailed the use of coal. As time goes on, I have not the slightest doubt, sufficient pressure will be brought to bear to have hydrogenation of coal, but it will be in the south and I therefore urge on hon. members and particularly Cabinet Ministers that now is the time to ring the bell, not later when somebody else has beaten us to the punch.

I should like now to run briefly through the history of the synthetic fuel process, about which I have booklets. I have been in touch with the United States Bureau of Mines as well as with people in England, America, and South Africa, trying to pick up little bits of knowledge that I believe will be of some use to the State. Even if the State takes no notice of it now, it might do so later.

In 1913, F. Bergius, a German chemist, found that coal is converted to oil if treated with hydrogen at about 800 degrees F. under pressure of 100 atmospheres, but considerable development was required to devise means of perfecting this reaction continuously. Adding oil to the coal to make a paste that can be injected by pumps solved the problem.

In 1924 this process was further developed in pilot and demonstration plants by the Badische Anilin and Soda-fabrik at Ludwigshafen.

The first commercial plant was built at Leuna, Central Germany, and came into operation in 1926. In this first plant, lignite, or brown coal and lignite tars were the basic raw materials, but later crude-oil fractions, bituminous coals and coal tars were hydrogenated. As the process advanced 12 hydrogenation plants were built in Germany, to utilise lignite, bituminous coals, tars, shale oil and crude oil as raw materials, and those plants supplied at least 85 per cent. of the German aviation fuel during World War II. Motor gasoline, diesel fuels, jet fuels, fuel oil, paraffin wax and lubricating oils were also produced in quantity.

The first bituminous coal hydrogenation plant in England was put into operation at Billingham in 1935 by Imperial Chemical Industries Ltd., and shortly after two petroleum oil-hydrogenation plants were built in Italy and 13 commercial plants were built in France and Japan, and, of course, plants have been erected in the United States. I emphasise that. They have been erected in the United States, where we know there is an abundance of oil.

Gasoline with a high aromatic content, high octane number, and excellent rich-mixture performance suitable as aviation fuel or aviation base stock is readily produced. Diesel fuel, with a high naphthene content and having a satisfactory octane number and a low pour-point jet fuel can be the principal products.

Phenols, benzene, toluene, xylenes and other aromatic chemicals are easily recovered coal-hydrogenation by-products, in addition to which a very important item to Australian agriculture, sulphate of ammonia.

Phenols: Phenyl alcohol or carbohic acid.

Benzine: A compound of carbon and hydrogen, the most abundant source of which is coal tar.

Toluene: Methyl benzene, used in medicine and perfumery.

Zylenes: A mixture of three hydrocarbons used as acids and in the preparation of artificial dyes.

As a matter of fact, many of these things are being used today in the manufacture of such articles as nylon products.

If consideration is given to the erection of a plant in Australia, the size will naturally govern the economics of the undertaking, because if the plant is too small it will automatically be uneconomical but, on the other hand, if the plant was too big there will be a possibility that it will be beyond our financial resources. From research conducted in the United States of America it has been worked out that a plant with a capacity of 30,000 barrels a calendar day is the ideal plant economically. It may be that it would be a little too big for anybody to take up here, although it would not supply Australia with the whole of her requirements of benzine. An American barrel contains 34.973 Imperial gallons and 30,000 barrels would produce 1,049,190 imperial gallons.

In the example I am going to use I am going to deal with bituminous coal as found in Wyoming with a b.t.u. content of 13950, which is fairly high but not higher than many of our coals. To a degree I have selected this as an example so that it can be used as a comparison with some of our own coal. As this coal is received it has a moisture content of 29.3, a carbon content of 44.9, hydrogen 3.3, nitrogen .8, sulphur .6, oxygen 13.5 and ash 7.6. Many of our coals have a greater ash content.

A Government Member: That is a high moisture content.

	Products.	Annual Value
		£
Benzene	11,750,000 gallons per year at 34d. a gallon	1,664,583
Toluene-Xylene	39,350,000 gallons per year at 29d. a gallon	4,754,791
Phenol	43,800,000 lbs. per year at 16.5d. a lb.	3,011,250
M-P-Cresol	64,400,000 lbs. per year at 16.5d. a lb.	4,427,500
O-Cresol	6,600,000 lbs. per year at 16.5d. a lb.	453,750
Xylenol	25,000,000 lbs. per year at 14.5d. a lb.	1,510,416
Motor Fuel	284,500,000 gallons per year at 11d. per gallon	13,039,583
Liq. Pet. Gas.	108,800,000 gallons per year at 4d. per gallon	1,813,333
		<hr/>
		£30,675,206

Mr. Jesson interjected.

Mr. LLOYD ROBERTS: It is particularly high. I shall refer to something else later in connection with it. A plant of 30,000 barrels a day, using this coal, would have a daily consumption of 14,800 tons of coal, which is certainly a big amount. The production would be 21,660 barrels of gasoline, 7,000 gallons of liquid petroleum gas, 1,240 barrels of phenols. The gasoline is a high-grade, anti-knock motor gasoline, low in sulphur content (below .01 per cent.), higher in aromatics and B.T.U. per gallon than gasoline obtained from crude oil. I mention that in case some people might get the idea, seeing that we have been using the crude-oil benzene over the years, that this might not be as good. Actually it is a better benzene than we know at the present time.

The phenols contain about 20 per cent. carbohic acid, 35 per cent. cresols and 45 per cent. xylenols. The composition of liquefied petroleum gases is about 3 per cent. ethane, a colourless inodorous gas called ethyl, the base of common alcohol, ether, and acetic acid—65 per cent. propane and 32 per cent. butane. Hon. members will remember that during the war we had ethyl benzene which was a mixture of crude-oil benzene to give it better anti-knock performance. I know that figures become boring but I will run through these in the hope of getting them into "Hansard" and anybody interested in the subject will be able to read them at his leisure. I will endeavour to give the annual estimated output of the Wyoming plant from the figures that I have worked out myself. They are naturally in dollars and cents and for simplicity purposes I have taken each cent to represent one penny and treated an American dollar as being worth 8s. 4d. That will be near enough for comparative purposes.

Mr. Foley: The economics differ very much.

Mr. LLOYD ROBERTS: They differ a lot, but they differ in our favour, as I will show later. When I deal with labour costs they will show more than anything else how the economics differ.

The products and their annual values are as follows—

Mr. LLOYD ROBERTS: I will give hon. members the cost of each item individually.

The estimated capital investment, again using the same dollar value previously

referred to, works out as follows, and I believe that the cost here will be much lower because of the variation in labour costs in Australia compared with those in America—

	£
1. Coal preparation plant	2,783,333
2. Paste preparation plant	1,325,000
3. Liquid-phase hydrogenation plant	22,500,000
4. Delayed coking plant	3,145,833
5. Vapor-phase hydrogenation plant	12,604,166
6. Product distillation unit	4,875,000
7. Tar Acid recovery	1,045,833
8. Low Temperature separation	3,129,166
9. Hydrocarbon steam cracking	3,812,500
10. Coal Gasification unit	4,154,166
11. Oxygen Plant	3,666,666
12. H ₂ Purification and compression unit	24,145,000
13. Tankage	2,941,666
14. Power Plant	23,125,000
15. Plant facilities	15,416,666
16. General Plant Facilities	11,656,250
17. Aromatic extraction unit	2,083,333
18. Water Supply	7,500,000
Total Plant Cost (Tax and Insurance basis)	£149,909,578
19. Interest during construction (Including cost of Finance)	6,523,750
Sub-total for depreciation	£156,433,328
20. Paid up royalty	833,333
21. Housing Fund	2,083,333
22. Cost of mine development	5,416,666
Total fixed investment	£164,766,660
23. Working capital	8,333,332
Total Investment	£173,099,992

Mr. Burrows: Where did you get these figures—from the telephone directory?

thing. He could not even read the telephone directory.

Mr. LLOYD ROBERTS: The hon. member would not know where to get any-

These figures show the operating costs, return on investment and selling price of gas—

Operating Costs, Return on Investment and Selling Price of Gas.

	£
A. Raw Materials—	
Coal, 14,800 tons at £1 0s. 10d. per ton	5,083,333
Catalyst, chemicals	745,833
Extras	345,000
B. Direct Labour—	
Operating Labour 156s. per shift at 16s. 8d. per hour	1,137,500
Operating supervision at 15%	170,833
C. Plant Maintenance—	
1,029 men at £1,666	1,715,000
Material at 50% of labour	857,500
D. Pay Roll Overhead—	
16% of Pay Roll	483,750
E. Operating Supplies—	
20% of maintenance, labour and materials	514,583
Total Direct Cost	£11,053,332
Indirect Cost—	
General Administration 10% of B.C. & E.	439,583
Indirect operating cost at 40% of B.C. & E.	1,758,332
Total Indirect Cost	£2,197,915
Fixed Costs—	
Rates, Taxes and Insurance at 1% (Not Income Tax)	1,499,095
Depreciation at 4%	5,996,380
Total Fixed Costs	£7,495,475
Cost of operation without profit and interest	£20,746,722
Cost per gallon of product (460 million gallons)	10.Sd.
Cost per gallon of Gasoline equivalent (670 million gallons)	7.4d.
Summary—	
Annual Production Value	30,675,206
Operating Costs	20,746,722
Annual Profit	£9,928,484

That may not be regarded as a sufficient annual profit. It works out at about 5 per cent, but if the owner—a private individual or a State—desired to do better than that he could increase the price of benzine by a penny a gallon which would amount to another £2,000,000 in profit. The price

quoted here is 11d. a gallon and if it was increased to 1s. 3d. a gallon, that would mean an additional profit of £8,000,000, making £17,000,000 in all on an operating cost of £20,000,000. Therefore it can be seen that this is something well worth while.

If that is too big for the Government a plant is being erected in South Africa at the present time that might be suitable. I wish to read the following letter that I received from the M. W. Kellogg Company, Jersey City, dated 3 August, 1953, so that it will appear in "Hansard":—

"Dear Mr. Roberts—

"I have recently received correspondence from our Mr. J. A. Petrie in London advising me that you are interested in obtaining some preliminary information with regard to the processing of coal to produce oil in order to permit you to make an evaluation of the possibility of an oil from coal project in Australia.

"First of all let me take this opportunity to explain my position in the Kellogg Company. I am at present manager of the Synthetic Fuels Division in our company and as such am in charge of the design of an oil from coal project in the Union of South Africa for the South African Coal Oil and Gas Corporation. You have undoubtedly heard of this project because of the interest you have shown in the development of the material resources in your own country.

"The plant in South Africa is now well into the construction stage and it is hoped that we may be able to start preliminary operations about the middle of next year.

"This plant is converting a rather low grade semi-bituminous coal containing approximately 30 per cent. ash to liquid products consisting essentially of high octane motor spirit and diesel oil. The total liquid products produced amount to approximately 5,400 bbl. per day of which approximately 4,200 bbl. per day are gasoline and the remainder is diesel oil, heavy waxes, and oxygenated chemicals such as alcohols, aldehydes and ketones. In addition the plant produces approximately 100 tons per day of ammonium sulfate to be used as fertilizer in the farming area of South Africa.

"The essential requirements of a plant of this type are a ready source of fuel supply located fairly close to the plant site and a source of water which is required for cooling purposes and steam generation within the refinery.

"The coal requirements as feed to the unit and for power generation in the case of the South African project amount to approximately 1 ton of coal per barrel of liquid product produced and the water requirements are approximately 1,400 Imperial gallons per day per barrel of liquid products.

"Investment costs for the refinery itself will probably vary between 7 to 8 thousand dollars per barrel of liquid product providing the capacity of the plant is designed for approximately 5,000 bbl. per day and will become more if the capacity is reduced and less if the capacity is increased.

"I would like to point out that a large number of the process units included in the design of a Kellogg oil from coal plant have already been commercially tested,

the only major exception being the Synthesis Unit itself and this step has been operated at our research centre in large scale pilot plants over an extended period of operations. The coal gasification step which we are presently using is designed by the Lurgi Company in Germany and I might add that a similar unit of this type is now being erected in Australia for city gas production. I should also mention that it is not essential to use the Lurgi process for gasifying coal but at the present time we feel that this process has been used more extensively in commercial operations than any other when starting with coal as the raw material.

"We feel that our type of plant is a major improvement over similar types of plants used in Germany and Japan during the second world war and our economic evaluation of this process indicates that the costs of producing gasoline by our process are approximately half those required for direct hydrogenation of coal. The economics are usually extremely good for our process where labour costs are relatively low and thus fuel costs are low and where transportation costs are relatively high. I would gather from reading a copy of your letter to Mr. Petrie that this would be the case in your location.

"I realise, Mr. Roberts, that the information I have given you herein is rather sketchy and I am sure that you will have many additional questions which are at present unanswered. Please do not hesitate to ask me for any further information since this letter is more to introduce myself than to present you with detailed facts for making an economic evaluation of your situation in Australia.

Very truly yours,

"The M. W. Kellogg Company,
"W. B. Johnson."

In conclusion I appeal to the Government to do something about this—to consider it at their Cabinet meeting. I appeal to them to send a responsible Minister or two overseas to find out something about it. Take it to Callide, Blair Athol and Nebo. There is no reason why the small plant could not be taken to them all. Already there is over-production of coal at Newcastle. I have articles on that which I had hoped to read to the Committee to let hon. members know something about this matter. I appeal to the Government to send one or two responsible Ministers to South Africa to go into this project and see what is going on so that we in Queensland can reap the benefit of synthetic oils. As I said previously, if we do not establish this industry somebody else will.

Mr. TURNER (Kelvin Grove) (5.11 p.m.): I associate myself with hon. members who have spoken and extended their congratulations to the Treasurer on the presentation of his second Budget. To be the Treasurer of the State one has to have a very extensive knowledge of finance and I am sure that even the hon. gentleman's worst enemy, political or other, will agree that he has a great grasp of public finance. That

is proven in the presentation of both his Budgets, not only in the way in which he delivers them to the Committee but in the way in which he prepares them. Realise that there are eleven departments for which the Treasurer has to find the finance, each of them considerably larger than an average business in the State, and I am sure everyone will agree that looking after the finances of the State is not a small job. Examine the Budget closely and it will be found how the various departments have expended the money allotted to them last year by the Treasurer, and one realises that the hon. gentleman must have a very thorough grasp of every department in the Government.

For instance, take the Department of Health and Home Affairs which is in control of 12 sub-departments; only four sub-departments exceeded the sums allotted to them. I should have been happier to see greater expenditure, especially in the sub-department in control of native affairs in which there was an over-expenditure of approximately £11,000. Travel the State and you will see for yourself the extensive work that has been and is being done by the Department of Health and Home Affairs through this sub-department in the encouragement of the native people, and see also the work that has been done by these native people, and I think you will agree with me that an over-expenditure of £11,000 is merely a drop in the ocean compared with the wonderful work that is being done to make native people useful citizens. For many years now and in many places, I have asked why members of the white community should be taxed to keep native people idling their time away under a tree, as happened for so many years. But it is not so now. It was nearly time something was done to make able-bodied native people, particularly males, self-supporting and so relieve the tax on the white people. It is to the everlasting credit of the Department of Health and Home Affairs that this Government have done so much in the Department of Native Affairs in lifting these people out of their lazy attitude and atmosphere with which they were surrounded and making them useful citizens.

I have spoken several times about the work of these people, those in our Government settlements in particular. Church missions have an interest in our native population and have done a wonderful job, but here again the curse worrying all countries of the world at the moment, shortage of finance, is retarding their work. When one considers the development that is taking place in the native populations of other countries one realises that we have a long way to go before our native people become useful citizens like the negroes of America, who are taking their places with the white people in every phase of activity. Although it will be many years before our native population is developed to that extent, I believe that it can be done. If money can be made available, I am confident that with each generation of native people development will increase and eventually we shall have a useful productive native race.

I take the opportunity of expressing my gratitude for the assistance rendered by the Government through the Department of Health and Home Affairs to the Queensland Ambulance Transport Brigade. At the moment there are 94 self-governing ambulance centres in the State, with 35 sub-centres and over 100 honorary centres. There are 400 honorary ambulance men in Queensland. At every self-governing centre there are honorary bearers who have done and are doing wonderful work. The progress taking place in this service certainly justifies the support the Department of Health and Home Affairs has given for years and is continuing to give. Last year, although we appropriated £216,285 for ambulance brigades, the Government actually gave them £227,625. The ambulance brigades have used this extra money to improve the service given. With it they have added to their equipment what are known as E. and J. resuscitators. This machine is almost human. Seventeen of them have been donated by "The Courier-Mail" through its Find-the-Ball competition and other centres have bought their own, paying £200 each for them. So good are these machines that if they cost £2,000 each they would be worth the money to the community because already they have been the means of saving a number of lives. Many who would have died under the old methods of resuscitation have been saved by the use of the E. and J. machine, which in addition to operating on the lung, gives warning of any obstruction in the throat, thus enabling operators to remove the trouble and so make possible the resuscitation of the patient.

Hon. members will probably remember the instance of the two young lads who were bathing in a creek at Cash's Crossing some time ago, one of whom could not swim. The two boys were playing in the water and, in his excitement, the one who could not swim stepped into a deep hole and sank laughing, with his mouth open. When the ambulance arrived he had all the appearance of being dead. Thanks to the E. and J. resuscitator, working 25 minutes, the lad was brought back to life and today he is leading his usual normal life. It is not only a useful machine in cases of apparently drowning but it is equally useful in electrocution cases. It is one of the most wonderful machines invented for the saving of life. A trilene cylinder can be attached to it when patients are seriously injured and suffering intense pain. Ambulance bearers are skilled in the use of this cylinder but it can become dangerous in unskilled hands. In certain cases it is not advisable to administer trilene but skilfully handled and with the right type of cases it is the means of saving patients considerable suffering.

We have fitted all our cars in use in Brisbane with an oxygen cylinder which is used extensively. Doctors have frequently called upon the ambulance for the use of its oxygen cylinder.

The Government have subsidised the O.A.T.B. to the extent of 10s. in the £ over the last four years and I express my

gratitude to them for that help. At present it is difficult to raise money in Brisbane but we are hopeful of overcoming the difficulty. If the Federal Government's Sir Earle Page health scheme is to be used in its proper form, the Q.A.T.B. as well as other ambulance brigades throughout Australia should share in the scheme. We do not get a penny from the Federal Health Service at present and I say that we do much for the Federal Government in attending to injured invalid and age pensioners, the transport of whom costs us thousands of pounds a year. We give them the service they need free. In recent years we have been forced to make charges to people for our services but this is foreign to the principles of the Q.A.T.B., which was established for the purpose of giving free service to the people. Changing circumstances and the lack of finance due to the Sir Earle Page Health Scheme has brought this about because people think they are covered by the Commonwealth Health Scheme for ambulance transportation. Others think that while they are contributing to the scheme they should not contribute to the ambulance. People in country areas are much more appreciative of the services given by the ambulance than Brisbane people but as chairman of the Brisbane centre of the Q.A.T.B. I express our gratitude to the Government for the help they have given.

We have a very modern fire brigade in Brisbane and similar brigades in the principal towns of the State. All brigades are endeavouring to modernise their plants and the Government have been very generous and have overspent their appropriation to the extent of £1,475. This overspending demonstrates that the Government are doing everything possible to help these bodies to keep their plants up to date for the benefit of the people of the State.

Another very important sub-department is the Mental Hygiene Section of the Department of Health and Home Affairs, on which also the Government have overspent the vote. Nobody either in or outside this Chamber would think of complaining about over-expenditure in the mental hygiene services of the State because the Government have realised their responsibilities to the mentally affected people and have done great deeds in giving them both medical and accommodation help. It is to the everlasting credit of the Government that they have cared for the mentally sick as they have done.

I notice in the Budget that an amount of £6,960,017 had been expended from Trust and Special Funds. I wondered what that expenditure represented and on making inquiries I was directed to page 108 of the Estimates. I discovered there that included in that amount was the sum of £3,073,339 that had been paid out in workers' compensation and other claims on the State Government Insurance Office. It gives one some idea of the mighty institution that office must be when it is capable of paying out in one year such a huge amount in claims. The requirement for this year under the same heading is £3,519,420.

When we find that in respect of the two departments I have mentioned—and this applies to every department—the Treasurer can allot such huge expenditure and come out with a small surplus, we realise how capable he is in handling the finances of this State. Some people might say that the surplus was only a small one, but any Treasurer who ends the year with a large surplus is equally as inefficient as one who comes out with a loss. If it is too large a surplus, it is proof that he does not know his job, and that he is extracting from the people more money than is necessary.

Mr. Pizzey: That is a condemnation of your own Treasurer.

Mr. TURNER: I say it is a compliment to him that on both the occasions that he has been Treasurer he has shown a small surplus. If he had shown a loss every member of the Opposition would have been on his back accusing him of inefficiency, but I repeat that if he had shown a large surplus he would have been equally inefficient. To show a large surplus, as Sir Arthur Fadden has done on two occasions, would prove that he was inefficient and had overtaxed the people.

I congratulate the Treasurer on making available for the development of North Queensland the money that he has. It is strange that every time I want to discuss these matters someone has something to say about the neglect of North Queensland by this Government. If anything at all will develop North Queensland it is the harnessing of the Tully Falls and the completion of the Burdekin scheme. When one examines the Snowy River scheme as I have—I have here a book containing full details of it—and realises the amount of money it will cost to complete compared with what the Tully Falls and Burdekin schemes will cost, one must come to no other conclusion than that any member of the Federal Parliament, particularly any Queensland member, who does not get right behind this Government and urge the Federal Government to make money available for the completion of the North Queensland schemes, is not a good Queenslanders.

Mr. Sparkes: It was a Labour Government who started the Snowy River scheme.

Mr. TURNER: They started the Snowy River scheme after 70 years of dilly-dallying by anti-Labour Governments. It was not until a Labour Government were returned at Canberra that the scheme was given birth. The Labour Government were in office for eight years, during six of which the world was engaged in the worst war we had ever known. However, the Federal Labour Government were able to finance the war and bring it to a successful conclusion and at the same time draw up plans for the Snowy River irrigation scheme. Anyone who had the opportunity, as the hon. member for Mourilyan and I had in March last, of going over the Snowy River works and visualising the possibilities involved must extend much credit to the Chifley Government for their far-sightedness in planning this scheme. If

Australia and Queensland in particular are to succeed it will be necessary to harness our watercourses. When I was going over the Snowy River scheme I was alarmed at the area of useful fertile land that would be inundated when the scheme was finished. However, I suppose we must have the water but on the other hand the area of arable or useful land that will be inundated with the Tully Falls and Burdekin River schemes is very small, which compels us to say that these schemes should be given preference over the Snowy River scheme, especially as the Snowy River scheme is one only to augment huge schemes already in operation in the Murray and Murrumbidgee basins. The booklet I have on the Snowy River scheme says that there is a sufficient rainfall in many parts to maintain food production without any need to harness the watercourse but of course the water will have to be taken to other areas where the rainfall is insufficient and in that way we shall grow more food for Australia and the world generally. Water is required to produce the food but I repeat that priority should be given to the Queensland schemes over the Snowy River scheme because of our dry climate and frequent droughts.

There is an urgent need in this State to conserve the water. Only the other day I read in the paper that Mr. Gunn, president of the United Graziers' Association said that he was afraid the Government would have to declare part of the North-West of the State a drought area and extend financial relief to the graziers there. For the last six years the wool-growers have been reaping the benefit of a high price for wool without having put a penny of it back into fodder conservation or water conservation, even in the form of earth tanks. As soon as they have dry weather for a few months or an adverse season they want relief from the Government. This money is not supplied by the Ministers or the back-benchers of the Government Party; it comes from the people of Queensland as a whole.

Mr. Sparkes: The people of Queensland are walking on the sheep's back.

Mr. TURNER: I am talking about the development of Queensland for all the people of Queensland, not only for the sheep people and the cattle people.

Mr. Sparkes: They kept the people of Queensland going.

Mr. TURNER: The people of Queensland kept the grazing industry going during that drought period some years ago when the graziers could not sell their wool for 9d. a lb. and every warehouse and every woolshed in Queensland was full of bales that could not be sold. It was good wool too. Having enjoyed the high prices for wool that have reigned over the years one would have thought they would invest some of their money in the conservation of water. They have not put down one earth tank on their properties or erected one weir for the conservation of water. There is only one man on the land in Queensland who has been

worth his salt and that is Mr. Ken Cameron. I told hon. members previously what he had done.

An Opposition Member: A good Labour man.

Mr. TURNER: I thought I heard an Opposition member say "A good Labour man." I do not know his politics, any more than does the hon. member for Lockyer.

Every man who has done anything has called for help from this Government, but the only help Mr. Cameron asked for was in the form of advice; he did everything on his own initiative and that is to his everlasting credit. He showed what could be done by other men on the land. If they are not prepared to do it, the land should be taken from them and given to those who are prepared to do something in the direction I have indicated.

The Burdekin River dam is going to be the greatest asset to the State. (Opposition interjections.) Anybody who does not approve of water conservation is not conversant with the needs of this State. During my speech on the Address in Reply, I gave the number of weirs the Government have completed, the number nearing completion, and the numbers to be built in the near future. All that work was done by the Government, not the men on the land. I repeat that some of them have not even put down an earth tank. It is imperative that we proceed with the development of our water service or we shall perish. We have been told by the Federal Government that we must produce more foodstuffs. How can we do that if we have not got the essential water supply? We must be very careful or we shall lose our overseas market for the products we now export. It is essential that we take full stock of ourselves and see whether we cannot improve on our present methods.

It is said that the Snowy River scheme will be responsible for the production of £25,000,000 worth of extra foodstuffs for the starving people of the world. I prophesy that one industry will get the greatest shock it is possible for an industry to get during the next two years. I mentioned this matter four years ago and members opposite laughed at me as they are laughing at me today. I refer to the pineapple industry. An officer of the Department of Agriculture and Stock, Mr. Lewcock, spent much time in an endeavour to develop pineapple production, and his efforts resulted in revolutionising the industry in this State. The farmers began to think that they should be looking after themselves in the same way as the dairy farmers, and they proceeded to process their own products. In 1929-1932 the Moore Government gave the Queensland Cannery to the Henry Jones combine. I say they gave it because although they received £32,000 for it, there was £37,000 worth of pulp and machinery and manufactured jam on the premises. They gave it to the Henry Jones combine and tried to get the pineapple-producer to support the factory by giving them

some shares in it. However, the pineapple-growers were not satisfied with the treatment they received from the Henry Jones combine, and they decided to set up their own cannery. They did so, and it is an everlasting credit to them.

Mr. Nicklin: The growers had a half interest in that cannery.

Mr. TURNER: I said that they gave them an interest in it. The Henry Jones combine then decided not to compete with the cannery because it knew the majority of pineapple-growers would send their pineapples to their own factory, so this combine decided they would get equal with them in another direction. They paid Mr. Lewcock a very handsome salary to go to South Africa and develop pineapple-growing and canning there. He has been very successful and now they are canning the pineapples in South Africa with very cheap native labour. African labour is not like the labour in Queensland or Australia. The natives are exploited by know-alls, who by sales talk are able to sell themselves to the native people and direct the natives labour into the canning industry. This direction of the South African native to the pineapple industry means that unless we take stock of ourselves and reorganise our costing system in some way or another we shall lose overseas markets for our pineapples. What will then become of those farmers who went into the pineapple industry in the last 10 or 15 years? We have to find ways and means of reducing costs in our production of foodstuffs if we are to hold our overseas markets.

Some weeks ago I saw in the Brisbane "Courier Mail" that Mr. Frazer had returned to Australia and he condemned the 15-year beef contract because the British Government had given us only 9.6 pence a pound for our beef. He was satisfied that if we cancelled that agreement we could sell to America for 42 pence per pound, and that is all such men are concerned about. If we are going to hold these markets we must find ways and means of reducing costs. I now make a suggestion as to how we can do that.

Mr. Sparkes: Hear, hear!

Mr. TURNER: The hon. member will not say "Hear, hear!" when he hears my speech, which is a reversion to the scheme instituted by the Curtin and Chifley Government of controlling prices and pegging wages.

Mr. Sparkes: Like your control of potatoes.

Mr. TURNER: Despite what the hon. member for Aubigny has to say about potatoes, we kept potatoes at a price at which the householders could buy them. Now they cannot afford to buy them.

Mr. Chalk interjected.

Mr. TURNER: When this nincompoop from Lockyer is finished—

Mr. SPARKES: I rise to a point of order. The hon. member referred to the hon. member for Lockyer as a nincompoop.

The CHAIRMAN: Order! I ask the hon. member for Kelvin Grove to withdraw that term.

Mr. TURNER: I will quite happily do so.

The CHAIRMAN: Order! I ask hon. members to be a little quieter and allow the hon. member for Kelvin Grove to make his speech in his own way.

Mr. TURNER: He is an individual who takes a worm's eye view of the world and all he sees is mud. I endeavour to take a bird's eye view of the world and see all the good that there is in the world.

The only time this country made any progress and any impression on the world's market was when we controlled prices and pegged wages. It does not matter a rap to anybody how much the basic wage is, whether it is £10, £20 or £5 a week, so long as it buys the necessary goods for a man, his wife and children. If the basic wage was reduced from £10 19s. a week to £5 a week and the £5 a week could buy the same amount as the £10 19s. a week we should be just as well off. That is the only way in which we shall hold the world's markets, produce more, and sell more.

Mr. Sparkes: As long as you can stick to price control you don't care whether it sends the goods over the border.

Mr. TURNER: The stupidity of that remark is demonstrated as soon as you point out that if the Federal Government controlled prices, as they should, the price would be the same in Victoria and New South Wales as in Queensland. Then no farmer would be able to send his goods from Queensland to New South Wales and get any more there than here. If we continue to go on as we are we shall smash, and I am trying to avert that. If we could introduce a scheme to control prices and peg wages, a scheme that would retain to the working-man the purchasing power of his earnings, we should be doing something for Australia. In these matters we have to consider not who is right but what is right, and if we do that we shall get somewhere. The right thing to do is control prices and peg wages.

The system could be introduced on a quarterly basis. The Federal Government could tell the people of Australia that at the end of the quarter wages and prices would be reduced by 5 per cent. and that in the following three quarters these figures would be reduced gradually to an amount decided upon by the authorities. I do not agree that the figure should be arrived at by statisticians or economists because I have no faith in them. They have never had to battle on the basic wage and, that being so, they are unable to think for the basic-wage-earner.

Reverting to the Snowy River scheme, I have a map showing the layout of the area. I was told that when the dam at Adaminaby was completed it would hold eight times as much water as the Sydney Harbour. In reply to that I pointed out that when our Burdekin

and Tully schemes were completed the total amount of water impounded would be 16 times as great as that in Sydney Harbour, which gives hon. members some idea of what will be available for irrigation when this work is completed. This year the Treasurer has made available certain moneys for carrying on the Queensland works until the Federal Government realise their mistakes and tell us they will make the necessary money available to us.

Again, in our scheme only two tunnels have to be constructed. They will be a little over 5,000 feet long whereas in the Snowy River scheme there are 11 tunnels extending over 84½ miles. I went into one tunnel driven into solid granite. It was 30 feet in diameter and 1,500 feet long. The water has to be run through these tunnels to various places.

Mr. H. B. Taylor: Which one did you see?

Mr. TURNER: We saw several of them. They were—

	Miles.
Jindabyne-Geehi River	17½
Geehi-Bogong Creek	4½
Bogong Creek to Swampy Plains River	7
Spencer's Creek to Island Bend	8
Eucumbene River to Tumut Pond	14
Tumut Pond to Power Stations 1 and 2 on Upper Tumut ..	11
Tooma River to Tumut Pond ..	9
Tantangara Reservoir to Yar- rangobilly Valley	8½
Yarrangobilly Valley to Lob's Hole	5

Mr. H. B. Taylor: Which tunnel did you go through?

Mr. TURNER: The one at Geehi. It is solid granite. I have a sample in my locker downstairs if any hon. member would like to see it.

Mr. Sparkes: They are doing a mighty job.

Mr. TURNER: It is a wonderful job but our scheme in North Queensland surpasses it. £230,000,000 is being spent on the Snowy River job and by the time it is completed, as the hon. member for Mourilyan said, it will produce ten times more power than is produced in the whole of Australia today. I am afraid that he made a slight mistake, because we were told it would produce only a little more than the thermal power produced in Australia. The Snowy-Murray tunnel, with ten stations, will develop 1,700,000 kW. and the Snowy-Tumut with seven stations will produce 1,200,000 kW. but the capacity of this hydro-electric undertaking will be increased to 1,360,000 kW. bringing the total installed capacity of the whole scheme to 3,060,000 kW. There will be 17 power stations; there is a diagram attached to this book showing the various power-units taking the water from one point to another. When one sees this and knows something about it one wonders why anybody could criticise the late

Dr. Bradfield when he suggested that for £30,000,000 he could make the whole of Queensland secure for water by harnessing the rain areas of North Queensland.

Mr. H. B. Taylor: I suggest you talk to Professor Whitehouse about that.

Mr. TURNER: I leave it to the specialists. When I hear a layman criticising the late Dr. Bradfield's scheme I think that he has very little to do.

This watershed starts underneath Mt. Kosciusko which is 7,313 feet above sea level. The Snowy Mountains extend north to south for a distance of approximately 100 miles and they are snowcapped for five or six months every year. This extensive area of land of high elevation, with its rapid fall to low levels, together with the high annual snowfall and rainfall provide conditions that are particularly favourable for the generation of hydro-electric power. We were there in March and saw small patches of snow. When one sees all this undulating country and these rugged ranges and realises that a month after we got back people were skiing over the rugged country one wonders what sort of a place it is.

Four rivers rise in the Snowy Mountains. Three of them, the Murray, the Murrumbidgee and its tributary the Tumut, flow generally westward. These rivers will be linked together and the scheme provides for the diversion of part of the Upper Snowy and its tributaries to the Murray and the remainder to the Murrumbidgee. It involves the construction of seven major dams and 17 power stations, most of which will be underground, and there will be over 400 miles of racelines or aquaducts along the mountain sides to pick up streams and lead their waters to reservoirs and tunnels, shafts ranging up to 1,100 feet in depth, and some hundreds of miles of mountain roads. Ultimately, the scheme will make available nearly 2,000,000 acre-feet of water each year for irrigation in the Murray and Murrumbidgee Valleys and will provide approximately 3,000,000 kW. of power, which exceeds the total capacity of all generating stations operating in Australia today.

For the information of hon. members I point out that an acre-foot of water represents approximately a quarter of a million gallons of water. It is the amount of water required to cover one acre to a depth of a foot.

Mr. H. B. Taylor: It is 276,000 gallons.

Mr. TURNER: Thereabouts.

As the result of this scheme, an additional £25,000,000 worth of foodstuffs will be produced. That scheme alone, together with the Burdekin scheme, will give us the greatest uplift we have had at any time. I am hoping that the Government will keep on providing money to keep the North Queensland schemes going till we can change the Federal Government next year, when a new Labour Government will make available sufficient money to complete the Tully Falls and Burdekin schemes.

The Burdekin dam will be capable of holding 152,000 acre-feet of water and the hydro-electric plant attached to it will generate 54,000 kilowatts. One of the tunnels connected with the scheme is to be 2,210 feet long and the other 3,260 feet. There are to be three dams on the Burdekin River, the Gorge temporary weir, the Leichhardt diversion dam and the Burdekin Falls dam. Those dams will hold 6,584,000 acre-feet and will generate 120,000 kilowatts. That is what the farmer needs. If he is to mechanise his farm and get the best possible value from irrigation, he must have electricity to drive his machinery. He will be able to get cheap electricity from this scheme and thus be able to work his farm much more economically than he can today.

I commend the hon. member for Bremer on his speech in this debate. It was worthy of any statesman. He dealt with his subject from an Australian point of view rather than from a Queensland point of view. He proved very conclusively—as has been done in this Chamber previously—that the present Federal Government have retarded Queensland's progress by their failure to make available money for the development of this State. I thought I would get a "hoy" to that from the hon. member for Aubigny, but apparently he agrees with me.

In 1938-1939 the several State Governments and the Federal Government extracted in taxation from the people of Australia the sum of £90,374,000. Of that amount the Federal Government took only 41.67 per cent. for their own activities and the States took 58.33 per cent. That was in peace-time when there was no defence expenditure. From 1942 to 1944 the Federal Labour Government extracted from the people the sum of £540,360,000 to fight the war. From that amount they took 81 per cent., leaving only 19 per cent. for the States. I have said these things before, but a good thing is worth repeating at any time and in any place. I am sure no-one in Australia thought of complaining to the Federal Government for taking during the war 81 per cent. of the money collected from the people of Australia.

Between 1949 and 1952 the Federal Tory Government extracted from the people of Australia £1,282,285,000 by way of income tax. Of that amount, they retained 79 per cent., giving the States only 21 per cent. That was done during peace-time, whereas during war-time the Federal Government retained, as I have said, 81 per cent. of a total taxation of £540,060,000. We all know that during that period the States could not do any developmental work because every able-bodied person was concentrating his every effort on winning the war. Now, I might well ask what developmental work the Federal Government proposes financing out of this huge amount of taxation they are retaining. As each State should be responsible for carrying out the functions of the State and all developmental work within that State, it is my view that the States of the Commonwealth should receive the greater part of the taxation levy.

I propose now to show how the present Federal Government have discriminated against Queensland. This State of 670,500 square miles has received from the Commonwealth Government only £17 6s. 7d. a head of population, while Tasmania, with an area of only 26,215 square miles—two of our State electorates are bigger than that—received £19 7s. 4d. a head of population, or £2 0s. 9d. more than Queensland. South Australia received £23 19s. 5d. or £6 12s. a head more than Queensland while Western Australia—

Mr. Sparkes: What is the area of Western Australia?

Mr. TURNER: Western Australia received £31 2s. 11d. or £13 16s. more than Queensland, and the area of that State is 975,920 square miles. Although it has only 300,000 square miles more than Queensland it received £13 16s. a head more than we did. Although numbers of people from other States have told us of the potentialities we possess, of the potentialities that await development, this Government have been striving to develop them but without success because the Federal Government have discriminated against this State Labour Government in favour of the other States when making money available. I am confident that if the Federal Government would give us our just financial dues we could complete many of our projects, the Burdekin and Tully schemes in particular, and thereby provide more food for the people of not only Queensland and Australia but other parts of the world. As we have been warned on many occasions, if we do not develop and produce, somebody else will come in and do it.

As an indication of the productive capacity of the Burdekin scheme, I point out that in the Tinaroo section on the Barron River there are 1,180 tobacco farms and 240 agricultural farms already established, and the total area to be irrigated each year is 37,920 acres. Mr. Clark, I am sure you will agree that that will mean great production in Queensland.

I told the Committee earlier in my speech what the Snowy River scheme was going to cost. The whole of our schemes combined, including the Burdekin, the Tully, and the Tinaroo Falls projects, are estimated to cost £101,561,000. I have a vivid recollection of observations made by Mr. Casey after he had flown over North Queensland, when he eulogised these schemes in Canberra.

The hon. member for Bremer pointed out to the Committee examples of discrimination against Queensland, but I point out that to give effect to our educational requirements we need much money and if the Federal Government would make more money available to Queensland for education we could provide for the transport of children to school and abolish a number of the one-teacher schools, which are a burden to the department because of the difficulties in getting staff for them. Only recently I read in the paper that the teacher at a one-teacher school in the country was ill and the children attending the school had to go without schooling for some time till a relief teacher could be

sent. Such a thing could be prevented if the Government could develop their education scheme as they have planned over the years and build larger schools and bring children to the schools.

Mr. Nicholson interjected.

Mr. TURNER: The hon. member has only been in Parliament for two Parliaments and he is trying to make us believe that he fostered this scheme. When the present Secretary for Labour and Industry was Secretary for Public Instruction he outlined the scheme some nine or 12 years ago.

Mr. Dewar: What, still not done?

Mr. TURNER: It must be remembered that you cannot do these things without finance. The present Federal Government have the absolute right of collecting taxation in this country and the distribution of that money. I regret that any Federal Treasurer would remark, as the present Federal Treasurer did at a meeting of the Loan Council, a meeting of State Premiers and Treasurers, what each State would get and said that they would get no more. I think the majority rule should apply and it should not be left to a Federal Treasurer to decide what money is given to the States. If that is the position, why go to all the trouble and expense of calling a Loan Council meeting? We are told that in British justice a majority decision should decide and when the Premier of each State attends a Loan Council meeting the Federal Treasurer should not tell them how much he will get. I hope it is not long before this system is changed and every State gets its fixed proportion of the taxes collected in that State.

Mr. ADAIR (Cook) (7.40 p.m.): I congratulate the Treasurer on the excellent Budget he has presented and on his outstanding ability in husbanding the finances of this State. We are indeed fortunate that we have a Treasurer of his ability.

Mr. Sparkes: You'll be right.

Mr. ADAIR: The hon. member for Aubigny reminds me very much of the faithful wife. The more she is belted and hit, the better she loves her husband. The more Fadden robs and fleeces the hon. member, the more the hon. member loves him.

Opposition Members interjecting—

The CHAIRMAN: Order! I ask hon. members to give the hon. member for Cook an opportunity to make his speech.

Mr. ADAIR: I wish also to congratulate the Premier on the representations that he has made on the other side of the world for the sugar industry of this State. It now appears as if the sugar industry in the North has a very bright future.

I regret that I did not have an opportunity of speaking on the motion moved by the hon. member for Rockhampton, who condemned the dogmatic attitude of the Federal Government towards the Tully Falls hydro-electric scheme, the Burdekin River hydro-electric and irrigation scheme, and the Dimbulah-Mareeba irrigation scheme.

Opposition Members interjecting—

Mr. JESSON: I rise to a point of order. I cannot hear what the hon. member for Cook is saying, because of the continued mumblings and interruptions of the Opposition. The hon. member for Cook is a new member and I think the Opposition should give him a fair go.

The CHAIRMAN: Order! The hon. member for Cook!

Mr. ADAIR: History always repeats itself when the defence of Australia is in the hands of a Tory Government. In World War I Labour had to come to the help of this country, and again in World War II the Menzies-Fadden Government showed their inability to govern the country. The late John Curtin took over the reins of government when Australia was threatened with invasion by the Japanese. He appealed to America for aid and withdrew the 6th, 7th and 9th Divisions from the Middle East. We can thank the Curtin and Chifley Governments for the prosperity that we enjoy today.

I am aware that the Leader of the Federal Government was a very brilliant military cadet and also that he had an excellent military training, but the outbreak of war spoilt any possibilities he may have had in that direction.

In the Federal election that was held in 1949, misled by the false promises of the Menzies Government, the electors of Australia returned those political muddlers to office. In a very short space of time they had regretted it. There were unemployed in their thousands, taxation had reached an almost prohibitive high level and the 1940 Budget came to be regarded as a horror Budget. While the yellow races threaten the northern shores of this State not one finger has been lifted by the Federal Government in the defence of this country.

The telephone line from Coen to Portland Roads and Wenlock, which was erected by the Chifley Government, is now being dismantled by the present Federal Government and thus the people of the area are being denied the only communication they have ever had. The Higgins Field aerodrome at the top of the peninsula, which was constructed for the defence of Australia, has been abandoned by the present Federal Government but fortunately the State Director of Native Affairs, Mr. Con O'Leary, still helps to keep this field in order.

It is well known that there are over 70,000,000 Indonesians waiting for the chance to occupy Dutch New Guinea and it is acknowledged that any race that holds the island of New Guinea ultimately holds the key to Australia and thus is in a position to invade far North Queensland and Cape York Peninsula in particular. Once they land they can live off the country, with its wild pig, cattle, and wild fowl. The land is very fertile.

The sugar and timber industries in the Far North are in a flourishing condition. Bitumen roads extend from Mossman to Cairns, Kuranda, the Tableland, Atherton, Millaa Millaa, Malanda and Ravenshoe back along the Gillies Highway, through Innisfail to the Palmerston Highway. All these roads have been constructed by the State Labour Government. We have good graded roads, again constructed by the Labour Government, from the Mulligan Highway to Molloy, Julatten to Cooktown, and from there to Coen and out to Wenlock.

Peanut-growing is carried on very extensively at Cooktown and it is my hope to have a processing plant erected there in the near future so that the industry can survive and be maintained.

On 28 August I flew to Merino Plains, where I met the people of the Peninsula, gathered together to witness something that they believed would make for the advancement of the cattle industry because it enabled them to send stock by sea to Cairns. I should say that 80 people were gathered there, having come by trucks and other vehicles, and on the morning of 29 August the "Wewak" sailed into the Annie River. She drew up alongside the cattle yards on the banks of the river and the next morning at daybreak the cattle were loaded into the barge and transported to the works at Cairns. I contend that this means of transport has opened up the Peninsula country and has given the people a service equal to a railway.

I have great hopes that the iron deposits on Iron Range will be taken over by the Government. There we have a deposit of ore 300 feet wide and 18,000 feet long that lends itself to open-cut mining. A bitumen road runs from Portland Road to the Knob itself. This iron lode will prove to be a big asset for Queensland in the future. I hope the Government will investigate its possibilities with a view to speeding up the extraction of this valuable metal.

The Queensland Government can be proud of their record in connection with Thursday Island. The town of Port Kennedy, known as Thursday Island, suffered more from the impact of war than any other town in Queensland, including Townsville. Many homes were demolished by the Army and the owners received inadequate compensation. The pearling fleet was broken up and the services of the boats were taken over by the armed forces and most of the owners received inadequate compensation for the loss they suffered. It therefore became incumbent on the Queensland Government to re-establish the town and endeavour to rehabilitate the people and improve this area, which is one of the outposts of the Empire and the first settlement that would be open to an attack by an enemy from the North. The Government have not shirked their duty. They provided finance to enable the new council to operate, but through no fault of the Government the people were unable to provide a full membership of councillors and could not find a mayor to preside over the council. In June, 1952, the Government, through the

Director of Local Government, remodelled the power station and it is now working efficiently. The water supply has been improved to such an extent that reticulation is possible and the people have a guaranteed water supply till the next wet season.

The Government have arranged the necessary finance for the repair of all roads in the town and in its vicinity, thus accepting the responsibility that should have been borne by the Commonwealth Government or the Army because the latter caused the deterioration in the roads during the war period. The jetty at Thursday Island at which the *Elsanna* and many other small vessels berth, is in a state of disrepair. The Queensland Government have accepted responsibility in this matter also and have voted sufficient funds, approximating £35,000, to allow the work of repairing the jetty and extending its dimensions to proceed. There has been levelled at the Queensland Government on many occasions criticism in respect of their treatment of North Queensland but in respect of Thursday Island these accusations can be accepted as untrue and the people of Thursday Island who are to benefit by the improvements are loud in their praise of what the Government have done.

When hostilities with Japan ceased, the Queensland Government lost no time in arranging for the rehabilitation of the pearling industry and through the Sub-Department of Native Affairs, Torres Strait Islanders being discharged from the Army were provided with luggers sufficient for their needs as employees and likewise sufficient to re-establish the pearling industry.

Torres Strait Islanders have now supplanted the pre-war Japanese divers and with the aid that the State gave, a training school for divers, tenders and engine men is being established on Thursday Island. It is very regrettable that despite the fact that the State Government provided finance to the extent of £125,000 for this school the Commonwealth Government refused to be associated in any way with the venture. Despite requests from the State Government the answer was always "No," but this lamentable attitude did not prevent the State Government from going ahead with their scheme to give tuition to the island men, 800 of whom were in the Australian Army during the war and prepared to fight for that or any other part of Australia. Even post-war reconstruction rehabilitation funds or any other funds available to soldiers were refused the Torres Strait Islanders. Their only avenue for tuition, therefore, remained with the State Government and that Government have not let them down. Of their own volition and through their co-operative store, known as the Island Industries Board store, and with contributions from the private boat-owners the necessary funds are being made available. The Commonwealth Government's short-sighted policy in this matter is felt keenly by the Torres Strait Islanders and by the Thursday Island people. The Islander is prepared to work and pay taxation the same as any other worker does. He has supplanted the Japanese diver and his work as

a diver gives ample demonstration of that ability, but while the Commonwealth Government are negotiating with Japanese and pretending to help the Australian industry, they are not prepared in any way to help the Torres Strait Islander financially.

The value of the pearling industry to Australia can be indicated by the fact that produce to the value of nearly £500,000 will be won this year by the pearling boats, and 90 per cent. of this produce goes to America, earning dollars for Australia. That fact has not been lost sight of by the Queensland Government in their assistance to the pearling industry. Seemingly, it is not recognised by the Commonwealth Government.

Part of the policy of reconstruction in the Thursday Island area after the war was the acquisition on Cape York Peninsula of the property known as Bamaga. This area, of 60,000 acres, has been reserved by the Queensland Government for Torres Strait Islanders whose home islands do not provide the necessary facilities for decent living and for industrial expansion. Therefore the property was bought from the Commonwealth by State funds and over the period of four years since work actively began on this reserve a model township has been built.

That township provides, apart from decent living conditions for the Torres Strait Islanders and mainland aboriginals, every scope for industrial development. Already vegetables produced on Bamaga are being sold in Thursday Island at prices much less than Cairns vegetables landed by plane in Thursday Island.

Fairly regular supplies of pork go forward and at intervals beef is sold through the Government store on Thursday Island.

Mr. EVANS: I rise to a point of order. I regret having to do this, but you have allowed the hon. member a good deal of latitude. Is it not contrary to Standing Orders for an hon. member to read the whole of his speech?

The CHAIRMAN: Order! The hon. member is entitled to quote from copious notes.

Mr. Walsh: The Leader of the Opposition read nearly all his speech this morning.

Mr. Morris: Rubbish.

Mr. ADAIR: Irrigation is now beginning to operate on the farm. Brood boars and sows have been obtained from Gatton College and within the next 18 months the residents of Thursday Island can expect a reasonable guarantee that pork from Bamaga will be available to them as vegetables are now. Again, within two years, Bamaga-grown citrus fruit will be available to the Thursday Island people. The Government can well be proud of this settlement. It is unique among Government settlements in Queensland or probably Australia in that no maintenance costs are involved. The workers are paid the same basic wage as applies with men on the pearling boats, and they keep themselves on their wages and from the

sea, which provides ample supplies of fish, dugong, turtle, and so on, and from the gardens attached to the houses, gardens that they are encouraged and helped to cultivate.

When the Queensland Government acquired the Bamaga property, it included the Higgins Field aerodrome. In fact, that airstrip was included in the schedule of property that the Government obtained. Subsequently, the Commonwealth Government intimated to the State Government that a mistake had been made in the schedule listing the various properties and demanded that the State return the Higgins Field aerodrome to them and the State, upon receiving the assurance that the Commonwealth Government required this airstrip, did not hesitate to hand it back.

This airstrip, which the Commonwealth Government had neglected, is one and three-quarter miles long, has 30 bays and is bitumenized for the whole of its length. In "The Courier-Mail" a week ago, a statement by a Commonwealth Minister was published in which he said that it has now been decided that the Higgins Field airstrip, which is in better condition than the Mareeba strip, is now to be sold. Seeing that the strip is situated on the native reserve of Bamaga, one might imagine that an offer would have been made by the Commonwealth to the State, which purchased it originally, to hand it back but instead the Commonwealth Government have announced their intention of selling it. If they decide to abandon it, the strip becomes part of the Native Affairs Reserve, on which it is situated, and if it is sold to a private person he will be buying land on a native reserve. The purpose for which any individual in Australia would buy this strip cannot be comprehended. Being bitumenized, nothing can grow on it, and there is no land adjacent to it that can be cultivated. The idea of selling it is farcical but if it was handed back to the State Government and, through the State Government to the Department of Native Affairs, it could reasonably be expected that the department would keep it in condition good enough to allow a plane to land on it in an emergency. As a matter of fact, the Department of Native Affairs has kept this strip in serviceable order during the last four years. Seemingly, despite the fact that it was used extensively by American and Australian aviators during the war when fighting in New Guinea, the powers that be now look upon it as a useless institution. Apparently they do not appreciate the danger that can threaten Queensland and Australia in the years to come. Surely some person in the Commonwealth Government has vision enough to realise that this airstrip, which has cost thousands of pounds of the Australian taxpayer's money, should be kept in some sort of repair against the emergency the people of Queensland know will arise, perhaps at some date in the not very distant future.

Furthermore, on Bamaga reserve there are 500 aboriginals whose only chance of contact with civilisation is through Thursday Island and the Horn Island aerodrome. If in an emergency the Flying Doctor or the Cairns Aerial Ambulance had to go to Bamaga to

take up a patient, is it not logical that he should land in the centre of the reserve on Higgins Field aerodrome, which is the most modern and up to date in North Queensland, even including Garbutt?

I have here a statement showing that 25 hogsheads of rum, in other words 1,500 liquid gallons of rum, at 5s. 6d. a gallon, costs £412 10s. The duty on 2,060 proof gallons at 66s. 6d. a gallon is £6,849 10s., and the sales tax on the same gallonage is £907 15s. This statement shows that an article that originally cost £412 costs by the time the Commonwealth Government finish with it, £8,169 15s. I have a further statement showing that 18 gallons of beer bought from the Cairns brewery costs the publican £9 10s., and of that sum the Federal Government get £6 in excise duty.

I want to deal with the mining industry and say that I was born in that industry at Wolfram Camp and that I mined on the Irvinebank field and have been right through all that country. As a practical man I claim to know as much as any man of tin, wolfram and common metals, and I am willing to go out onto a dump with a man who has served his time in the Department of Mines and I will take a dry or a wet sample and I can tell him as near as he can tell me the accurate proportions of tin or wolfram. In the years between 1914 and 1918 wolfram, molybdenite and bismuth were produced at Wolfram Camp but we are importing molybdenite into this country at the present time. It is a metal that is used in Australia in fertilisers for the growing of vegetables such as beetroot and cabbage and other crops. Some soils cannot be farmed because of the absence of trace elements in the soil of which molybdenum is one. This mineral is processed in America and we import 14 tons a year. We have that metal in quantities in the Wolfram Camp area but we have not the plant to crush it. It is my intention to endeavour to get a flotation plant operating for molybdenite at Wolfram Camp so that we can produce our own requirements in Australia. It has been proved that when Herberton was producing at its peak from about 1912 to 1915, the value of the tin, wolfram and copper produced was more than comparable with the production of the gold-fields of Charters Towers and Gympie.

I desire now to quote the following statement from "The Queensland Mining Journal"—

"There is certainly a wonderful field in this district for operations of any company with reasonable capital, directed by practical tin men, in different areas, such as the Great Northern Hill, at Herberton, the Great Western Hill, at Watsonville (Una have the North Australian), and various tin centres around Irvinebank and Coolgarra. What is needed is a company prepared to carry on a considerable amount of mining by up-to-date and economical methods to prove their ore deposits before laying out large sums of capital in treatment plants and surface improvements.

"In support, the following figures and comparisons can be quoted:—In the eleven years from 1885 to 1895, the Herberton district has produced 128,610 tons of tin ore, yielding 18,488 tons of black tin, which at present market value would be worth £2,213,760."

This report goes back to 1930. The market value during the war would have been three times that. The statement continues—

"53,332 tons of silver-lead and copper worth £399,416; and 3,394 tons of stream tin at present day value £407,520; making a total of £3,020,696. The tin ore works out at £17 4s. 3d. per ton and silver-lead and copper at £7 9s. per ton, or an average of £14 4s. per ton. The greater part of these metals was produced by the most primitive methods, as it has only been during the last few years that the steam or air-driven hammer drills have been used and even now only in two mines. In the early days engines were not available; a whim and whip constituting the usual winding plant—in fact, up to date very few mines have had a steam or otherwise driven winding plant, though recently the modern oil engine has naturally lightened the labour of pumping in the small wet mines.

"It might be said the richness of the tin deposits has retarded progress, as by methods of the past the owners have been able to carry on and have not realised the necessity or economy of up-to-date machinery."

That article points out that in those days primitive mining methods were used. I can assure hon. members that if those mines were worked in the correct way today they would produce more tin than they have up to date. It has been proved that 90 per cent. of the tin produced from this field now comes from the old mines. Very few new mines are being found and worked. I think the time will come when the miners will not be able to work them, that they will not be able to command the necessary finance and operations will have to be undertaken by big companies.

In Thursday Island we have as the local-authority administrator, Mr. Sewell. The town of Thursday Island is progressing very fast. There is electricity and a water supply adequate for the needs of the people. We hope to have bitumen roads round the island by the end of next year. The Director of Native Affairs, Mr. Con O'Leary, has done an excellent job despite the unwarranted criticism levelled against him in this Chamber last year. I do not think that the majority of hon. members would care to do his work.

Early this year I went to Coen and I should like to take the hon. member for Aubigny there to let him see how the other half lives. Graziers there have a particularly hard life. It is virtually impossible to use the ordinary car or truck in that type of country and a Land Rover is needed. However, as time goes on, roads will be built through the Peninsula to the top of the Cape. They are on their way now. I should like to conclude my speech on that note.

Mr. LLOYD (Kedron) (8.18 p.m.): Mr. Clark!—

Mr. H. B. TAYLOR (Clayfield): Mr. Clark!—

The CHAIRMAN: The hon. member for Kedron, Mr. Lloyd.

Mr. H. B. TAYLOR: Mr. Clark, I rise to a point of order.

The CHAIRMAN: The hon. member for Kedron was on his feet first and I gave him the call.

Mr. H. B. TAYLOR: Mr. Clark, I rise to a point of order. I suggest that consideration should be given to those hon. members of the Opposition when they rise persistently to get the call while Government members continue to speak one after the other.

The CHAIRMAN: The hon. member for Kedron jumped up on the previous occasion and on this occasion he was ahead of the hon. member for Clayfield.

Mr. LLOYD: Thank you very much, Mr. Clark.

We have just witnessed a deplorable display on the part of members of the Opposition. The hon. member for Cook was making his second speech—and it was a very fine contribution to this debate—and he was subjected to continuous interjection. He knows the North and the Cape York Peninsula better than any other member in North Queensland, and he has done mining in that area. He had not even begun to speak when he was heckled by hon. members opposite, and they frequently interjected when he was endeavouring to help the Government in their deliberations by his contribution. It was indeed a deplorable display of ill-manners on the part of hon. members opposite.

I congratulate the Treasurer on the Financial Statement that he has presented. I think it is one of the finest examples of a Financial Statement ever presented to this Committee, and it gives the people of Queensland a clear outline of the wise administration of the various departments carried out by the Treasurer and other Ministers.

I remember very well when the Financial Statement was presented to the Committee last year that hon. members opposite, led by the Leader of the Opposition, stated it was a political Budget—that it was an attempt to gain votes for the Labour Government. It was indeed a very successful attempt to gain votes for the Government because the Budget that was presented on that occasion gave to the people of Queensland such a wide comprehensive idea of the works to be undertaken that they returned the Government with a very handsome majority. At that time an attempt was made by the Leader of the Opposition and other hon. members opposite to convince the people that we denuded Trust and Special Funds and other reserves in an attempt to

gain votes, but on this occasion we are attacked because they say we have not taken enough from Trust and Special Funds and other funds. They are having two bob each way as usual.

It is very gratifying to the people of Queensland to learn from the Financial Statement that during the current year the amount of £29,749,208 will be expended by the State Government on major developmental works. That in itself may not seem very important but combined with the fact that the total expenditure from Consolidated Revenue will amount to £67,482,587 we see a very good indication of the attempt being made by the Government to expand our natural resources to such an extent that we can cope with the increased population of Queensland and play our part in the future of Australia as a nation. It is a very important part when we consider that almost 50 per cent. of our total estimated expenditure this year will be on developmental works. We can compare that with the expenditure entailed in the administration of the Canberra Government, by examining the Budget presented to the Federal House some little time ago, which provided for a total expenditure of approximately £700,000,000, of which major items were: on defence, 1951-1952, £215,291,736; on war and repatriation approximately £119,000,000; small odd commitments £8,500,000; loans and subsidies £25,500,000; business undertakings £78,500,000; payments to the States £182,891,165 and National development £15,759,593. The last figure is a mere pittance in the light of the fact that on this occasion the Treasurer of Queensland is presenting to the people an estimated expenditure on developmental works of £29,749,208.

In his Budget presented to the Federal House the Deputy Prime Minister and Treasurer of the Commonwealth, Sir Arthur Fadden, gave the actual expenditure on national development during the last financial year at £15,759,539. That is very little, and the people of Australia expect of any Government that they shall give everything within their power to develop this country to the stage where the people of Australia will be able to enjoy the prosperity that all peoples of the world deserve. As a nation we cannot afford to have any Government, irrespective of political colour, not attempting to develop the resources that we have in our power to develop. This morning we had the admission by the Leader of the Opposition that we have the great potential outlined in the Financial Statement by the Treasurer but in Canberra we have a Government who will spend only £16,000,000 on developing the regions of Australia.

We must go back to the real basis of our Federation, the Constitution of Australia, which states in its preamble, as I have mentioned before, that the six States of the Commonwealth and the Commonwealth Government shall be one indissoluble Federal Government, in other words shall be one Federation, and they shall work to their mutual benefit on behalf of the people of

Australia. If we are to have that we must have a Government in control of the financial resources of Australia who will be responsible for ensuring that the Commonwealth of Australia will be developed to its greatest possible extent. Admitting that, we must see to it that whilst the Commonwealth Government control taxation of the people of Australia, they must admit their responsibility to either finance the States in major developmental works they are planning or establish some co-ordinating authority that will undertake the larger developmental works that are so vitally needed, not only in this State but in the whole of Australia.

In the past the Commonwealth Government undertook the Snowy River hydro-electric scheme, a scheme that we admit was badly needed in Victoria and New South Wales, but when we look at the river regions of Queensland we notice that from Coolangatta in the South to Cape York in the North there are many areas that have needed development but because the State Government are bound to the Commonwealth Government for their finance, they have been unable to undertake any essential works. Whether a Commonwealth Government are Liberal, Country Party or Labour, they must accept responsibility for development.

Mr. Muller: Is it not a fact that the present Commonwealth Government have provided you with more money than any other Government in the history of this State?

Mr. LLOYD: I admit that, as do many other hon. members on this side, but money is as nothing these days. What counts is the purchasing power of the money handed to the State. Let me show the hon. member for Fassifern exactly what the position was here in 1938-1939. In that year, income taxation returned to this State Government a net sum of £4,490,000. In addition, the State development tax, which was introduced by the State Government for a specific purpose—development—returned £1,332,751. The total return from income and development-tax sources was £5,822,751, and in the Budget presented for 1939-1940, I suppose it would be safe to say, £11,000,000 would be the maximum required to carry out the same amount of public works, developmental works, and other necessary works incorporated in Government administration that we are required to do today with £67,482,587. Perhaps the hon. member for Fassifern will admit that it was only the inflationary spiral that has taken place since 1951 that has created the position that makes it necessary for State Governments to require that additional amount of finance from the Commonwealth Government.

Let me help the hon. member further by reading the following extract from page 17 of the Financial Statement presented by the Treasurer—

“The following extract from the Report of Treasury officers on the resumption of income tax by the States is of interest as showing that the States’ share of the national income represented by their proportion of income taxation receipts is little

more than static whilst the Commonwealth’s share has considerably increased compared with 1938-1939.

“Income tax by the governments has increased from 4½ per cent. of the gross national income in 1938-1939 (of which about two-thirds was raised by the States) to 14 per cent. of the national income in 1951-1952. As the tax reimbursement grants to the States in 1951-1952 bore much the same proportion to the gross national income as the States’ pre-war income tax and, as the Commonwealth contribution to the States’ loan programmes out of revenue in 1951-1952 was about 2½ per cent. of gross national income, the greatest proportion of the increase was used to meet Commonwealth commitments.”

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There is the answer to the interjection made by the hon. member for Fassifern—that income tax by the Governments has increased from 4½ per cent. of the gross national income in 1938-1939 to 14 per cent. of the national income in 1951-1952.

Mr. Heading: You will admit that they have got greater financial responsibility.

Mr. LLOYD: The hon. member for Marodian says that they have greater financial responsibility, but some of the responsibilities that previously rested with the State Governments have been transferred by referendum to the Commonwealth Government—I refer to national service, social service and employment. That does not affect the position because turning to the Financial Statement presented by the Treasurer we find that regardless of the fact that in 1938-1939 4½ per cent. of the gross national income was received by the States and that 4½ per cent. paid for all the commitments, whether by the States or by the Commonwealth, in 1951-1952 to carry out the same commitments it is necessary, according to the present Commonwealth Government, to tax the people to the extent of 14 per cent. of the national revenue.

To give the Committee some idea as to how national revenue has increased from 1938-1939 to 1951-1952 we have the fact that in the former period the national revenue was £780,000,000 and by 1951-1952 it had increased to £3,250,000,000. There was 400 per cent. greater national revenue in 1951-1952 than in 1938-1939 but the reimbursements to the State have reached £13,962,000, an increase of a little more than double taxation returns received by the State Government in 1938-1939. Therefore, we have the position that we in Queensland are attempting to carry out our responsibilities and commitments not only to Queensland and

Australia but the world at large by developing the resources we possess, and there is no doubt as to them. We are attempting to do that on the small increase in the amount of revenue received whereas the Commonwealth Government are receiving this tremendous increase in taxation and taking unto themselves the responsibility for its expenditure and refusing to allow the States to have any say or responsibility in doing so. We see that exemplified at meetings of the Loan Council. If we turn again to the Financial Statement we find on page 13 under the heading of "Loan Fund" that the Treasurer has again pointed out some of the undemocratic things that do happen whereas we are supposed to be living in a democratic country, and as the Australian Constitution lays down, we have an indissoluble Federal Government. The State Premiers submitted to the Loan Council meeting a total works programme of £317,000,000 but by a majority vote of the Loan Council, that figure was reduced to £231,000,000, yet we find this statement on page 13 of the Treasurer's Financial Statement—

"The Commonwealth was not prepared to agree to a total programme exceeding £200,000,000, and as part of the finance for capital works and housing is provided from Commonwealth sources, the power of the Commonwealth to limit States' works programmes is very apparent."

Mr. Munro: Would you agree that they have done a good job in removing the menace of inflation?

Mr. LLOYD: I accept that interjection in the political spirit in which it is made. I am certain that the hon. member for Toowong realises the very important economic principle that any increase in interest rates must be deflationary but it also creates unemployment and stagnation in industry. That is a point that has been lost sight of by many hon. members opposite.

Mr. Muller: What was the alternative to an increase in interest rates?

Mr. LLOYD: I reply to that interjection from the hon. member for Fassifern by saying that the alternative was not to allow Australia's finances to get into the parlous condition they were in 1952, which perhaps in the opinion of the hon. member made increased interest rates necessary. If the Commonwealth Government had taken the necessary action in 1950 and 1951, the position that arose in the latter part of 1952 would not have arisen. There are many factors to be considered and one could go on for at least an hour on the subject of the financial policy that has been put before the people of Australia and has aroused so much resentment among those working in industry and even among industrialists themselves.

Whilst we in Queensland are considering the Financial Statement that has been presented by the Treasurer, we must appreciate the fact that so much of this developmental work is to be carried out in the ensuing year.

The position is complicated by the fact that the Commonwealth Government have complete control of the finances of Australia whilst the State Governments have no financial control at all; they simply control the administration of and accept the responsibility for their own lands policy, hospitals policy, housing policy and education policy, because under the Constitution they must do so. We find that the States are literally tied to the wheels of the Commonwealth.

Mr. Sparkes interjected.

Mr. LLOYD: That brings up a matter that has been mentioned time and time again by the hon. member for Aubigny, that is, whether we favour the return of taxing powers to the State Governments. I say—and this is only my own private opinion—that the return of taxing powers to the States would solve nothing. I have already outlined the commitments of the Federal Government. I have not criticised the Federal Government except in regard to the small amount of expenditure on national development. Those commitments are there and they amount to a considerable sum of money. If taxation powers are returned to the State Governments, we shall find this position arising: while the loan market of Australia apparently is not very buoyant and while the present Commonwealth Government have control of the Loan Council and we cannot get the necessary money to develop our resources, there is only one way in which to do it and that is by imposing further taxation on the people of Queensland. Do not forget this fact, that taxation provides the main source of revenue for the Commonwealth Government at the moment and that it is from taxation of all forms that they are financing their grants to the State Governments. However, as the Commonwealth Government will not reduce their administrative costs their taxation must remain almost stable, except what they believe to be a fair and equitable share returnable to the States and this in the case of Queensland would amount to £13,962,000 this year.

If we as a Government are to accept our full responsibilities as a separate taxing authority and while we have to raise our own money for our increased responsibilities to posterity and to Australia as a whole, we shall be required to carry out very many large projects in this State. That should not be done through revenue from increased taxation alone, but must be done mainly from loan moneys. It cannot be done through taxation because at the present time the burden of taxation in all its forms is too heavily set upon the people of Australia.

Apparently the Commonwealth Government are unable to realise or are incapable of realising their responsibilities in this regard of raising the necessary loan money to finance the programmes of the works that are needed. Under the present economic system, with the present Federal Government and while they receive the present heavy amounts in taxation, and while they control the Loan Council in the matter of raising loan moneys, it will be

necessary for each State to raise enough revenue from its own taxation to meet its own increasing responsibilities. But, as I said before, the taxation burden of the State is already too heavy. I do not think that the transfer of taxing powers back to the State Government would accomplish anything of any great importance to the people of the State. What we should have is a greater control of loan raisings and the allocation of the necessary finance through the Loan Council to meet the various projects of the States.

Mr. Walsh: They do not give effect to the decisions of the Loan Council.

Mr. LLOYD: That is obvious because I have already pointed out that whereas the majority of the members of the Loan Council voted for a total allocation of £231,000,000—I think that was the amount—the Commonwealth Government decided that it would not make available or raise anything beyond £200,000,000. There is sufficient evidence that the original purpose of the Financial Agreement, which set up the Loan Council, has been departed from, and it is easy to understand how in the circumstances it has not been possible under the Australian Constitution to maintain the Sovereign powers of the State.

The reasons for the deterioration in the financial relationships between the States and the Commonwealth since the inception of Federation are easily traceable. There has been a gradual deterioration till the present time, when the responsibility of the State Governments is controlled by the Commonwealth Government, who tell the State Governments, "You set out the expenditure you require but we will tell you that in certain circumstances we will not give you any money at all." As I pointed out, that has been done as far as war-service land settlement is concerned; the Commonwealth Government regardless of political colour have informed the State Governments, that they could only get moneys to carry out such settlement under certain conditions. Let us not forget that the present Federal Government have been the Government of Australia since 1949, and they have had ample time to alter the terms of the War Service Land Settlement Agreement if they thought it wise to do so. As a State Government we have our own policy in land matters, and that policy has been approved by the electors of Queensland at elections that have taken place since 1945 when the agreement was made. The Queensland Government, under their sovereign rights, have power to frame their own policy of land settlement and if they decide that 93 per cent. of the land in Queensland shall be leasehold land and that the Government shall be able to say to any individual who is guilty of neglecting the land that if he continues to do so they will apply their rights of resumption as trustees for the whole country, they have a right to do so. It is not proper for any Commonwealth Government to attempt to convince the people of Queensland that their Government are not doing the right thing, and that leasehold lands should not be

held by the Crown as trustees but it should be possible to transfer it to other Governments or people under freehold or some other tenure.

I was interested this morning to hear the Secretary for Public Lands and Irrigation giving a detailed account of what has happened in war-service land settlement during the last few years. There are members of the Federal Government party who are attempting to mislead the people of Queensland by making false statements. I wish to quote from Federal "Hansard" of Wednesday 9 September, 1953. I will read the question asked by Mr. Wight, a colleague of members of the Opposition, who has been rather famous for his neglect of the truth in attacking the Government of Queensland so far as war-service land settlement and housing are concerned. He tried to force his way into any ex-service men's organisation; he has been doing so since the war finished—trying to influence ex-service men to vote for him, I imagine.

On page 13 of the "Hansard" I mentioned he is reported as having asked the following question, which is headed "Land Settlement of Ex-service men.":—

"Mr. Wight.—I refer to the abandonment of the War Service Land Settlement Scheme by the Queensland Government. Can the Minister for the Interior confirm a report that, despite claims by that Government that it has not received sufficient funds to enable it to carry on with the scheme, it did not expend between £200,000 and £300,000 of the money made available to it last year for that purpose, and, in addition, that a further sum for the purposes of the scheme was included in the estimates that were placed before the Loan Council when the grant of funds to Queensland for the present financial year was considered."

Mr. Kent Hughes, Minister for the Interior, answered that question. It is too lengthy a reply to read or quote, but among other things the Minister stated—

"I think the information was received officially by this Government in the middle of August. I speak subject to correction, but I understand that between £200,000 and £300,000 of the £676,000 that was allocated to Queensland last year for this purpose was not expended."

There are two untruths in that statement, the first being this: no sum of money was allocated by the Loan Council of Australia to Queensland for war-service land settlement. It is not one of the functions, nor is it within the power, of the Loan Council to allocate any specific amount of money to any State Government for any specific purpose, unless by way of Commonwealth States grant, and this generally comes from revenue. There is the misleading statement in an endeavour to make ex-service men believe that the Queensland Government are not doing the job of war-service land settlement. The second untruth is this: in actual fact £764,000 was expended on soldier settlement last financial year.

Now let me take the Opposition a little bit further so far as war-service land settlement is concerned. In reply to some of the statements made by the Leader of the Opposition and the hon. member for Mt. Coot-tha, we find on page 88 of this "Hansard," Mr. Kent Hughes, Minister for the Interior and Minister for Works, on the second reading of the Loan (War Service Land Settlement) Bill 1953, stating—

"This money will be advanced under approved conditions, to the three agent States to be used by them for the acquisition, development and improvement of land for subdivision and allotment to classified ex-service men and for providing those ex-service men with working capital and finance for purchasing structural improvements, stock, plant and equipment."

The Secretary for Public Lands has told this Committee that at the end of last year an offer was made by the Government of Queensland to the Federal Government to become an agent-State under certain conditions. The one respect in which this is altered is that the Queensland Labour Government would be responsible for the acquisition of the necessary land for war-service land settlement, and the cost of such acquisitions. We see here the delaying tactics of the Commonwealth Government. There is substantiation of the statement made by the Minister in charge of public lands this morning that that money will be handed to the agent States, not the principal States, for this specific purpose, and we as a Government are asking the Commonwealth Government to allow us to become an agent State, but that we should be responsible for the purchasing and acquisition of all lands. In other words this Government are prepared to meet costs of acquisition, which other States do not meet.

So far as the other States are concerned the Minister for the Interior, Mr. Kent Hughes, made a statement as reported on page 89 of "Hansard" and said this about South Australia of which we heard so much this morning from the Leader of the Opposition—

"In South Australia, originally 2,796 men were classified, allotments have been made to 536 men, leaving 2,260 still awaiting allotments. I should say that at least 50 per cent. of those men are still eager to obtain blocks of land. The percentage may be higher than that. At present, 230 farms are under development in South Australia. So there is still some way to go in that State before we shall be able to say that we are getting near completion of war-service land settlement there."

Apparently the position was a little better in West Australia, because there at present they have a Labour Government, who no doubt have been pursuing a land-settlement policy of the best possible kind, similar to that of Queensland. Mr. Kent Hughes did not have the position relating to Tasmania.

I have always held the view, so far as developmental works are concerned, that it does not matter what capital expenditure is involved so long as there is a guaranteed

return from that expenditure. This is clearly demonstrated in the United States of America, where the T.V.A. scheme was introduced in the early 30's. There, out of an investment of 450,000,000 dollars up to 1944 there was in that year a surplus of 40,000,000 dollars from the sale of power. It was estimated too that within a few years the whole of the capital expended on that scheme would be recovered.

In a scheme such as that the value in revenue derived from taxation, the development of farms, the sale of electricity, and so on is not all that has to be considered. In addition we have the value of such things as flood-prevention, soil conservation and other similar important advantages. All schemes such as these are multi-purpose and the development that follows them is such that regardless of the initial expenditure the prosperity of the people amply justifies the undertaking. Before the introduction of the T.V.A. scheme, only 3 per cent. of the farms in the area were supplied with electricity. Today 85 per cent. of the farms enjoy that amenity. Since 1933 the annual average consumption of electricity has increased from 600 to 2,900 kW. hours, while the national average in the United States of America is 2,070 kW. hours.

It is high time the Commonwealth Government realised some of the salient features of developmental works. It is time they appreciated that the expenditure of large sums on the construction of dams that make possible the irrigation of lands and the reticulation of power to the people in the country, while at the same time preventing floods and soil erosion, are of much greater value than the spending of such small amounts as £1,000,00 on the construction of small weirs, which still leave us open to damage from floods and consequent soil erosion. It is tragic to think that in a country as old as Australia the northern parts of Queensland are still subject to flooding.

We have the spectacle every few years of the Burdekin River in flood, holding up transport and creating untold damage to the national income. Terrific loss to the State is occasioned by soil erosion. Tremendous expenditure is necessary in North Queensland and the blame for not developing that part of Australia must be laid at the door of the Commonwealth Government. We cannot expect the State Government, who are confined for their financial resources to the imposition of taxation on such minor matters as land and motor-car registration, to meet this huge expenditure. The State is bound by the Financial Agreement and cannot be expected to undertake the large projects that are necessary for its proper development. These projects are only being advanced in Queensland because the Government have refused to allow the Burdekin dam, the Tully hydro-electric scheme, and others to be abandoned because of the refusal by the Commonwealth Government to supply at least part of the finance required. I think the people of Australia will show next year their disfavour with the policy put into operation by the

Commonwealth Government in respect of these works and will show that they as the electors of Australia realise that we in this country must be in a position to increase our population and that we should be able to ensure to the future generation a decent standard of living and a prosperity that could be unequalled anywhere in the world.

Another question I wish to discuss tonight concerns a remark made by the Deputy Leader of the Opposition, who dealt with technicalities and attempted to belittle the Financial Statement presented by the Treasurer. Not being able to find anything in it really objectionable on which to base constructive criticism, he dealt with some vague so-called irregularity and I was at a loss to discover his point. However, I am certain that so far as the technicality of the criticism is concerned, the Treasurer will be able to deal with that in the time allowed him more capably than I might.

The hon. member for Coorparoo said the building industry had deteriorated in Queensland and he accused the State Government of creating unemployment in the building industry. This evening's "Brisbane Telegraph" has the following statement:—

"Bright timber outlook here in contrast to southern chaos.

"The sawmilling industry's prospects were bright, chairman of Brandon Timbers Ltd. (Mr. J. W. Peden) told the annual meeting.

"The managing director (Mr. E. B. Brandon) said that despite chaotic conditions in the industry in the southern States, demand for good quality timber in the Brisbane zone of supply was good.

"It was very difficult for the company to obtain sufficient supplies.

"Mr. Peden said sales in 1952-1953 were one-third greater than the previous year's, and Mr. Brandon added that sales in the first quarter of 1953-1954 were 40 per cent. above those for the same period of 1952-1953.

"Production had increased."

The final paragraph of this statement is significant, especially when we consider the remarks made by the hon. member for Coorparoo in regard to the building trade. It says—

"However, directors when applying to Capital Issues Board last year for permission to increase capital by £50,000, had stated that they would make a further application in 1953-1954."

Apparently this firm, with other large sawmilling firms in Queensland, had applied in 1951-1952 to the Capital Issues Advisory Board for a further allocation and was refused. Many small or medium-size sawmills in Queensland have suffered because of control over their capital issues.

Whilst there is this chaos in the southern States, and whilst the hon. member for Coorparoo has said that there is some lag in prosperity in the building trade, we find—and these figures are readily available to all

hon. members, including Opposition members, if they are interested—that the number of sawmills in operation in Queensland in 1939-1940 was 438, in 1950-1951 it was 461, in 1951-52 it was 671, and in the December quarter of 1952 it was 765.

If we admit the argument of the hon. member for Coorparoo that there has been some falling off in the prosperity of the building trade, let us compare what has been done in the building trade by Governmental undertakings through the Queensland Housing Commission with what has been done by private building contractors. We find that last year 2,307 dwellings were constructed by the Queensland Housing Commission, an increase of 245 over the previous year. However, the total number of homes constructed in Queensland by both the Government and private industry numbered 10,911, compared with 11,541 the previous year. Therefore, if there has been any falling off in the prosperity of the building trade it has not been the fault of the Government, because the number of homes constructed by the State Housing Commission last year increased by 245 over the previous year, although 600 fewer homes overall were built. If therefore there has been any deterioration in the building trade, if there has been much unemployment in the building trade, it has been only because private contractors in Queensland have not erected as many homes as in the previous year.

We can perhaps make a comparison between the work undertaken by the Queensland Housing Commission and that undertaken by the War Service Homes Division of the Commonwealth Department of Works and Housing. We find that whereas in the last financial year approximately £30,000,000 was allocated to the State Governments in the way of housing loans for the building of State rental homes under the Commonwealth-States Housing Agreement, in 1951-1952 an amount of £27,964,109 was actually expended by the War Service Homes Division in the building of homes in Australia. Let us see how many homes the War Service Homes Division built in Queensland, but let us first examine the position of people who apply to the War Service Homes Division for dwellings. At the present time it takes at least eight months for the War Service Homes Division to approve of an application to erect a home or to buy a home through it, although approval for a loan can be granted within from four to six weeks. Applicants are told by Canberra that the applications must be handled in strict order of priority and thus it takes anything up to eight months for approval to be given or for the War Service Homes Division actually to make the advance available to the contractor or so that he can start building the home. In some cases it has taken 10 to 12 months to get approval for the applications by the War Service Homes Division but long before the time expires between the submission of the application and the final approval a valuation is made by the War Service Homes Division.

It can carry out the valuation in a matter of six weeks. It is not the fault of the administration itself but I believe that the Commonwealth Government have adopted a go-slow attitude so far as war-service homes are concerned. I think that the administration is told that it must go slow in granting approvals for advances to enable the contractors to go ahead. The position is now reached that the building of homes through the War Service Homes Division is subject to much delay in approval and in the payment to the contractors.

Compare that with the conditions that obtain with the Queensland Housing Commission. The hon. member for Coorparoo attacked the Treasurer for his unexpended loan monneys. Let me put it this way: it was necessary last year for the State Housing Commission to adopt a policy of not selling as many homes to its tenants as it had done before, and there was a very good reason for that, because immediately a home is sold to a tenant under the Commonwealth-States Housing Agreement by the Queensland Housing Commission, the total amount of the contract price has to be refunded to the Commonwealth Government by the Queensland Housing Commission. Let us assume that the Queensland Housing Commission sold a house to one of its tenants for £2,000 on a deposit of £500. The balances are made up every three months and so within three months the State Housing Commission, in accordance with the Commonwealth-States Housing Agreement, is required to pay the full amount of the purchase price to the Commonwealth Government.

A Government Member: That is a confidence trick.

Mr. LLOYD: It is a very undesirable feature of the Commonwealth-States Housing Agreement. There are one or two features of the agreement that I think can be taken into consideration. The State Government have attempted to have it altered in the past 12 months to provide for easy purchase of homes. During the recent elections the Liberal Party came out with a grandiose scheme that its members alleged they had if the people of Queensland would return them as the Government of the State. They said that it provided for the purchase of homes but they did not know that already the Queensland Labour Government had submitted such a scheme to the Commonwealth Government to allow the tenants to buy a State rental home in accordance with a formula laid down in the agreement. It provided for a deposit of 10 per cent. of the cost, with easy payments over a long period. The Queensland Housing Commission can do this only if the Commonwealth Government approve of the necessary alteration in the Commonwealth-States Housing Agreement.

(Time expired.)

Progress reported.

The House adjourned at 9.22 p.m.