

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 13 OCTOBER 1960

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Mr. SPEAKER (Hon. D. E. Nicholson, Murrumba) took the chair at 11 a.m.

ADDRESS IN REPLY

PRESENTATION AND ANSWER

Mr. SPEAKER: I have to report to the House that, accompanied by hon. members, I this day presented to His Excellency the Governor the Address of the Legislative Assembly, adopted by the House on 20 September, in reply to His Excellency's Opening Speech and that His Excellency has been pleased to make the following reply:—

“Government House,

“Brisbane, 13 October, 1960.

“MR. SPEAKER AND GENTLEMEN,—

“As the Representative of Her Majesty The Queen, I tender to you and the members of the Parliament of Queensland, my sincere thanks for the Address in Reply to the Speech I had the honour to deliver at the Opening of Parliament on 24th August, 1960.

"It will be my pleasure and duty to convey to Her Majesty The Queen the expression of continued loyalty and affection to The Throne and Person of Her Majesty Queen Elizabeth II., from the members of the Legislature of Queensland in Parliament assembled.

"I trust that your labours to promote the advancement and prosperity of this great State will meet with success in full measure.

"I pray that the blessings of Almighty God may rest upon your councils.

"HENRY ABEL SMITH,
"Governor."

QUESTIONS

AMMONIUM SULPHATE PROJECT AT MT. MORGAN

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) asked the Premier—

"In view of his statement in answer to my question of 13 November, 1959, that it was most undesirable to make any announcement respecting then current negotiations to establish an ammonium sulphate project at Mount Morgan, is he now able to inform the House of the reasons for the abandonment of this £7 million project provided, of course, he does not find such disclosure equally undesirable?"

Hon. G. F. R. NICKLIN (Landsborough) replied—

"The Leader of the Opposition evidently bases his question on newspaper reports which he should know are not always completely reliable. The Company which is interested in the establishment of an Ammonium Sulphate Project at Mount Morgan have expressed their confidence in the success of the scheme. However, the Federal Government's policy of relaxing import restrictions particularly insofar as it permits the free entry of urea for use as a fertiliser has made it necessary to defer the proposal for the time being. The project has not been abandoned as the Honourable Member suggests."

PROMOTION IN THE PUBLIC SERVICE

Mr. DAVIES (Maryborough), for **Mr. BAXTER** (Hawthorne), asked the Premier—

"(1) Has the Government decided to abolish the system of promotion based on the principle of seniority that has been enjoyed and appreciated by the Public Service for many years? If so, what system has been devised by the Government in lieu thereof?"

"(2) Are all Government Departments involved? If not, what individual Government Departments are?"

Hon. G. F. R. NICKLIN (Landsborough) replied—

"(1 and 2) If the Honourable Member cares to peruse Public Service Regulations, he will find that Regulation 105 states:— 'In determining the claims of officers for promotion consideration shall be given first to the relative efficiency and, in the event of an equality of efficiency of two or more officers, then to the relative seniority of the officers available for promotion to the vacancy'."

QUALIFICATION FOR APPOINTMENT TO HOSPITALS BOARDS

Mr. HANLON (Baroona) asked the Minister for Health and Home Affairs—

"With reference to a regulation, dated 22 September, 1960, under the Hospitals Acts, 1936 to 1955, tabled on 11 October, whereby provision under Regulation 4 of Part II. Hospitals Board Service Administration for qualification of the Junior Public Examination Certificate of the University of Queensland for appointment to positions in the Service of the Board in respect of clerical positions (male appointees) and positions of clerks, typists, stenographers and machine operators (female appointees) was repealed, will he explain the basis or background of this repeal?"

Hon. H. W. NOBLE (Yeronga) replied—

"For some considerable time Hospitals Boards found it impossible to obtain sufficient persons holding a Junior University Certificate. It was therefore necessary to appoint applicants who had not that certificate. A legal doubt has been raised particularly as to the appeal rights of these people. The whole question has been discussed with the Clerks' Union and the action taken has been in line with legal advice so that the matter might be correct. The Junior standard will be re-introduced when the present position has been corrected."

EVENING TRADING HOURS OF BRISBANE CHEMISTS

Mr. HANLON (Baroona) asked the Minister for Labour and Industry—

"(1) Is he aware that there is a move by a section of Brisbane pharmacists for the abolition of evening hours of trading, normally 7 p.m. to 8 p.m., by other than all-night pharmacies?"

"(2) Has any approach yet been made officially to the Department?"

"(3) In the event of such an approach what procedure is followed by the Chief Inspector of Shops and Factories?"

"(4) Is the matter left to the vote of pharmacists or is there some over-riding authority vested in the Department or any other body to consider objections, if any, from the general public?"

"(5) Will he ensure that no hasty decision is reached in this matter before suburban chemists and the many suburban residents served by them through the comparatively brief evening trading hours, are given the opportunity to voice their objections?"

Hon. K. J. MORRIS (Mt. Coot-tha) replied—

"(1) No, but in many suburbs, chemists, acting as groups, are establishing all-night pharmacies to assist local residents. However, this does not debar any chemist from opening from 7 p.m. to 8 p.m. This trading hour is now, and always has been, optional to chemists and remains exactly the same."

"(2) No."

"(3) As prescribed by The Factories and Shops Acts and Regulations."

"(4) The agreement of the majority of persons carrying on business as chemists in a Factories and Shops District is binding on all chemists in the district. However, where the Minister thinks it desirable in the public interest to do so, he may modify any agreement in connection with closing hours for chemists' and druggists' shops."

"(5) I would assure the Honourable Member that no decision, hasty or otherwise, is made by me without full and careful consideration of the public interest. I would add, for the Honourable Member's information, that the Factories and Shops Acts provide that it shall not be unlawful for a chemist or his employees to supply at any time medicine or any surgical appliance that is urgently required.

SOOT NUISANCE, TOWNSVILLE REGIONAL ELECTRICITY BOARD

Mr. AIKENS (Townsville South) asked the Acting Minister for Development, Mines, Main Roads and Electricity—

"(1) With reference to my previous questions and representations on the matter, is anything to be done to prevent the distress and discomfort of the people and the damage and depreciation of property, particularly in South Townsville, caused by the emission of soot from the chimneys of the Townsville Regional Electricity Board's power-house?"

"(2) Will he specifically inquire if oil is being used with coal fuel at the power-house and if such a combination is responsible for much of the present trouble?"

Hon. O. O. MADSEN (Warwick) replied—

"(1) I refer to the answer to a similar question asked by the Honourable Member on the 10th September, 1959, in which I fully covered the position. At that time I informed the Honourable Member inter alia as follows: 'It is difficult to reconcile any such suggestions with the fact that as a result of transmission of power from

Kareeya hydro-electric station to Townsville the daily burn of coal at Townsville power station is now only about one fifth what it was when the station was in full production.' Since the commencement of 1960 the Townsville power station has operated at the same reduced output requiring the use of one boiler of the eight installed. This has resulted in a considerable reduction in the burn of coal, and consequently the emission of soot and grits has been at a minimum for the station and thus practically negligible."

"(2) No oil is being used with coal fuel at the Townsville power-house."

OPERATION COSTS, TOWNSVILLE ABATTOIR

Mr. AIKENS (Townsville South) asked the Minister for Agriculture and Forestry—

"(1) As a dissection of the figures supplied in his answer to my previous question on the matter shows that (a) it is costing £111,000 per year to operate the Townsville Abattoir and (b) on the usual 'trade' basis of computation of twelve to one for sheep and pigs to oxen it is costing £5 2s. 8d. to treat each beast, are these costs considered reasonable and favourably comparable with those of other abattoirs?"

"(2) As this works out at an abattoir cost of over two pence per pound of meat, does he not consider that this contributes materially to the fact that meat prices in Townsville are dearer than in any other town in the State?"

Hon. O. O. MADSEN (Warwick) replied—

"It appears that in endeavouring to arrive at the cost of treatment the Honourable Member has used the overall annual cost of operation of the abattoir as a basis. It is more correct to use the actual charge to operators for slaughtering fees and associated costs which totalled £53,308 last year. The treatment charge per head of oxen on this proper basis is revealed as an average of £3 1s. 6d. and not £5 2s. 8d. On this corrected figure the questions may be answered as follows:—

"(1) Treatment costs at the Townsville Abattoir are reasonable and compare favourably with those of other abattoirs."

"(2) The treatment cost per lb. is 1.34d. for an average beast dressing 550 lb. and not 2d. per lb. which has been quoted. It is not considered that killing charges at the Townsville Abattoir materially affect the price of meat in Townsville over that in any other town in the State."

SPECIAL LEASES, GARBUTT INDUSTRIAL AREA, TOWNSVILLE

Mr. TUCKER (Townsville North) asked the Minister for Public Lands and Irrigation—

"How are Special Leases granted in the industrial area of Garbutt, Townsville, and is one firm entitled to or granted more than one lease?"

Hon. G. F. R. NICKLIN (Landsborough—Premier), for **Hon. A. R. FLETCHER** (Cunningham), replied—

“Special Leases of land in the industrial area of Garbutt are granted by the Governor in Council in pursuance of the provisions of Section 179 of The Land Acts, 1910 to 1959, upon the recommendation of the Minister after full consideration by the Land Administration Commission. Each application is investigated by the local Land Commissioner and the views of the Director of Secondary Industries are obtained where considered advisable or necessary. No person, firm or company has been granted in priority more than one lease of land at Garbutt for business or industrial purposes.”

HOUSING COMMISSION FLATS, ROCKHAMPTON

Mr. THACKERAY (Rockhampton North) asked the Treasurer and Minister for Housing—

“In view of the number of people who are waiting for Housing Commission homes for rental at Rockhampton and the fact that only seven homes have been released for rental in the last three years there, will he give consideration to having a multi-storey unit of flats built at Rockhampton similar to the ones which are under construction at Townsville and Brisbane?”

Hon. A. W. MUNRO (Toowong—Minister for Justice), for **Hon. T. A. HILEY** (Chatsworth), replied—

“The need for accommodation at Rockhampton is not as acute as at Townsville. At Townsville the shortage of available building sites with essential services has been a major consideration influencing the decision to build to greater density. At Rockhampton as at 30th ultimo the higher priority rental applications held by the Commission totalled 25. These are from families facing ejection, living in tents, huts or similar unsuitable or condemned premises and from families separated or living in overcrowded conditions. In the three years 1st September, 1957, to 30th August, 1960, 82 allotments of houses—71 vacated and 11 new houses—153 home ownership and 11 rental—have been completed, 20 are under construction and 20 for which contracts have been let have not been started. Arrangements have recently been made with the Rockhampton City Council for road development works to provide 71 building sites. The advisability or otherwise of erecting flats at Rockhampton will be considered when the demand for houses in this estate of 71 allotments is ascertained.

LAND SETTLEMENT, MARY CREEK AREA, NORTH QUEENSLAND

Mr. ADAIR (Cook) asked the Minister for Public Lands and Irrigation—

“Does the Government propose to open up further areas of land for settlement in the Mary Creek area, North Queensland? If so, what are the particulars of the proposal?”

Hon. G. F. R. NICKLIN (Landsborough—Premier), for **Hon. A. R. FLETCHER** (Cunningham), replied—

“Five (5) further portions of land situated on Mary Creek near Mt. Molloy, ranging in area from about 87 acres to about 190 acres will be opened for selection as Agricultural Farms or Perpetual Lease Selections as soon as the portions have been surveyed. Instructions for the necessary surveys will be issued to the first available Surveyor.”

EXTENSION OF WATER CHANNEL, MAREEBA-DIMBULAH IRRIGATION AREA

Mr. ADAIR (Cook) asked the Minister for Public Lands and Irrigation—

“What work will be carried out by the Irrigation Department in this financial year regarding the extension of water channels in the Mareeba area, and what will be the cost of the work?”

Hon. G. F. R. NICKLIN (Landsborough—Premier), for **Hon. A. R. FLETCHER** (Cunningham), replied—

“Provision has been made in the allocation for the Mareeba-Dimbulah Project in this financial year for channel works as under: (1) Extension of the Mareeba Main Channel by one (1) mile at an estimated cost of £25,000. (2) The construction of the Atherton Creek Channel, including a bank at Nardello's Lagoon, for a total of 6½ miles, and purchase of ten (10) miles of pipes for servicing individual farms from this channel to the Right Bank Granite Creek Area at an estimated cost of £135,000. (3) Completion of the South Walsh Main Channel to Eureka Creek at an estimated cost of £20,000. In addition the sum of £250,000 will be expended on construction of area works including pipe laterals and relief station in the South Walsh Area.”

OWNERSHIP OF TOBACCO FARM, BAUPLE-TINANA CREEK AREA, MARYBOROUGH DISTRICT

Mr. DAVIES (Maryborough) asked the Minister for Agriculture and Forestry—

“(1) Has he any knowledge of a tobacco farm in the Bauple-Tinana Creek Area, Maryborough District, owned by a Tobacco Company?”

“(2) If so (a) who owns it, when was it commenced and what is its exact situation and area and (b) what is the quality of the leaf produced on this farm?”

"(3) Is any of the country drained by Tinana Creek suitable for tobacco growing and, if so, what portions would be suitable?"

Hon. O. O. MADSEN (Warwick) replied—

"(1) Yes. It was established and worked in the early stages in close co-operation with Departmental officers."

"(2) (a) It is Crown land leased to W. D. & H. O. Wills (Aust.) Ltd. as an experimental farm. It was opened in July, 1950, and is located on portion 4, parish of Tahiti. On January 1, 1956, the lease was extended for a further five-year period; (b) The quality of the leaf has varied considerably. In certain seasons some good quality leaf has been produced."

"(3) Some Crown land near the Experiment Farm has soil considered suitable for tobacco growing if a satisfactory supply of good quality water could be found. The water in Tinana Creek in this vicinity is not suitable in most seasons."

PAPERS

The following papers were laid on the table, and ordered to be printed:—

Report of the Burdekin River Authority for the year 1959-1960.

Report of the Co-ordinator-General of Public Works for the year 1959-1960.

The following paper was laid on the table:—

Report of the State Stores Board for the year 1959-1960.

CONTROL OF MONOPOLIES AND INFLATION

Mr. HANLON (Baroona) (11.22 a.m.): I move—

"That this House, being of the opinion that the present virtually uncontrolled inflation, accompanied by reckless speculative activity, particularly in land,—

(1) Imperils the living standards of the average wage and salary earner;

(2) Imposes an almost prohibitive burden on young people of small means who are endeavouring to provide future security and homes for their families;

(3) Cruelly robs the aged of their savings, and drives to desperation those unfortunate enough to be on fixed or semi-fixed low-sustenance incomes, including age, widow, invalid and service pensions, and those on unemployment or sickness benefit; and

(4) Prices us out of much-needed overseas markets for our products;

calls on the Government to prosecute to the fullest constitutional limits an attack on those anti-social, profiteering monopoly elements which are feeding this inflation, and to seek the co-operation of other

States and the Commonwealth Government in exercising uniform or national controls where necessary."

Few hon. members of this Parliament would deny that there has been, in the last decade in this country, an almost continuous inflationary trend. At times the rate of that inflation has varied. Sometimes it has been at full gallop; at other times it has come down to a canter. On other occasions under what we on this side of the House consider to be harsh sectionally—and directed restraint from Canberra, it has temporarily marked time. However, I do not think that at any stage in the past 10 years has inflation effectively been under control in this country. That fact is so self-evident and generally acknowledged that it does not require any great statistical verification. Generally speaking, during the post-war period, the Australian £1 has lost something like 60 per cent. of its internal purchasing power.

Whilst inflation has been a world-wide feature in our economic life, nevertheless it has probably been more severe in Australia than in other comparable countries. I would say that the loss in internal purchasing power of the Australian £1 in the past decade has been of the nature of half as much again as the loss of internal purchasing power of the pound sterling and perhaps something like as much again as that of the United States dollar.

Even the very conservative Minister for Justice in this Parliament finds the position very disturbing. In "The Courier-Mail" of 21 July this year he was reported as follows:—

"Minister says rise 'disturbing.'

"The Justice Minister (Mr. Munro), who is also Minister-in-charge of Prices, warned last night that 'the Australia-wide picture is disturbing.'

"The general inflationary trend which has been evident since the immediate post-war years is an Australia-wide and a world-wide economic problem," he said.

"Mr. Munro said that it was caused by many factors beyond the legislative power of any one Australian State."

I think that also is self-evident. The report continues—

"It was the responsibility of all people and all sections of the community to 'pull together, not in carping criticism of other sections or authorities, but in a genuine effort to remove or restrain factors which, on investigation, are found to be contributing to cost and price increases.'"

I think substantially we can agree with that statement, except that rather than refer merely to factors that are contributing to cost and price increases we should refer to factors that are unnecessarily or unjustly contributing to cost increases, because there are certain increases that must contribute to cost and price increases and that are just and fair. With that qualification, I think we can agree with the Minister's statement.

My motion is a call to this Government for an all-out attack, in co-operation with the other States and the Commonwealth Government, on the unnecessary and unjust factors.

As the Leader of the Opposition rightly pointed out in the Budget debate, in this country in the Federal sphere for the last 10 years while the Menzies Government have been in office and in recent years in Queensland when we have been governed in the Morris manner, if I may call it that, the unfortunate feature has been the way in which these most important and major problems of countering inflation have been side-tracked and lost sight of behind a very skilfully erected Communist bogey.

The problems that I think are fundamentally important include stabilising of prices, and by that I do not mean putting value back into the £1, which was the very silly promise made in 1949 by Mr. Menzies. The problem today is not to put value back into the £1, but to stabilise the £1. If we can stabilise it we will have done much more of a practical job than we do by talk of putting value back into it. It is too late in the day to put value back into the Menzies £1. If we can hold the £1 at its present value we will at least have done something.

Other fundamental problems include: giving our people adequate and decent housing, something the Federal and State Governments have failed to do; giving them constant employment with a rising standard of living that is based on something solid and not on the quicksands of inflation, which is to a great extent the basis of our apparent prosperity today; keeping our primary industries alive and able to hold markets at competitive prices, something we are failing to do; developing our national resources to help ourselves and also to help our less fortunate neighbours in other countries who do not enjoy the standards that we enjoy today in this country; and providing some measure of social justice for the old and the sick, or, in other words, proving that our democratic way of life can deliver the goods and that we can successfully tame both political and economic power—that material progress can be found without recourse to the compulsions or tyrannies of Communism or the carrot-and-stick technique of profit on the one hand and unemployment and bankruptcy on the other.

These in my opinion are the real challenges that are offered by Communism. They are what we could call perhaps the crux of the cold war, yet the Leader of the Opposition, who pointed out these things during the Budget debate, without taking up a great deal of time in doing so, was accused by "The Courier-Mail" of wandering off into irrelevancies about Communism. Actually he was pointing out the way in which Government members and their colleagues in the Federal sphere are continually wandering off

into irrelevancies and not attacking the fundamental problems that are important to our economy. Whatever "The Courier-Mail" may think, the Leader of the Opposition is in top company because only recently, in the United States, the Democratic presidential candidate, Senator Kennedy, stressed the very same thing to the people of that country. He told them that rather than being hypnotised by Khrushchev they should be paying more attention to our own objectives because he believed—and we believe—the worth of our own objectives provides the fundamental and final test for us, whether we have atom bombs or anything else.

A well-known English journalist and author, Francis Williams, a noted British Labour writer in the United Kingdom, has described power as a two-headed giant, one head being political power and the other economic power. He pointed out what I also think is very true, that our system of political democracy has dealt rather effectively with political power and that the fundamental freedom of the vote that we have in this country, although it may be strained at times, and bent by lopsided redistributions such as we recently had in the State can never be discounted. The basic freedom, and the fundamental freedom of the democratic vote and the basic freedoms that go with it have dealt pretty effectively with political power. It is true that Mr. Menzies with his proposed amendment of the Crimes Act, and the Deputy Premier with his dossiers, have done much to rock the boat at times for political democracy, but nevertheless they are subject to continuing public debate in Parliament, and criticism through the Press, whatever fault we may find with it, and finally through the ballot box. By political democracy we have mutilated—if not chopped off—one of the giant's heads—political power—but in this country the secondary head of unhealthy economic power remains virtually unscathed.

I do not wish to be unduly political on this, but that is difficult on such a subject, which boils down to economic arguments. It is true to say—and it cannot be denied—that Labour Governments in this country, whether Federal or State, have been almost alone in attacking this giant's second head of economic power. Unfortunately, the last 10 years under the Menzies Government, and the last three years under the Nicklin-Morris coalition, have been devoted more to patching up the wounds that Labour has made in this giant rather than in the public interest, destroying further and tearing out the heart of these anti-social monopoly interests, which are feeding on the present inflation.

The great British Labour figure, Herbert Morrison, referred to these vast privately-controlled economic powers we have in Australia today, as we have in the other parts of the world. Indeed, some of the

vast economic powers in Australia can be traced back to overseas countries. He referred to them as having—

“ . . . within their grasp powers over fields of public well being and public policy far greater in practice than Parliament itself wields in the great majority of its legislation. They can determine the form of our technical development. They can by that means determine the pattern of the national working life and the level of the national livelihood. They can control to a great extent the distribution of purchasing power among classes and groups. They are free, like independent empires to declare war with other empires at home or abroad, to make peace with them, to make treaties, to enter into alliances. All these things in ways not obvious to ordinary men at ordinary times go down to the very roots of national life and our place in the world. Organisations in a position to wield such power, whatever their present motives or the current ideals of those responsible for their policy present democracy with its greatest problem. None of them should be left indefinitely outside the effective grasp of public policy.”

Mr. Windsor: Who wrote that for you?

Mr. HANLON: If the hon. member for Ithaca had not gone off into one of his periodical dozes he would know I was quoting the words of Herbert Morrison. If the hon. member has not heard of him, I am sure most other hon. members have.

Who can deny that the past decade has seen in Australia a staggering growth of this concentrated economic power in fewer and fewer hands? As Herbert Morrison pointed out, it is a much more decisive power in many ways than political power, and much more decisive in its influence on economic life in this country than that of this Parliament or even, unfortunately, of the Federal Parliament.

Is that not true of the second banking system that has grown up in Australia today—the unofficial banking system, the hire-purchase system—which figures largely in our economic way of life today, after ten years under Menzies administration? Must not any Government, whether Labour or Liberal, hesitate before taking any strong action against the hire-purchase group because our economy, which we used to say rested on the sheep's back, is virtually poised on the back of the hire-purchase groups, who are getting almost completely outside the effective grasp of public policy either State or Federal? How, then, can we prosecute this attack on monopoly power over our economic way of life, which I am endeavouring to urge the Government to do by this motion? I will say this to the hon. member for Merthyr, who mumbled something about Socialism or Communism or something of the kind a few moments ago while I was speaking: we certainly cannot prosecute a genuine attack on monopoly power by Communism because

whatever material successes Communism can point to in Russia or China it has attacked the two-headed giant of political and economic power by joining them together into one head, by concentrating political and economic power in the hands of a small group, who are not even subject to the fundamental safeguards that we have under political democracy in this country.

Clearly, then, we must direct our attack within the framework of our democratic institutions and within the structure of our Parliamentary system. Immediately, we come to an obvious hurdle because we find that the powers available to a Government desiring to deal with economic power vested dangerously in private industries against the public interest are spread over six individual State Governments and the Commonwealth Government.

The hon. member for Mount Gravatt, in his Address-in-Reply speech, dealt rather extensively with the subject of monopolies and restrictive trade practices. The mere fact that such a dyed-in-the-wool Conservative as he should find it necessary to warn us of the dangers of monopoly power is a strong pointer to the need for some urgent action from this Parliament and from every other Parliament in Australia. I must admit that, though the hon. member temporarily became a Radical, he finished his speech by paddling back to the old Conservative shore and telling us that, after all, despite what he had said about restrictive trade practices, there was a great deal to be said in favour of them. So while he did strike out for a little while, he did not stay in the water very long.

Mr. HART: I rise to a point of order. I did not say anything of the kind.

Mr. Donald: Good old Conservative!

Mr. HART: I may be a good old Conservative but I believe in social justice.

Mr. HANLON: I accept the explanation of the good old radical Conservative. Nevertheless he gave a very full and interesting resume of restrictive trade practices and pointed out that the only Commonwealth legislation available was the Australian Industries Protection Act of 1906. The hon. member for Norman referred to section 7 of that Act, which reads—

“Any person who monopolises or attempts to monopolise or combines or conspires with any other person to monopolise any part of the trade or commerce with other countries or among the States is guilty of an indictable offence.”

The penalty is £500 for each day during which the offence continues, or one year's imprisonment, or both, or in the case of a corporation £1,000 a day.

That sounds very strong; but as the hon. member for Mt. Gravatt pointed out, the possibility of making effective use of that Act is suspect because it did not stand up

too well before the Privy Council in the Adelaide Steamship Company case. Legislatively, we can say that the Commonwealth Government are not really well equipped to individually force home an attack. Whether the control over banking can be extended to include the second banking system of the hire-purchase companies and the latest practice of the Lombard group can be discovered only by taking active steps to test the powers of the Commonwealth Government, but so far the Menzies Government, like the hon. member for Mt. Gravatt, are not showing any signs of getting too far out into the middle of the stream on this question.

Indeed, this second banking system, or the unofficial banking system, as we know it, is itself a child of the Menzies Government and their policy over the last 10 years. Hon. members will recall that prior to 1949 a Labour Government sought powers from the people of Australia to control prices, capital issues, and so on. Those powers were designed to nip in the bud the inflation that appeared to the Chifley Government to be likely to develop seriously in Australia if the Commonwealth Government were not in a position to deal adequately with it. That period of inflation followed hard on the devaluation decision in the late 1940s that caused so much disruption in the ranks of the Liberal/Country Party and finally saw the axe fall on the then hon. member for Maranoa in the House of Representatives, Mr. Russell.

The Chifley Government recognised, as stated by the Joint Committee on Constitutional Review that has been appointed in the last couple of years by the Federal Parliament, that there were, in practice, vacuums of legal power—that is the term used by the Committee to describe the position—existing between the Commonwealth and the States, and that these enabled monopolies and hire-purchase companies to play around at will and put themselves outside the scope of Commonwealth or State legislation.

Mr. Hilton: Would they not still have power to impose an excess profits tax?

Mr. HANLON: I agree with the hon. member on that point. There are still a number of ways in which the Menzies Government could deal with these people up to a point, but they fail to even try. At the same time the Chifley Government believed that these legal vacuums, if I might call them that, had to be blocked before the post-war boom advanced too far, otherwise we would be in serious trouble. They attempted to show the Australian people that, whichever Government implemented it, there must be a national plan, a pattern for regulated development of our national resources, if we were not to return to the old cycle of "boom and bust" of the pre-war years going back to the industrial revolution.

Unfortunately, this attempt to awaken the Australian people to the need for some conscious direction of our economic life, whether by the Liberal/Country Party or the Labour Party, as I said, was immediately painted by the then Menzies-Fadden Coalition Opposition as an attempt to introduce Communism into Australia. We all remember the mass hysteria that was worked up through the banks, and through the B.M.A., as the hon. member for Bowen would probably know because he was very prominent in the B.M.A. at the time, to destroy the Chifley Government. That was not because the banks or the doctors thought that the Chifley Government were going to introduce Communism into Australia, but because they thought they might do something that would take a pound or two out of their pockets. We were told that if we had to bank with the Commonwealth Bank and there was no other bank, the Chifley Government would take our money. Many people who have never had any bank account other than with the Commonwealth Savings Bank were confused into voting against the Chifley Government because they thought that they might have to bank with the Commonwealth Savings Bank and that the Government would take their money off them.

As I have said before, it is remarkable that as long as you are on the blue-ribbon side, or as long as you are of the political belief of the Liberal-Country Party, you can mix extensively with any Communist from Gerry Dawson to Khrushchev without being criticised. When the Prime Minister was leaving Australia he said that one of the things he was looking forward to—one of the best prospects of his trip—was hearing, seeing and possibly meeting Mr. Khrushchev. If any unionist or Labour politician said something like that I guarantee that under Mr. Morris's instructions he would be surrounded by a squad of the special branch of the Police Force before the words had left his mouth. Nevertheless, that was the irresponsible attitude adopted by the Menzies-Fadden parties in Opposition in 1949 to confuse the picture of the need for a national plan. They spread the story that Communism was going to be introduced.

If I get time it will be very interesting to quote Sir Neil O'Sullivan and all the grand old Conservatives and Liberals who now make recommendations favouring capital issues controls in the report of the Joint Committee on Constitutional Review. Mr. Menzies told the Australian people, "Away with all these Communist ideas of capital issues control." Capital issues control was to be the basis of the introduction of Communism into this country, according to the same Senator O'Sullivan in those days of 1949. "Away with all these Communist ideas of capital issues control, price control and so on," the Menzies parties told us in 1949. They said, "We don't believe in any

controls at all; we believe in letting private enterprise have a go. That way you will get results—they will put value back into the £1. Prices will find their own level and you won't have any controls at all."

The Australian people accepted that story—much to their sorrow. Almost every control was lifted, as most of the controls on prices and profiteering have been lifted in Queensland by the present Government. Away prices went like a Tulloch in full gallop. The Federal Government realised their mistakes and had to apply the brakes hard. They brought down the "horror" Budget in 1952 and again in 1956 they introduced the "little-horror" Budget. Unfortunately it was not a genuine effort to get to the basis of inflation because it imposed a sectional restriction on people they should have been helping. I refer to the small business man, the small man on the land, the ordinary worker, the man trying to get a home together, the man bringing up his family. The "little-horror" Budget was directed against these people and not at the real basis of inflation, which is still there.

Time has proved that the "horror" Budget in 1952 and the "little-horror" Budget in 1956 did little more than make inflation mark time, but then away it went again.

Mr. Duggan: Unfortunately the little horror was the Prime Minister.

Mr. HANLON: That would probably be true. From no controls they went to lopsided controls that were imposed on people they should have been helping—the people I have already mentioned, together with the State administrations and the local authorities, who supply the fundamental needs of the community in homes, schools, hospitals, roads, etc. They have been sacrificed at the expense of the television-set manufacturers, hire-purchase companies and the manufacturers of air-conditioning equipment. When enough people have television sets probably there will be a consumer boom in air-conditioning equipment. When that demand has been satisfied there will probably be a boom in backyard swimming pools. That is the only way capitalism can keep going. It must go on creating some artificial urge to keep itself going. Prior to the war and in centuries gone by, after becoming drunk on these things over a period of years, it gave itself the very harsh purgative of depression to clean itself out and then set out on its way again. Governments in what we might call the Western world realise that people in their countries simply will not again put up with depressions of that type and they have been having these minor depressions which have been just as harsh on the people who have been affected but—if I might put it this way—unfortunately have not impressed themselves on their neighbours who are not affected enough to recognise the need for re-organisation of our economy to deal effectively with them.

That is the only way these people can keep going. They have to keep pouring out more paper money to create this illusion of prosperity which is not very solidly based. As inflation continues, it grows harder and harder on the home-seekers, on the people who genuinely require credit for homes, and who, by the controls that have been exercised on the trading banks, are refused funds for housing. There are 6,000 people lined up at the Housing Commission waiting for rental homes today. The tighter they squeeze on the official end of the banking system the more air they pump into the unofficial end—finance companies, which impose exorbitant interest rates and charges—and the less chance Governments have of securing the necessary loan moneys for houses, hospitals, schools, roads and other public works. The Menzies Government, who are administering the Government in Canberra at the moment, say that to provide adequate funds for housing would create inflation, yet they allow to go on and even accentuate the housing shortage which is, in itself, one of the prime factors in the inflation we are experiencing.

The position that is developing was instanced in an article in "The Courier-Mail" of Friday, 16 September. It is headed—

"H.P. housing rates up to seven per cent. flat rate."

That should please the hon. member for Ithaca. The article goes on—

"Hire purchase companies in Brisbane yesterday admitted they were charging up to seven per cent. flat rate interest on housing loans."

They are doing that because people are obliged to pay 7 per cent. flat rate, not because they want to go to those companies but because the colleagues of the hon. member for Ithaca in the Federal sphere have failed dismally to make available the finance necessary to provide adequate housing at reasonable rates of interest. Is it any wonder that many young people today are giving up the idea of saving and building their own homes and are contenting themselves with their television sets and air-conditioning units and carrying on in the overcrowded accommodation they now occupy. They cannot get reasonable accommodation for major loans such as are necessary to build a house.

It is all right for the Treasurer to say that people cannot get homes because they get themselves in too deep with the hire-purchase companies. To a degree that may be true but it is much truer to say that in many cases people are in too deep with the hire-purchase companies because they cannot get homes. If they got homes they would not be in with those companies.

Mr. Sullivan: Are you blaming this Government for that?

Mr. HANLON: The hon. member for Condamine, who told us within the last couple of days how the farmer is being exploited by being asked to pay exorbitant prices for spare parts, would be doing more service to the people of his electorate and the farmers who are being cheated on spare parts prices if he gave some support to a move to deal with these exploiters rather than interrupting this debate for which the time available is already too short.

Mr. Sullivan: It is because people want luxuries that they cannot get the money to buy houses.

Mr. HANLON: It is all very well for the hon. member for Condamine to say that because people get luxuries they cannot buy houses. They get refrigerators on repayments of 10s. or 15s. a week but they cannot get houses on those terms. £3,000 or £4,000 is needed for a house that is by no means pretentious, and if they borrow from a hire-purchase company the repayments are much more than they can manage. That is what I am pointing out. These people say, "If the Government are not going to enable us to buy homes at a decent rate of interest, we will play merry and get television sets and so on."

Mr. Sullivan: How do you think I got a home? I borrowed money.

Mr. HANLON: The farmers and graziers on the Government benches get a lot of taxation concessions. They can buy a station wagon or utility and claim it as a taxation deduction, but the average man cannot do likewise. The fortunate people who either draw a block or have some freehold land can sit on it and make a speculative profit from it in a few years, but the average worker has no capital from which he can make a capital gain. He can only live from day to day and do the best he can for his family.

Mr. Sullivan: He knows at the end of the fortnight that he will get his fortnight's wages.

Mr. Graham: It would be a lousy fortnight if he were working for you.

Mr. DEPUTY SPEAKER: Conversation across the Chamber must cease.

Mr. HANLON: The £250 deposit housing scheme was quite a good one, but today it is more a descriptive term than an actual fact. The person with £300 or £400 may get a reasonable site in a reasonable time, but very few £250-deposit agreements are now being entered into.

Inflation is continuing and profits are climbing steadily, although even these to a certain extent are illusory, owing to inflation. The accent has shifted from profits as such, as I pointed out to the hon. member for Condamine, to speculative capital gains. Shares have been pushed up to an unreal price with people endeavouring to make capital gains

out of them, and speculation has now been switched to land dealings. Share prices have been pushed to unreal levels by those who are seeking capital gains, and the continuous take-overs that are feeding them. The home-seeker consequently has suffered through the advent of speculative land interests who are trying to get capital gains out of land, who have been forced into this field, the share avenues having been closed. Even Sir Arthur Fadden, who was the co-signatory in 1949 to the Menzies' put-value-back-in-the-pound pledge, has stepped down from politics and has entered commerce and is now urging people to get into the real money by investing in properties to get the benefits of inflation. He points apparently with pride to the inflationary rises that have occurred in properties under his Treasurership. Obviously, as he has retired from Federal politics to engage in land speculation, he thinks his colleagues in the Federal Government are going to continue with the same policies and allow the same inflationary trend to continue as went on during his administration.

The Treasurer is reported in "The Courier-Mail" of 8 July, 1960, as follows:—

"The State Treasurer (Mr. Hiley) last night warned real estate men of 'the real problem' of rising land values. He said rising land values must cause all to realign their sights and readjust their scale of values."

This is the statement of the Chairman of the Commonwealth Banking Corporation, as reported in "The Courier-Mail" of 12 October, 1960—

"The Commonwealth Banking Corporation's first annual report was tabled in Parliament yesterday.

"In it, the chairman (Mr. Warren McDonald) said increasing land speculation was causing considerable concern.

"This was because of its impact on the cost of home ownership and the consequent additional pressure on housing finance."

Those things are obvious. What Mr. McDonald should do is to try to drum that into the heads of the Menzies Government.

This article appeared in "The Courier-Mail" of 15 September, 1960—

"Cost of Building Homes Doubled.

"House-building costs have doubled in Brisbane in the last 10 years to reach a record level, and the construction rate has almost halved in that time."

In "The Courier-Mail" of 16 September an article appeared under the heading of "Cost of Building to Rise Again by Christmas." Who is behind all this inflationary action? I refer hon. members to the following statement by Mr. Snedden, Liberal, Victoria, as reported in "The Courier-Mail" of 2 September, 1960:—

"Trade Ring Claim by Liberal M.H.R.

"CANBERRA. A Liberal Party committee had estimated that between 500 and

600 trade associations were engaged in restrictive practices in Australia, Mr. Snedden (Lib., Vic.) said in the House of Representatives yesterday."

Mr. Hart interjected.

Mr. HANLON: A fellow traveller. The hon. member for Mt. Gravatt is becoming a radical in his old age.

He pointed out that trades had been practising restrictively and generally speaking accepting the practice as normal business behaviour and were not aware of the harmful effects flowing from it. It is about time somebody made them aware of the harmful effects. I think they know the harmful effects, but they are concerned solely with their own vested interests, and not with the welfare of the community. This appeared in "The Courier-Mail" of 1 August, 1960—

"Eleven tenders for city contract identical
"Identical prices have been submitted to Brisbane City Council by eleven electrical firms for contracts worth nearly £19,000."

So it goes on. I could quote until Kingdom come to show how inflation is being fed by vested monopoly interests who have no regard for the damage they are doing to the community.

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

Mr. HANLON: I thank the House for giving me additional time in which to finish my remarks.

The present position cannot, and must not, go on indefinitely. The Deputy Premier attributes the growing industrial unrest to Communist influence.

Mr. Sullivan: That is right.

Mr. HANLON: There is much more to it than that. If hon. members would only take off their dark glasses for a minute and look at the subject on a non-political basis they would find there is much more to the present industrial unrest than purely Communist influence. This Government and those who protect vested interests are helping the Communists because they are giving them unrest to work and build on. It is not true to say that only Communist influence is behind it. The unionists in this country are getting tired of being made the measuring stick against inflation and they are tired of being the only ones in this battle against inflation. No longer are they prepared to accept calls for restraint on wages' and margins' claims when no semblance of a corresponding restraint is placed on any other section of the community. The salaries of the Arbitration Court Judges were increased by £2,000, and at the same time they told the unionists it would be inflationary to defreeze the Federal basic wage. Those who have money can make capital gains in this country, but as I pointed out to the hon. member for Condamine the worker has little or no capital at all. He may have a mortgage

on his home, or a small equity in his own home, but unlike the people who are supporting the Government, who are keeping the position as it is he has very little capital with which to make speculative gains. The workers are not prepared to accept without protest the refusals to defreeze the Federal basic wage on the ground that it would be inflationary, according to the judges of the Federal Arbitration Court who found it necessary to have their salaries increased by £30 to £40 a week, or in other words, a jump of two or three times the basic wage. They felt that they needed an increase of £40 a week to maintain their position of a couple of years ago. The fundamental necessities, the everyday requirements, of the millionaire, the basic-wage earner and the pensioner have risen; shoes, foodstuffs and other things have risen, but not motor cars and other such luxuries. The price of a Humber Super Snipe, or a Chrysler car, has not gone up. Indeed, following a little competition in the motor trade the prices for some cars have dropped slightly. It is the ordinary every-day necessities that we all use, no matter what our income, that have risen in price. If it is contended that the judges of the Commonwealth Industrial Court need another £2,000 a year to maintain their position, something more than £100 a year or thereabouts should be provided for the workers of Australia over the same time to enable them to maintain their position. Do not forget that the judges of the court, on their salaries of £5,000 or £6,000 a year, are in a much better position to withstand increases in the prices of commodities than the workers with their families.

I put forward my next proposal from a State point of view. I believe our price-control authority, such as it is today, should not be a separate prices commission at all but should be an integral part of the Industrial Court machinery and that this body should also be charged with the responsibility of regulating, as far as possible, restrictive trade practices and profiteering against the public interest. That could be done by this Parliament's giving them the power under a strengthened Profiteering Prevention Act along the lines of the English Act of 1956, as suggested by the hon. member for Mt. Gravatt. Let us at least make some effort to put an end to the farce of the dog chasing the tail with wages and prices.

It will be agreed by all that the Industrial Court is charged with the responsibility of fixing minimum wages, where necessary, subject to the ability of the economy to carry them. I do not think anybody would dispute that. Is it not logical, then, that the same body should be charged with fixing, where necessary, maximum prices? Let me make it perfectly clear. As the Industrial Court machinery of the State is charged with the responsibility of fixing minimum wages, where necessary, should not that same body, as a matter of logic, be charged with the responsibility of fixing, where necessary, maximum

prices? Just as the Industrial Court does not fix maximum wages—it fixes minimum wages—in the same way it should fix only maximum prices.

Mr. Richter: Why not minimum prices?

Mr. HANLON: Why should it fix minimum prices? I thought the hon. member was an advocate of free competition. I thought his people—the people who charge prices—did not want to be interfered with in competition.

Mr. Richter: No, I am just using your own argument.

Mr. HANLON: The only price that the worker has is the price of his labour and that is already fixed. As the machinery of the Industrial Court is geared to fix that price at a minimum, I say it should be geared equally to fix a maximum price for commodities, which he must pay on that minimum wage.

Mr. Richter: No, a minimum price. You cannot have it both ways.

Mr. HANLON: Is it not also logical that this body, whether it retains the name of Industrial Court or is renamed Industrial Prices Commission or something else, should protect the minimum standard it lays down for wage-earners by ensuring that the effects of its awards are not pirated away by monopoly influences and immoral, if not at present illegal, trade practices?

Is it not logical, too, that the court should pay some regard to the fact that, whilst it is on the one hand rejecting applications from unions for wage increases against profits on the ground that the employers cannot afford to pay the increases, and while employers are weeping tears in the court and telling the court how the companies cannot pay the comparatively minor increases in wage rates sought, at the very same time negotiations are proceeding for so many of these very same employers in the form of public companies to be taken over by other companies at a very high premium on their shares because of their hidden assets or profit potential?

I further suggest that, instead of having applications for price increases made secretly as they are today, and instead of retaining a ridiculous state of affairs where the Minister in charge of prices is not even prepared to disclose the advice tendered to the Government by the Prices Advisory Board, a body set up under this Parliament, those applications should be made openly and publicly as applications for wage increases are made in the Industrial Court. That is not to say that every price rise of any description would have to go through a price-fixing authority, but I think we should be able to find some way of giving the Industrial Court—renamed if necessary to incorporate the price-fixing mechanism of the State—power, from this Parliament under the Profiteering Prevention Act, and possibly in a wider sphere by the

Federal Parliament, having regard to the information available to it on monopolistic and restrictive trade practices, to ensure that prices are maintained at a reasonable level in accordance with profits and expansion and in accordance with the decisions it makes on wage claims.

In a recent television debate with Vice-President Nixon, Senator Kennedy, the other presidential candidate in the U.S.A., referred to legislation aimed at fixing a minimum wage rate once a certain volume of company turnover was reached. That is rather a radical suggestion, but it came from Senator Kennedy, who is a millionaire. I think there may be some pitfalls in that. I do not see why any worker should be denied justice, and people working in an industry that was not doing very well would have to be protected. However, it does indicate that even in the home of private enterprise, the United States of America, the need to balance more reasonably profits and prices with wages, is recognised.

I believe that, notwithstanding the proposed amendments of the Companies Acts to give a truer reflection of company trading, more is required. The public airing of company profits, hidden assets and profit margins would create not only a great number of red faces among company managers and directors but also a buyer resistance that in many cases would be extremely beneficial against inflation.

We seem to have reached the remarkable position today that an alarming number of goods cost almost twice as much to market as they do to produce. There is no doubt that customs and excise, sales tax and other indirect taxes are accentuating this position; but, even allowing for this, we seem to be top-heavy with advertising agencies, public relations men, salesmen, and so on. Hon. members are familiar with W. D. Scott & Co. and the men who have been brought over from America at a cost of half a million dollars to use the staff of the Railway Department. I think we, as a community, must now consider whether the cost of maintaining this large number of unproductive people is becoming uneconomical when compared with the cost of producing the commodity.

The hon. member for Mt. Gravatt quoted the remark of Sir Edward Coke that “monopolies, ever without the law, are never without friends.” I think it is also true to say that profiteers are never without excuses. The first thing a profiteer says when you suggest that he should publish his costs and his profit margins is that it would give his competitors an unfair advantage. I do not think this is correct. Why should a manufacturer or producer hide from the public his relative efficiency or inefficiency? Why should he not be placed in the same position as a unionist applying to the Arbitration Court for increased wages? I believe that even if no actual price-fixing was involved, if companies raising prices were compelled

to register their genuine cost and profit margins with the Court, where they could be studied by parliamentarians, unions, the Press, and the public, it would be a very strong deterrent to profiteering. If the manufacturer of Rinso, or any other product, had to file a genuine statement of his initial costs, and so on, up to the retail price, there would be many red faces, as I said previously, and the public would show much more buyer resistance. Unfortunately, there is little buyer resistance today because the pace is set by a section of the community who receive taxation benefits that are not available to the great mass of people, although I do not deny that the primary producer deserves those concessions. At the same time he has to realise that he has a concession that other people in the community cannot get. He can buy some commodities that he uses personally at comparatively little cost, allowing for taxation deductions, because he is disadvantaged by living in the backblocks. Good luck to him, too! But it applies not only to the primary producer. What about all the unproductive people like public relations officers, advertising people, and so on, who have a meal at Lennons or some other leading hotel for about £2? The Commonwealth Treasurer pays £1 or 30s. towards the bill in taxation deductions for the company. I was amused recently to read about the outcry on the subsidy to the Federal parliamentary dining room. For that matter, what about our own dining room here? It would be very interesting to take out figures for Lennons, Chevron, Hilton and other leading hotels for one evening to see how much taxation deduction is involved in the meals and accommodation provided. It would be interesting to see how much the taxpayer subsidises the managing directors and other representatives of southern firms while they are dining at Lennons. It gives these people a feeling of prosperity that cannot be shared by the ordinary unionist who does not receive these taxation concessions. He does not even get a concession for his fares to and from work. He cannot get the same benefits as others under the present economic policy of the Federal Government.

If companies wanting to increase their prices were obliged to make a full statement about their profit margins and give genuine details of initial costs, there would be much more buyer resistance and the public would get a much better go. It would provide the Industrial Court with a very interesting basis for comparison of the opposition by the same companies to wage and marginal increases sought by the unions.

Currently we hear much about the onus of proof in regard to the alteration of the Crimes Act. At the present time the onus of proof is placed much too heavily on unions by the Industrial Court. They find it extremely difficult to break through company defences to secure the proof they need. I think the Court has fallen down on the job. It is charged with awarding returns

in accordance with the capacity of industry to bear them. Irrespective of what is submitted by a union, the Court should have both the interest and authority to secure a better picture of a company's profits and practices. The Court has done that in some of the mining claims by issuing the necessary orders, but generally speaking the Court does not take the independent interest in the background to company profits that it should. Let us not blame the Court entirely for this failure but let us get together with the Court by legislating to strengthen its hand rather than, as this Government have done, weaken the position of the consumer and the small business man by repealing Sections 51 and 52 of the Profiteering Prevention Act. A day or so ago the hon. member for Norman asked the Minister for Justice a question about a monopoly practice. He referred to the Peters-Pauls ice-cream combine. It is doubtful whether the ordinary small shop-keeper is now in a position to get justice on that complaint because Sections 51 and 52 of the Profiteering Prevention Act were repealed by the present Government. We warned the Government at the time that the present position would arise. It will be very interesting to see the result of the investigation that is allegedly being made by the Minister for Justice.

I turn now to inflationary land values. It is almost impossible today for any family man to get a reasonable block of land under £600 or £800. Let us follow the example of the New South Wales Labour Government, who announced recently that they proposed not only to continue their own housing programme but also to enter into active competition with land subdividers. That is something we could have done with profit some time ago to bring prices for building blocks down to a more reasonable level.

Mr. Hilton: We did that.

Mr. HANLON: Possibly we could have done more, but at least we did do that. I do not know whether I am correct in saying this, but much of the land resumed by previous Labour Governments has been allowed to go back to private enterprise and these matters have been allowed to collapse in the last few years under this Government. At a time when the Government should be securing more vacant land for building blocks to defeat the land speculators who are subdividing, they are handing it out to them.

Mr. Aikens: They could still resume it after it has been subdivided.

Mr. HANLON: Yes, it could still be resumed. There is very little Crown land available and the Government cannot offer competitive freehold prices. Whether the Government like it or not, the only way to meet the position is to resume land.

Let us take the initiative in seeking uniform measures with other States to control prices and profits. We had limited success in regard

to hire purchase and companies. First of all, I suggest we examine closely the report of the Joint Federal Committee on Constitutional Review, which is available in the Library. It is a report to which this Parliament should have paid some attention before this. The first report came out in 1958 and the second supplementary report at the end of 1959, yet there has been very little discussion by this Parliament on the opinion of State Parliaments and the recommendations brought down by the joint committee. I suggest that the Labour Party on this side of the Chamber and the Government parties on the other side should examine the report because it is very important in dealing with this subject of inflation. Having looked at it as parties, perhaps we then could look at it as a Parliament and see what our attitude is. I am not one who is prepared to agree to anything at all that is put forward by the Commonwealth, because I am mindful of the treatment this State has received from the Menzies Government, particularly over the last ten years, and, being a small State, we naturally have to pay some regard to what is proposed before we take any precipitate action on it.

Obviously, to tackle these economic problems today, some powers must be made available to the central Government. We have to find out, as a State Parliament, what we like about it and, if there are in it things that we do not like we have to thrash those matters out so that something definite can be done.

I appeal to the Government not to be swayed by vested interests who are necessarily trying to arouse opposition to constitutional reform. Already Mr. C. McB. Bryan, retiring President of the Brisbane Chamber of Commerce, has issued a challenge on the danger of reform. We see the alleged champions of democracy in actual fact champions of their own economic power. "The Courier-Mail" has reported Mr. Bryan as follows:—

"Retiring President of the Brisbane Chamber of Commerce (Mr. C. McB. Bryan) yesterday called on the Queensland Government to ask the Prime Minister (Mr. Menzies) to declare his intentions on constitutional reform.

"In his presidential address to the Chamber's annual meeting yesterday, he called the report of the Joint Committee on Constitutional Review 'a dangerous document.'"

It is not surprising that the Deputy Premier has not taken some action, as that is the spokesman of the Chamber of Commerce describing the constitutional reform report as a dangerous document. On that committee were Senator Neil O'Sullivan, Senator Wright from Tasmania, who did make certain reservations, Mr. Kennelly, Mr. Downer, Mr. Drummond, Mr. Joske, Mr. Hamilton, Mr. Pollard, Senator McKenna, Mr. Calwell, and Mr. Ward. That is the unbiased view of

the Joint Committee, which the champions of private enterprise talk about as a dangerous document when an endeavour is made to deal with inflation. Amongst the committee members were prominent members of the Liberal-Country Party Government in Canberra.

Mr. Duggan: That was why they dropped Neil O'Sullivan from the Ministry—because he subscribed to that view.

Mr. HANLON: That could be. I think we should try as a State Parliament to do everything we can to meet the position. Let us not be set back by Mr. C. McB. Bryan and his talk of a dangerous document.

This is what the Minister for Justice said on the matter—

"State legislation to combat restrictive trade practices would have to await action by the Federal Government."

He made that statement in reply to the hon. member for Mount Gravatt who said, if I remember rightly, that if the Federal Government could not do something the State Government could not do it, and vice versa. (Government laughter.)

Mr. HART: I rise to a point of order. I did not say that.

Mr. HANLON: I may have misquoted the hon. member's statement. He put forward the proposition that, if any State legislation was in conflict with Section 92 of the Commonwealth Constitution, the same conflict would arise with similar Commonwealth legislation. I think he said that.

I regret that Queensland did not accept the invitation of the Committee on Constitutional Review to appear before it and make submissions. Spokesmen of other Parliaments and Governments appeared before it, but Queensland was not represented. I know the Government thought, and their feeling was shared fairly generally, that the Commonwealth Government should have officially invited them to appear rather than issue a general invitation to States. But at the same time I think we should have been represented before this committee. In any case let us now get down to tintacks and do something constructive.

It is unfortunate to recall that Queensland was not represented at the pre-Federation convention of 1897 because of deep-seated differences that arose at that time as to how we should be represented. Queensland finished by not sending any representatives. Let us not follow that precedent in dealing with inflation. Let us show a genuine interest in the matter and provide the State Government or where necessary the Commonwealth Government with powers to deal with it.

I do not think any hon. member could deny the truth of the basic, fundamental arguments I have advanced in support of the motion. No-one can deny that inflation is imperilling the living-standard of the average wage earner and imposing an intolerable

burden on young people who want to secure homes and get some security for themselves and their families, and that pensioners and aged people are being robbed of their savings, in the same way as they would be robbed if someone put his hand in their pockets and took their money. The Menzies Government have robbed them of their savings by allowing inflation to continue indefinitely. Obviously the Menzies Government are dancing to the tune of the Chamber of Commerce and others who are urging them to leave constitutional reform alone, because it is now 12 months since the committee came to conclusions on which there was substantial agreement among representatives from both sides of the Federal House. The Prime Minister when questioned on the attitude of his Government and the action to be taken by them declined to answer the questions on the ground that it was a matter of policy. Of course it is a matter of policy, but it is time we had some policy and some action by the Menzies Government, and we in this Parliament have some responsibility if we genuinely believe the points I have set out in the motion regarding the dangers of inflation. We should use our powers to the fullest extent to prosecute and attack all these anti-social, profiteering, monopolistic elements, and seek the co-operation of the other States and the Commonwealth in exercising uniform and national controls where necessary.

Mr. DAVIES (Maryborough) (12.29 p.m.): It gives me great pleasure to second the motion so ably moved by the hon. member for Baroona.

While listening to him I was reminded of the occasions during the 1929-1932 period when I visited Parliament House and heard the Leader of the Opposition at that time, Mr. Forgan Smith, and others attacking the Government in a similar way. As I listened again today to the sarcastic remarks of Government members, and watched the cavalier way in which they treated the subject I was reminded strongly of the sessions that I attended on those occasions.

For nearly four years the members of the Government have been trying to cover their thoughts on this critical subject. In their first two years of office there was a distinct endeavour on the part of the back-bench members of the Government to claim that they were more interested in the welfare of the people of this country than were the members of the Australian Labour Party. However, we have gradually seen revealed the true spirit that inspires their political thoughts. For instance we have the wage slasher, the hon. member for Condamine, and we have another hon. member who is revealing himself—

Mr. SULLIVAN: I rise to a point of order. I have never advocated the slashing of wages. However, this attack by the hon. member for Maryborough does not surprise me. He reminds me of a sheep pup I have

at home that makes a lot of noise when he is chained up, but does no work when he is released.

Mr. SPEAKER: Order! When an hon. member rises to a point of order he must state his point of order, and not make a speech. With most points of order he either asks for a denial or for a withdrawal. However, an hon. member must state his point of order.

Mr. DAVIES: The two hon. members that I refer to would be wise to refrain from saying very much in the House and from interrupting a brilliant analysis.

Mr. SPEAKER: Order! I have already made a statement about provocative remarks. Every hon. member in this Chamber has the right to freedom of speech within the Standing Orders. It is not for the hon. member for Maryborough to say what they may say in the Chamber; that is a matter for my discretion in carrying out the Standing Orders.

Mr. DAVIES: I agree with you, Mr. Speaker. It is not for me to say what they should do. I was just offering them some friendly advice. When I referred to the wage-slasher from the Condamine, I was a little ahead of myself. I intended to say that any hon. member who condemns half of the workers in the railway system of this State as being loafers must certainly be a wage-slasher.

Mr. SPEAKER: Order! I advise the hon. member for Maryborough to be more temperate with his language. In referring to the hon. member for Condamine as a wage-slasher he is saying in effect that he is not an honest man, that he is not acting up to the best traditions of a member of Parliament.

Mr. DAVIES: I protest on behalf of the railwaymen of this State. They are good solid Australians giving a good return for their wages. The hon. member accused them of being loafers. I protest strongly. When the workers realise what the hon. member stands for they will let him know in no uncertain manner, and they will let the Government know too, when the next election comes round.

For a few moments I shall refer to the unfair attack made by the Minister for Labour and Industry on certain people in this State, and to some of the interjections by hon. members opposite during the speech of the hon. member for Baroona. We all must agree that to label anyone in this House as being a Communist, if that person is a law-abiding citizen, if he is one who has taken an oath of loyalty to the Queen and if he is one who has a record of service equal to any other hon. member—to defame such a man in the House—the hon. member making the accusation must certainly have sunk to a depth as low as it is possible for any man in politics to sink. It is shocking that any hon. member should be guilty of such a Star Chamber approach to people's liberties and reputations.

We had the instance in the Federal Parliament of the attack on Professor Gluckman, which caused Mr. Wentworth, the hon. member for Mackellar, a Liberal-Country member, to accuse the Minister concerned, in the Menzies Government, of having seriously mishandled the case. We have instances of the same tendency in this House.

I should like to remind hon. members who speak so much of trade union activities in Queensland and who endeavour to associate trade unions with Communist activity that in this country we have 90,000 wool-growers who are all supporters and members of the Australian Wool Bureau. They pay some shillings—4s. a bale possibly—to the Bureau and the Bureau endeavours to extend their sales throughout the world. A report recently published contained an account of a trade delegation of Russian Communists having afternoon tea with these wool representatives and said that much goodwill was forged.

We know, too, that trade delegations are active in the East endeavouring to cultivate and extend trade with Red China, and we know of the trade conference held in Canberra recently, to which many notable people were invited, that Mr. Jim Healy, a recognised Communist and one who admits he is a Communist, was also invited. He is one of the leaders—

Mr. SPEAKER: Order! I have been trying for some time to connect the hon. member's remarks with the motion before the Assembly. So far I have failed to make any connection whatsoever between the motion and the hon. member's remarks about Communism and about who has or has not attended conferences. So I ask him at least to refrain from introducing any matter extraneous to the subject of the motion moved by the hon. member for Baroona and to keep to the points contained in it.

Mr. DAVIES: Yes, but in doing so I just wanted to raise a protest about matters introduced by hon. members opposite by way of interjection during the speech of the hon. member for Baroona—they brought in Socialism and Communism—but, in deference to your wishes, Mr. Speaker, I will pass on to other matters.

Despite the fact that Government members speak so much about trade relations with the East, it is interesting to note—and after mentioning this I will move on—that trade with Red China in the last 12 months, mainly by the wool-growers in this country, amounted to £16,000,000.

I turn now to the subject of the reconstruction of the Collinsville-Townsville-Mt. Isa railway line. We know that up to the present the Commonwealth has not made any advances to Queensland towards meeting the cost of the reconstruction of the line and that all expenditure on the line to date has been met by Queensland from funds otherwise available to the State. The fact remains,

Mr. Speaker, that the arrangements between the Commonwealth and the State have not yet been completed. No statement has been made to the House about the interest rate—I suspect it will be about 5½ per cent.—or about the complete terms of the agreement.

As an indication of the lack of support being given to Queensland by the Commonwealth Government, let us compare their attitude to the Mt. Isa railway line with their attitude towards railway lines in Victoria and South Australia. Why have the Commonwealth Government agreed to finance the construction of the standard-gauge rail link between Albury and Melbourne at a cost of £10,726,000, each State having to repay only 15 per cent. of the cost by instalments over a period of 50 years, when the loan to Queensland has to be repaid over a period of 20 years and the rate of interest will be approximately 5½ per cent.? In the construction of the line in South Australia only 15 per cent. of the cost is to be borne by the State, and the repayment is over 50 years. Let Government members tell us why South Australia and Victoria have to pay only 15 per cent. of the cost of those lines over a period of 50 years, yet no grant is made to Queensland and the loan has to be repaid in 20 years.

Mr. Chalk: It is very simple. It is probably too simple for you to understand.

Mr. DAVIES: We invite an explanation.

Quite a number of problems were raised by the hon. member for Baroona that are never dealt with by members of the Government parties in their speeches. We have the cost of spare parts and the excessive price of farm machinery as a result of increased costs and restrictive trade practices, dividends kept down by bonus share issues, and capital gains free of tax. We have the system of raising share capital by means of debentures, and we know that that method enables the companies to evade payment of tax because they do not have to pay tax on the interest when it is put down as a working cost. The fact that large companies in Australia are indulging in restrictive practices and making exorbitant profits is an indication of the patience of the working man in this country. It is no good trying to pull the wool over the eyes of the unions, because they realise that exorbitant profits are being made and skilful means are being adopted to evade taxation. The man who is suffering is the man on wages.

The total profits of Australian companies, other than mining companies, last year was £130,000,000, or 12.3 per cent. higher than in the previous year. The profits of manufacturing companies have risen by 13.4 per cent., from about £74,000,000 to £84,000,000 during 1959. Yet the Commonwealth Government asked the Arbitration Commission to reject the application of the trade unions for an increase in the basic wage. This Government did everything possible to assist the Court to arrive at its decision.

We know that wages will not be increased by the Commonwealth Government; we know that excessive profits and exorbitant prices will be permitted; we know that the family man and the average worker must pay the price. We are reminded that the Arbitration Commissioner in a judgment in 1959 said—

“If marginal increases cannot be granted in times of economic prosperity, such as the present, it is difficult to imagine when they can be granted.”

Turning now to the companies, I point out that last year General Motors-Holdens Ltd. showed 800 per cent. gross profit on paid-up capital, and a 475 per cent. dividend was paid. The yearly net profit of Tooth & Coy. Ltd. has exceeded £1,000,000 every year since 1952. Last year its reserves were shown at £13,700,000. Toohey's profit last year rose by £400,375. The profits of Australian Gas & Light Company rose to over £500,000.

Undistributed profits represent another indirect tax, permitting great monopolistic concerns to provide for their future development. Let us make a comparison between 1948-1949 and 1958-1959. Undistributed profits in 1948-1949 amounted to £81,000,000, and in 1958-1959 to £201,000,000. In 1948-1949 the amount involved in depreciation allowances was £96,000,000, or 4.2 per cent. of the gross national product; in 1958-1959 the amount was £475,000,000, or 7.7 per cent. of the gross national product. The workers' share in wages and salaries of the gross national product has not gone up proportionately, as the following figures reveal:—

	Per cent.
1938-1939	48.1
1951-1952	50.2
1958-1959	49.2

The percentage of undistributed profit has risen tremendously.

Government Members interjected.

Mr. DAVIES: What I am saying might be a subject for ridicule by hon. members opposite but they are matters that are given keen consideration by unions and union leaders, and by members of the Australian Labour Party.

The great racket today, of course, is the matter that was mentioned by the hon. member for Barooona—capital gains. Being free of tax, they are used in every way possible to cover up profits. From 1952 to 1959 H. G. Palmers Ltd., electrical dealers, showed capital gains of 1,198 per cent.; Ampol Petroleum, 720 per cent.; Mt. Isa Mines, 701 per cent.; Pope Industries Ltd., 682 per cent.; Amalgamated Wireless (Australasia) Ltd., 407 per cent. The Commonwealth Government had an interest in the latter firm but sold it. Capital gains achieved by bonus issues, cash issues and an appreciation of share values are the means

by which firms today are enabled to hide from the workers the excessive, tremendous profits they are making.

Let us look at the record of some of the big investors. The Baillieu family, investors in Broken Hill Pty. Ltd., in January, 1954, held 143,000 20s. shares which had a marked price of 43s. If they took up all new issues to February, 1960, their capital gain in six years would be £735,000 on their shareholding. The Darling family, investors in the same company, in January, 1954, had 393,000 shares and if they took up all issues to February, 1960, the capital gain would be worth £1,818,000. They did not want to pay taxation on high dividends so they kept them as low as possible. The working man on wages cannot dodge one penny of taxation. That is a point that must be remembered.

In January, 1954, the Myer family held 8,236,600 shares in the Myer Emporium. The capital appreciation between January, 1954, and February, 1960, was 24s. per share, a total of nearly £10,000,000 in six years, free of tax.

That brings me to another method of dodging tax—the raising of share capital by issuing debentures. Interest on debentures is charged as a working cost in the same way as a firm makes allowance for overhead expenses. It is a method that has developed over the years. The amount of share capital raised for the year ended June 1955 was £59,700,000, while debentures amounted to £27,500,000. In 1959, instead of the amount raised by share capital being twice as much as that raised by debentures, the amount raised by debentures was three times as much as that raised by share capital. The figures as at June 1959 are—

Share capital	£48,700,000
Debentures	£141,300,000

There we have an indication of a serious increase in costs, which is indicated clearly in the basic wage figure. In 1949, when the Menzies Government was going to put value back into the £1, the basic wage was £6 9s. Today the Federal basic wage is £13 16s. and hon. members know that there have been vast increases in the State basic wage since that time.

Mr. Windsor: Hurry up and finish. You are emptying the Chamber.

Mr. DAVIES: The hon. member for Ithaca spoke the other day about magpies but when he had the opportunity to speak on the Address in Reply and to draw attention to some of these evils, he could speak for only 15 minutes. I invite the workers of this State to read what I have placed on record in “Hansard” and compare it with that placed on record by the hon. member for Ithaca.

Members on the Government side of the Chamber are constantly drawing attention to excessive wages. I have here a recent

statement by Mr. G. T. S. Falkiner, president of the New South Wales Sheep Breeders' Association and the Australian Association of Stud Merino Breeders, in which he said—

"To see the position clearly it is, however, necessary to bear in mind that wages paid to station and farm employees are quite a small item in the cost of running a property today.

"Sixty to 80 per cent. of operating costs are completely out of the growers' hands, as they consist of such items as freight and increased prices for fencing and building material, agricultural machinery, stock medicines and other general supplies and steep rises in repair bills (governed by tradesmen's wages) and shire and other rates."

He talks about matters that were raised by the hon. member for Condamine a few days ago when dealing with the price of spare parts. I invite the hon. member for Condamine to take the matter to Caucus and give that body an opportunity of dealing with the problem.

Hon. members will remember that when the question of prices was placed before the people of Australia by Mr. Chifley by way of referendum, on 29 May, 1948, representatives of the same party as the third-rate barrister who fought to get a monopoly for barristers in Queensland opposed it although Section 14A only added five words to a clause in the Commonwealth Constitution. Members of the parties that form the Government rushed round the country screaming about Socialism and Communist control. "Let the States control prices," they said. To the everlasting sorrow of the people of Australia, the referendum in 1948 was defeated.

The hon. member for Condamine, the Country Party representative, Mr. Sullivan, in typical Government fashion said that a third of the railway workers were loafers. In that regard it is relevant to speak of the policy of many manufacturing interests in this country. I refer hon. members to the following statement by the chairman of the Commonwealth Banking Corporation—

"Inefficient manufacturers were today criticised by the chairman of the Commonwealth Banking Corporation (Mr. Warren McDonald).

"He told the Australian Institute of Management conference here that too many Australian manufacturers were ignoring the basic principle of marketing—that identification and satisfaction of the customer's needs and wants were vital to success

"A manufacturer who decided to produce yet another television set, washing machine or soap powder, which was basically no different from the multitude of brands already on the market, was not working on sound business principles and

was certainly contributing nothing of lasting value to the development of the nation as a whole.

"Something New

"He said instead of duplicating the various products or services already widely available, these businessmen should be endeavouring to produce something new which would find a real need in the community.

"He was not in favour of wasteful competition and that conception of marketing which preached the producing of goods which were already supplied and artificially creating a demand for them by excessive advertising and promotion."

It would be very interesting to have the figures for unnecessary advertising, which adds to the cost of goods, tabled in the House.

The article continues—

"Mr. McDonald said he found it difficult to believe it was either economical or desirable to have more than 20 manufacturers producing television receivers.

"Unless Australian manufacturers learned to stand on their own feet as regards product research and development, Australia would never emerge as a truly great manufacturing nation."

In the same article he is reported as saying that too many Australian business men were content to acquire licensing arrangements with overseas companies and to reproduce their goods for the local market, instead of showing some initiative and providing for the people of this country, a reliable article worth the price asked for it.

Mr. Hart: Don't you believe it.

Mr. DAVIES: Those are not my words; they are the words of the chairman of the Commonwealth Banking Corporation.

In June of this year the Premier made the following statement to the Loan Council:—

"Queensland feels that more virile action should be taken to stimulate subscriptions to public loans in Australia."

I have placed before hon. members figures showing tremendous profits and dividends. If they were available to the community as a whole we could understand complaints about the failure to fill Commonwealth loans. The two prior to the last one were not filled, while at the same time companies such as Hooker & Co., because of the excessive profits they make, had their loans over-subscribed. If the Commonwealth Government asked the people in a referendum whether they desired the addition to the Commonwealth Constitution of the five words suggested by Ben Chifley, I am sure the Australian Labour Party would get every support for its view and that the referendum would be carried.

At 2.15 p.m.,

In accordance with Sessional Order the House proceeded with Government business.

ADDITIONAL SITTING DAY; PRECEDENCE OF GOVERNMENT BUSINESS ON THURSDAY.

Hon. G. F. R. NICKLIN (Landsborough—Premier): I move—

“That, during the remainder of this session, unless otherwise ordered—

1. The House will meet for the dispatch of business at 11 o'clock a.m. on Friday in each week, in addition to the days already provided by Sessional Order, and that Government business do take precedence on that day.

2. Government business do take precedence on Thursday in each week.”

Motion agreed to.

DAYS ALLOTTED TO SUPPLY

Hon. G. F. R. NICKLIN (Landsborough—Premier): I move—

“That, during the remainder of this session, unless otherwise ordered, the House may, on the days allotted for Supply, continue to sit until 10 o'clock p.m. Each of the periods between 11 o'clock a.m. and 4 o'clock p.m. and between 4 o'clock p.m. and 10 o'clock p.m. shall be accounted an allotted day under the provisions of Standing Order No. 307. Three allotted days shall be allowed for the discussion of the Estimates of a department. At the termination of the period so allowed the Chairman shall put every question necessary to decide the Vote under consideration, and shall then proceed to put the question for the balance of the Estimates for that department; all such questions to be decided without amendment or debate: Provided that, if the discussion of the Estimates of a department be concluded before the expiry of the three days so allowed, the period remaining shall be allocated to the discussion of the Estimates next brought before the Committee. All provisions of Standing Order No. 307 shall, *mutatis mutandis*, continue to apply.”

Motion agreed to.

ACTS INTERPRETATION ACTS AMENDMENT BILL

THIRD READING

Bill, on the motion of Mr. Munro, read a third time.

BARRISTERS ACT OF 1956 REPEAL BILL

THIRD READING

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

OATHS ACTS AMENDMENT BILL

THIRD READING

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

SUPPLY

COMMITTEE—FINANCIAL STATEMENT—RESUMPTION OF DEBATE

(The Chairman of Committees, Mr. Taylor, Clayfield, in the chair)

Debate resumed from 11 October (see p. 600) on Mr. Hiley's motion—

“That there be granted to Her Majesty, for the service of the year 1960-1961, a sum not exceeding £1,365 to defray the salary of Aide-de-Camp to His Excellency the Governor.”

Hon. P. J. R. HILTON (Carnarvon) (2.21 p.m.): Without doubt, in the existing circumstances this debate is the most important that will come before the House in the current session of the Parliament. I say that because of the numerous and complex problems that confront Queensland—and of course the whole of the Commonwealth—and because of the particularly severe drought that Queensland is, unfortunately, experiencing.

During my preliminary comment on the Treasurer's Budget Speech, I said it reflected the unfair and discriminatory attitude of the Commonwealth Government towards the State, and it might be appropriate for me to say more about that now. Before doing so, however, I draw attention to the striking contrast between the Treasurer's Budget speech on this occasion and the speeches he made in his earlier term of office. Then he said he was deliberately financing for a Budget deficit to allow Queensland to qualify for extra financial assistance from the Commonwealth Government. If that scheme had been practicable and if it had worked—and if Queensland had received some satisfaction of her needs from that policy—perhaps we should not be so critical; but, despite the Treasurer's calculated move, Queensland is much worse off, so far as financial assistance from the Commonwealth Government is concerned, than ever before.

Much was made of the new formula for reimbursement to the States. In the last Budget debate it was pointed out that there were serious defects in the formula, and the Treasurer, of course, in his recent Budget speech revealed the serious defect that there is a year's lag before Queensland can make up the leeway of deficits due to increased salaries and wages paid by the State. It seems that that disadvantage is likely to continue indefinitely.

What happened about the calculated move to make Queensland a claimant State for special Commonwealth aid? The Commonwealth Treasurer's reference to it in his Budget speech makes very sorry reading indeed.

On page 67 of Commonwealth “Hansard”, No. 11 we read—

“Under the agreement reached at the Premiers' Conference in June, 1959, Western Australia and Tasmania will continue to apply for special grants.

"The Premier of South Australia and the Premier of Queensland agreed that their States would in future exercise the privilege of applying for special grants only in special or unexpected circumstances which endangered their budgetary positions relative to those of other States."

One would think that special circumstances existed now that would justify the Premier and the Treasurer in making a request for special financial assistance. According to the comments of the Federal Treasurer, that plan has been abandoned, and the policy of the State Treasurer of deliberately budgeting for a deficit has not borne fruit.

As a matter of fact, the position has deteriorated alarmingly. One of the most significant features of the Budget, in my opinion, is the enormous increase in revenue that has taken place during the three years of office of the Government. The figures for those three years are—

1957-1958	£87,955,000
1958-1959	£99,007,000
1959-1960	£103,102,000

The figure for the last financial year includes, of course, £1,588,000 transferred to Consolidated Revenue from the Succession and Stamp Duties Suspense Account and £5,211,000 was previously transferred from Trust and Special Funds. Despite that increase in revenue and despite that transfer of funds, there was a deficit of £164,000 to 30 June this year, and another deficit of £216,000 is budgeted for on this occasion. Where are we heading, in view of the record receipts in the Consolidated Revenue Fund in the last three years? We are accumulating deficits, and, as I said before, we are likely to continue to do so unless some positive steps are taken to rectify the situation.

Mr. Coburn: What should they be?

Mr. HILTON: Some definite action should be taken by the Commonwealth Government in regard to the States, and it is pertinent to refer here to the unsatisfactory financial relationship between Queensland and the Commonwealth. The whole spirit of the Commonwealth Constitution is that there should be no discrimination between the States. There is provision in Section 96 for special grants to be made to the States. The section says—

"During a period of 10 years after the establishment of the Commonwealth and thereafter until the Parliament otherwise provides, the Parliament may grant financial assistance to any State on such terms and conditions as the Parliament thinks fit."

Section 99 says—

"The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof."

Obviously that last section, as I understand it, refers to the extraction of revenue. But

the section does not say that, and it would be interesting to hear legal argument as to whether the Commonwealth were justified in discriminating against some States under that section in the payments of revenue funds.

Mr. Hiley: Your argument is that there should be complete equality of allocation to each of the States?

Mr. HILTON: The circumstances of each State must be taken into consideration, of course. My remarks are prompted by a fact that attracted my attention in reading the Federal Budget. Although Western Australia is still receiving grants under the Commonwealth Grants Commission, an amount of £1,000,000 over and above that is being provided from Commonwealth Consolidated Revenue for the development of the northern part of Western Australia. If it is right and proper for the Commonwealth Government to make that special grant to Western Australia, why should they not meet the request of the Queensland Government for money to develop roads in the Channel Country or to develop the north of Queensland?

Mr. Coburn: That is what we all want to know.

Mr. HILTON: I am making that point. I do not think the Premier or the Treasurer should have "skied the towel" last year when the new financial formula was brought in and agreed that Queensland would not apply for any special grant from the Commonwealth Grants Commission.

Mr. Hiley: The two matters are not related.

Mr. HILTON: They are all connected. If we are not going to pursue our objective or our demands in one direction, obviously we cannot state a really strong case in the other. If the Premier and the Treasurer say that they are quite satisfied with what they have got, how can they put up a strong case for an additional grant such as has been given for the development of the northern part of Western Australia?

Mr. Hiley: That is not the view of the State Government and it is not the argument advanced by the Commonwealth Government. They do not interpret the agreement that we would not come in under the Commonwealth Grants Commission as being in any way a blanket restriction to the right to apply for a special grant.

Mr. HILTON: They have not intimated that in any shape or form, nor has the Treasurer revealed to the Committee that they are so disposed.

It is interesting to read at this late stage that a large committee of Commonwealth members has been appointed to consider the development of Northern Australia, including North Queensland, but already Western Australia is receiving—and has been for some years—a large grant for that purpose. What has occurred proves that there is what can

be fairly termed "discrimination" against Queensland. Of course, that applies in many other directions.

Mr. Hiley: Do not think for a moment that the Government are satisfied, or that I am satisfied. It should not be forgotten that the financial assistance for the rehabilitation of the Mt. Isa railway line comes up as a special grant.

Mr. HILTON: I shall come to that later on.

It is interesting to read a letter written by Mr. Deakin to "The Morning Post" in the early days of Federation. We all know the part he played in writing the Commonwealth Constitution. He wrote—

"As the power of the purse in Great Britain established by degrees the authority of the Commons, it will ultimately establish in Australia the authority of the Commonwealth. The rights of self-government of the State have been fondly supposed to be safeguarded by the Constitution. It left them legally free but financially bound to the chariot wheels of the central Government. Their need would be its opportunity. The less populous will first succumb. Those smitten by drought or similar misfortune will, however, reluctantly, be brought to heel. Our Constitution may remain unaltered but a vital change will have taken place in the relations between the State and the Commonwealth."

Those words, written so many years ago, have proved to be very prophetic. There will have to be an unrelenting fight by all sections of the community and the Government to insist that Queensland shall receive its rightful consideration under the financial arrangement unfortunately existing at present.

Another alarming aspect of the State's finances is the deficit of £6,597,000 in the Railway Department. Anybody who knows anything about the economy of the State and the running of the Railway Department realises that the Railway Department must always be a headache. As the State's railways are so necessary to the development of Queensland—just as necessary as roads—the whole position may have to be recast. If the Commonwealth Government are granting assistance for the development of the country by way of roads in the less-populated States with large areas, it might be possible to state a case for some financial assistance for our railway system provided, of course, everything within reason is done to put it in order.

I repeat, if it is logical to assist any State in the construction of roads, then it is logical to assist in the building and maintenance of railways.

The Treasurer referred to the Mt. Isa railway line. I should like him to elaborate on his comment in the Budget regarding the major difference that has occurred between the Commonwealth Government and the

State Government in regard to the Commonwealth Sinking Fund contribution. So far, I have heard, only by way of rumour, where this money is coming from, but it appears to me—I am only surmising this—that if the Commonwealth Government are objecting to making the ordinary contribution which they make to sinking funds in respect of loans of this nature, this loan is something from overseas channelled through the Commonwealth Government to the Government of this State. There have been rumours and Press statements to the effect that it might be coming from a Swiss syndicate or from West Germany or some other place. Nobody objects to the money coming in but, as it is necessary for this State to build that line, I cannot see any logical reason why the Commonwealth Government should raise any argument regarding the contribution they should make to the sinking fund, as they do in respect of other loans.

I know there is some variation in regard to the payment made to sinking funds in various circumstances but there is a clearcut principle established in those cases. I think the Treasurer should elaborate on that aspect of the matter when he replies at the conclusion of this debate.

It greatly concerns me that he has clearly indicated that after the end of June next local authorities which are a very important arm of government in this State will be placed in further jeopardy because of a reduction in the subsidies now paid for various undertakings. It is a sorry state of affairs that it should occur at a time when local authorities are struggling as never before to meet the demands imposed upon them by law and are clamouring to both State and Federal Governments for extra assistance. Queensland, of course, has a proud record of assistance to local authorities.

Mr. Hiley: We give them more than every other Government in Australia put together.

Mr. HILTON: That is quite true. That has been the case in the past, and the local authorities have played their part. Much developmental work has been accomplished by them with this special assistance.

I shall be very sorry indeed if such assistance is drastically curtailed. I should prefer that the Treasurer budget for an extra deficit than cut down the rate of subsidy now applicable to the important local authority work being done throughout Queensland.

Mr. Hiley: That would be quite tenable as a short-term argument but what view would you have of the matter as a long-term practice? Would you feel it would be right for us to budget for continuous and bigger deficits in order to do that?

Mr. HILTON: I have already said that the present financial formula is loaded against this State and that it does not meet

our needs. The Commonwealth Government, with the vast resources at their disposal, should adopt the right policy in regard to large States with small populations, where extra developmental work is necessary.

Mr. Coburn: In the final analysis that is the policy of the Federal Government.

Mr. HILTON: No. I pointed out a while ago that in 1959 the Treasurer and the Premier relinquished the plan that they had deliberately adopted in their early years in office. The circumstances do not justify the Government's action in retracting from the claim for a special grant from the Commonwealth Grants Commission. The Treasurer may have a logical answer to my argument. The action has been terminated. It was premeditated and calculated, and I think Queensland has a good case for extra assistance for developmental work, particularly when the Commonwealth Government are making extra money available to Western Australia for that purpose.

Mr. Hiley: You will appreciate that one of our weaknesses in going before the Commonwealth Grants Commission was that we chose—and I do not quarrel with the choice—to carry the burden of local-authority subsidies on a scale that far transcends similar assistance all over Australia. The Commonwealth Grants Commission tries to relate the services in an aided state to the Australian average, and one of the adjustments that would have been made against us would be our generous subsidies.

Mr. HILTON: My answer is that local authorities in Queensland carry out a much vaster and larger range of works than those in other States where boards perform much of the work done by Queensland local authorities. All that information would have to be collated and a logical case presented. I know the position is difficult, and I am putting forward objective criticism. I should like the Treasurer to deal with those points.

Another alarming aspect of the Budget—and this point has been touched on by hon. members on both sides of the Chamber—is the decrease in the Vote for irrigation. That is a very sad state of affairs when the State is in the throes of one of the greatest droughts in history. In that direction the Treasurer said that he would have to give—and in fact is giving—consideration to the recoveries factor of Loan Fund expenditure. There are few avenues in which the State can recoup loan expenditure. The Commonwealth Government reap the advantage of money expended on irrigation—Governmental advantage—because increased productivity in, say, the tobacco industry in North, Central and Southern Queensland means an immense amount of revenue to them.

Mr. Coburn: They get it every way.

Mr. HILTON: They get it every way. It is futile to argue that we must reduce the

subsidy on irrigation works because the degree of recovery of that money is very small. Many people who have had small weirs erected are not making at this stage any substantial contribution, but many others would be prepared to. The members of a deputation recently introduced by me said very definitely and clearly of their own volition that they wanted water and were prepared to pay for it. The reduction in expenditure on irrigation is a retrograde step, particularly when the State is going through one of its worst droughts for years. Irrigation works mean a great return to the Commonwealth Government. If formulas and priorities are to be applied in other directions, they should be applied logically to the expenditure of loan money, and if the State Government, by spending millions of pounds on irrigation, are going to ensure that the Commonwealth Government will reap the greatest financial advantage, surely we could put forward a very strong case for special assistance for irrigation work.

Mr. Coburn: There is an unanswerable case.

Mr. HILTON: An unanswerable case could be advanced, but the matter is not referred to in the Budget. As a matter of fact, the Budget contains no reference at all to drought relief for primary producers who are in a very difficult position. In our day there was no hesitation to make money available when there was a severe drought. It was farmed out to necessitous producers through the co-operative associations. Most of it was recovered in due course, but some was not. There was always a substantial sum of money available to those who could not get bank credit. I do not see any similar provision being made today although, according to today's paper, Queensland imported 125 tons or 5,000 boxes of butter to meet its needs. It is many years since Queensland imported butter. Why is not some reference made to drought assistance for the primary producers either in the Budget statement or in the tables the Treasurer has produced when things are so grim?

I have here a booklet called "The Crisis in Farm Costs and Incomes." It is a Country Party publication. I like reading these publications because there is a good deal of factual information in them. It shows that there is a great crisis in a large section of the primary producers of the country. I will not weary the Committee by quoting extensively from it, but apropos a comment made this morning by certain hon. members opposite during another very interesting debate, and a comment made earlier, in the Address in Reply debate, and another in the Budget debate, it reveals how primary producers are being exploited by the monopolistic concerns. On one page of the booklet the major costs are set out on a percentage basis: maintenance materials, 25 per cent.; machinery and plant, 21 per cent.; fencing material, 19 per cent.; building

materials, 14 per cent.; wages, only 12 per cent.; freight inwards, 12 per cent.; insurance, 21 per cent.; rent 60 per cent.; rates and taxes, 43 per cent. In view of that brief outline and the information that I cannot read from the booklet at the present time, it is passing strange that a Government of which the senior party is the Country Party should not be taking more effective action to meet the drought effects and the rising costs of primary producers. I leave those thoughts in the minds of hon. members. I believe them to be true and that we should take cognisance of them.

It is time that Queensland made its presence felt with the Commonwealth Government so that we may develop the State as it should be developed and meet the pressing problems that weigh so heavily on us.

There are many aspects of the financial problem that I want to deal with. I could speak for an hour on each one, but I have endeavoured to draw attention to the more important points as I see them. I hope other hon. members will join with me and do their best to rectify the present difficult position.

I now refer to another section of the political scene. I believe I am uttering the sentiments of the majority of the people of the State—if not throughout Australia—when I say that the Commonwealth Government are remiss in many directions. I sense a strong feeling of antagonism towards them because of certain happenings and particularly because of their attitude to Queensland. We heard a very interesting discussion this morning—there was a bit of cross-firing—regarding the solution of our economic problems. Every human problem can be solved if we approach it in an intelligent manner. It is clear to me that our problems cannot be solved by a Government that swings to the extreme right or by one that swings to the extreme left. The time has come in this country for some re-thinking and some re-orientation of the political principles to be applied if we are to grapple successfully with the problems that beset us, and to carry on our great heritage and fulfil our destiny in this part of the globe.

Recently the Leader of the Opposition addressed the Queensland Trade Union Congress in Brisbane. During his speeches in this Chamber he has referred to the subject of communism. I do not like to "belt" the subject of communism along unduly but it is, as he pointed out, and as every thinking person realises, a very real and a very grave problem. I say without hesitation that with certain of his remarks at the Trade Union Congress I am in absolute and complete accord. I propose to quote separate extracts

from what he said as published in "The Courier-Mail"; I presume they are right. The first reference reads—

"There are people who preach co-existence in the national sphere but annihilation in the local sphere', Mr. Duggan said.

"He said Labour must win back the trust and respect of the people."

I entirely agree with that. It is an admission by him that Labour has lost the trust and respect of the people. I will be with him 100 per cent. in his objective to win back trust and respect for the Labour movement, which has achieved so much in the past and which is so important, first of all, for effective Government in this country, and, secondly, for the needs of the people.

Again, referring to socialism, he is reported as saying—

"Socialism of industry was accepted as part of Labor's objective, but there were people who were becoming impatient over its achievement.

"They claimed it would be better to remain in opposition interminably than deviate in any form from that objective."

Continuing, he said—

"If we are to take that attitude we might as well close down."

How true those latter words are! The sad truth is that many people have the most foggy, clouded ideas of socialism and what it means and there is a great need for fresh thinking and reorientation of the Labour movement on it.

This is not peculiar to Queensland or to Australia; it is true also of Great Britain. In recent times we have read of the trouble Labour is in over there. I will read some statements that have appeared in print from Great Britain. I am justified in doing so because we have had handed down to us many traditions, both Parliamentary and otherwise, from the Mother country. It will pay us dividends to take stock of the position as it has developed over there and as it is developing at the present time to see what the root cause of all the trouble is in the Labour Party in Great Britain and in Australia. I will read from a book entitled "New Fabian Essays" edited by R. H. S. Crossman who, at the time he issued the book in 1953, was a Labour M.P. He may still be a member of the House of Commons; I am not sure of that. The book comprises a series of essays written by prominent Labour people in England and in his introduction to it Mr. Crossman said—

"The Labour Party was unsure where it was going. The familiar landmarks on the road to Socialism had been left behind; it was travelling in strange country, exposed to climatic rigors it had not anticipated and against which its traditional equipment gave little protection. Buffeted and battered, it pushed ahead;

but the pace slowed as it became clear that the destination would not be reached by the traditional route.

"How can the Labour Party regain its sense of direction? My contention, in this essay, is that it cannot be done so long as politicians are content to rely on their 'hunch' and empirical experience. The Labour Party has lost its way not only because it lacks a map of the new country it is crossing, but because it thinks maps unnecessary for experienced travellers."

He raises various problems of socialisation in his essay, and throws overboard many of the old beliefs to which unthinking people still adhere closely—so closely, indeed, that one finds men in trade unions gloating over the fact that what they call the Right Wing has been expelled because of deviation from the Socialistic objective as they understand it. Nobody can deny that statement. Statements similar to that were made at the recent Trade Union Congress by prominent union men who play an important part in the government and control of the trade-union movement.

Let me quote briefly from the essay by Mr. C. A. R. Crossland, who was a member of the House of Commons when he wrote it. Dealing with the transition from capitalism, he said—

"I shall rule two definitions out as commanding no support—the Marxist 'nationalisation of the means of production, distribution and exchange', and the early Fabian emphasis on collectivism."

Does not that show that there is a new line of thought about the approach to these problems?

I might quote another extract from the essay of Mr. John Strachey, who was a Minister in the former Labour Government in Great Britain. While these are not his own words, he quotes them with approval—

"But where in this respect does the new, 'soviet' imperialism stand? Are there new developments in this too, such as those characteristic of the old private capitalist monopolies? All that is new here is the fact that the State which all, or nearly all, believed to be socialist, has through its own internal state capitalist development, turned into an imperialist power of the first order. But as for the actual forms, through the relatively poor development of its forces of production, what characterises this new, state-capitalist, imperialism is precisely that it has the old, colonial-conquest imperialist forms accompanied, albeit, in 'socialist' uniforms, by the old political relations: the export of capital is accompanied by a semi-military occupation, by the rule of an official caste and the police, by the strangling of any democratic tendencies, by the establishment of obedient governments, by the most extensive corruption and by unscrupulous deception of the working people."

It is very significant that a Labour member of Parliament of many years' standing and a former Minister of the British Labour Government should use that quotation, written by a European statesman, in his essay on Labour policy and socialisation.

To take the matter still further, I have here a copy of a most informative document. I have never seen it published in the Press in Queensland, but I obtained a copy of it. As a matter of fact, I had the original transcript of the report but it has been lost and I am trying to get another copy. It is a summary of the manifesto issued by the Socialist International in 1951. That body is not a Communist body; it is entirely the reverse. There was a reorganisation of the Socialist International in Frankfurt, Germany, in 1951, and that was the first meeting that had been held for many years. The document reads—

"In June 1951, the Labour Parties of twenty-one countries (including Great Britain but not Australia), met at Frankfurt, Germany, and formally re-established the 'Socialist International' which broke up in 1914 over the question of participation in the First World War. How many Australian Labour Union leaders or politicians have seen or studied the 3,000-word manifesto, issued after the Frankfurt Conference? The document marks one of the most significant Labour developments of our time. It takes note, among other things that, in the 19th century, Socialism was a wage-earners' movement, that many of the evils of Capitalism are disappearing, that class lines are changing, and today Labour must appeal to professional and clerical workers, to farmers and craftsmen, to scientists and artists. It repudiates the determinism of Marx and the old dogma of the nationalization of production, distribution and exchange. It stresses rather the planning of production, the association of the workers in the direction of industry, and defends the existence of private property in important fields of national economy. Finally, it stresses individual freedom and political liberties as the moral objectives of socialism, and sees the chief evil in the world today as Communism, which it condemns as 'the new imperialism, founded on military bureaucracy and terroristic police.'"

That shows a reorientation and great alteration in the line of thought of thinking people who have the interests of the masses at heart. My advice to those people in Australia who played such an important role in the dissolution of the Labour Party, who prattle about Socialism and who praise in no uncertain terms the regimes in Red China and Russia, is that they should become acquainted with the new line of thought emanating from those experienced Labour men, and throw overboard those old worn-out shibboleths that have been factors in destroying and disrupting the Labour Party. Until that is done the restoration of trust and confidence in the

Australian Labour Party that the Leader of the Opposition referred to will not be accomplished.

Comment has been made about casting the smear of Communism on members of the A.L.P. I have never done that to members of the Parliamentary Labour Party. But any trade unionist who is a member of the Australian Labour Party, particularly the Executive of the Australian Labour Party, who travels to Communist countries only to return to Australia to praise in no uncertain terms the regimes of these people, cannot object if he is classed as a sympathiser and a fellow-traveller with the Communists.

Government Members: Hear, hear!

Mr. HILTON: Obviously, in human nature, nobody can sincerely praise and support a regime he does not believe in. If people talk along these lines and try to sell the idea to the people of Australia, is not anyone justified in branding them fellow-travellers?

Government Members: Hear, hear!

Mr. HILTON: In my speech in the Address-in-Reply debate I quoted from an important document issued by a great Labour man of Great Britain regarding the secret battalion. A man in the South who was prominent in an A.L.P. Branch recently died. We all have to do that some time. On his death it was revealed that he had been both a member of the A.L.P. and a member of the Communist Party. I do not wish to mention his name now but obviously that man could be rightfully termed a member of the secret battalion that Professor Laski referred to. I know that element exists in the Australian Labour Party. In his comments to the Trade Union Congress the Leader of the Opposition indicated his disposition to have regard to that problem. Unless there is an unrelenting and active fight against the inroads of Communism we will not get anywhere. The Labour Party, of course, cannot survive without the support of the trade unions. Therein lies the big weakness at the present time. Many unions are definitely controlled by Communists. I am not decrying the ability of those men as trade unionists or Industrial Court advocates. As a matter of fact, most of them excel in their advocacy in the Industrial Court and they work tirelessly on behalf of their unions. Because of that many of them are voted back to office. There is no gainsaying the fact that those men occupy a position of great influence in the Trades Hall in Brisbane, as they do in the South.

Some of those officials pose as being A.L.P. men. At least one I know joined a Communist auxiliary when he visited Russia a few years ago. Nobody can tell me that a man who boasts about joining a Communist auxiliary in Russia can, at the same time, be a sincere and loyal A.L.P. man who is pledged to oppose and fight Communism. I want an answer to that question.

Mr. Walsh: We all know him.

Mr. HILTON: Of course we all know him—Mr. Nolan of the A.R.U. I think if hon. members look at the "Railway Advocate" they will find that what I say is correct. That union was disaffiliated for many years but some time ago again affiliated with the Australian Labour Party, after what was called the "Right Wing" was expelled. Of course, Mr. Nolan is now on the executive of the A.L.P. He has visited Russia more times than any other trade unionist in this country. How can he honestly and proudly speak about joining an auxiliary of the Communist Party in Russia and at the same time pose as a loyal member of the Australian Labour Party? He might have an answer to it, but the facts I have stated are correct.

Mr. Ewan: They accepted him, didn't they?

Mr. HILTON: Of course. Nobody can deny that there is continuous and insidious Communist infiltration. I am a unionist of many years' standing. I have been so all my life although it has not been necessary since my advent to Parliament. I believe in the trade-union movement. I believe it has accomplished great things, particularly in this State, and in Australia as a whole. It is a sorry state of affairs that these men should make use of the democratic processes and facilities of our democracy for the sole purpose of destroying it—and they are prominent in the trade-union movement throughout Australia today.

Mr. Walsh: Mr. Egerton returned and called Russia a great democracy.

Mr. HILTON: That is true. He now tries to say there are different meanings of the word, but our concept of democracy is that there shall be freedom of government and that every party that wants to stand may stand for election.

I repeat that it is most illogical that Communists who seek to destroy our democratic institutions should make use of them in order to so destroy them. There is no democracy in Russia or China. When the time arrives that people opposed to the Communist regime are allowed to get on the soap-boxes in those countries and advocate a better system, possibly there will be some semblance of a return to democracy there.

I appeal to the trade-union movement to pull up its socks and take effective action against the inroads that Communism has so sorrowfully made into it in this country. There are many things I could say, but I repeat that I have been a trade unionist since I commenced to earn my living, and I was a member of the Australian Labour Party until 1957.

Mr. Walsh: You are still a Labour man.

Mr. HILTON: I am going to make that point. Undoubtedly I am a Labour man. All the pretexts put forward at the time the Labour Party was rent asunder are now being revealed in their true light. As a matter of fact I have here the president's report to the Queensland Trade Union Congress recently by Mr. J. Egerton. In one passage he talks about tolerance and respect for opposing views being the essence of democracy. He said, "Let us all recognise and practise this policy." That statement is very amusing. Further on he says, "It is alarming from a trade-union view to see the resurgence of the Right Wing again in the Labour Party." Unless trade unions take a most active interest the 1956 clean-out———and I ask hon. members to mark those words———will have been in vain."

Mr. Walsh: He must be getting ready for another purge.

Mr. HILTON: Obviously, and he was the man, even before the subject of three-weeks' leave was raised, who was issuing the cry that Gair must go and that what he termed the Right Wing must go.

Mr. Sherrington: You were not expelled.

Mr. HILTON: Of course I was, because I abided by a majority decision of the Parliamentary Labour Party.

Mr. Sherrington: You resigned.

Mr. HILTON: I did not resign. There is a rule in the constitution of the Parliamentary Labour Party, and I think it is in the manual too, that Caucus members are bound to abide by a majority decision of Caucus. I abided by that decision, as did the majority of the party.

Mr. Walsh: That is a pledge you signed as a candidate for election.

Mr. HILTON: Of course, and because a shocking injustice was being perpetrated I stood by the Leader, as did the majority of the party, on that issue. I do not want to arouse any ill-feelings on the matter now. If the same position arose tomorrow, I would do the same thing because I hate injustice and I do not want the Labour Party to be indefinitely in its present sorry position.

Mr. Bennett: And the same man did a lot of injustice while he was in the party.

Mr. HILTON: I am not engaging in personalities. When I speak of trade-union leaders I do so objectively, and I speak factually. I do not engage in personalities and I never have. I defend myself and decry injustice wherever it comes from, but personal feelings and injustices should not be allowed to destroy a party that has done so much for the people of Australia and that is so necessary for the effective government of the Country, whether in Opposition or in Government.

Mr. Lloyd: It will continue to do great work in the future.

Mr. HILTON: It will, if there is some clarification of the socialistic objective that, according to certain men on the Q.C.E., means a state of Socialism comparable with that existing in Russia and Red China at present. All of us know it has not the faintest resemblance to Socialism, that it is tyrannical State capitalism. In any country, irrespective of how well ordered it may be, there must be capital, there must be co-operation, and everything else. To the bitter disappointment of those who supported the tyrannical system of State capitalism that prevails in Russia and Red China, they have lost all their liberty and their freedom, and they are not one whit better off. They are worse off than the workers of this country ever were.

I say without hesitation that I will assist the Leader of the Opposition, if the right thing is done in the A.L.P., to win back the respect and confidence that the party used to enjoy.

I make that offer unreservedly. Personally I have lived most of my life, as have most hon. members.

Mr. Windsor: You can say that again.

Mr. HILTON: That is so. We have to be realists. And, having been in Parliament more than 25 years, I have lived most of my Parliamentary life. I have no personal interest in the matter at all. I am prepared, within reason, to do everything possible to reunite and reconstruct the Labour Party if the A.L.P. in turn, or those who control it, are prepared to reorient their line of thought and clarify the things that cause disquiet and concern in the minds of the people. Let us make a new charter and plot a new course that will appeal to the people of this country. I do not think I need speak any further on this matter. I have made my feelings clear.

I realise that the people of Australia at present do not want extreme Socialism under the old Marx concept, nor do they want Communism or this predatory capitalism that is undermining the economy. It was refreshing to hear the hon. member for Mt. Gravatt refer to the restrictive trade practices and monopolies that I mentioned in my Budget speech last session. The hon. member for Baroona today made a very constructive speech and reiterated my sentiments of 12 months ago. There is some substance in them and there are wrongs that need rectification. The only way they can be rectified is by the reorientation that I referred to, and by people forgetting this stupid sectarianism and purging from their minds the rest of these evil things, and by Labour men, workers, unionists, and every other section of the community pulling together—as the Leader of the Opposition wants them to—and marching on to the great future which we hope lies ahead in this country.

Mr. MELLOY (Nudgee) (3.18 p.m.): The speech of the hon. member who has just resumed his seat has a certain bearing on the remarks with which I intend to preface my speech. I refer to the treatment by the Press of various statements made in this Chamber on the Budget. In the last few days the Press has referred to the comments of the Leader of the Opposition in his Budget speech as irrelevant. The criticism, of course, related to his reference to previous remarks on the attitude of the Australian Labour Party to Communism. Mr. Duggan acquitted himself very creditably in his statements. He was provoked to make his statement on Communism particularly because of previous remarks by the Deputy Premier. The Press chose to refer to his comments on the Budget as irrelevant, but on the previous occasion when the Deputy Premier referred to the Communist menace he was given an eight-column spread in the Press, and they were not considered to be irrelevant. That was followed by further copious copy in the Press on 15, 16 and 17 September. The Press want to put the Australian Labour Party in the position that if we ignore the remarks of the Government on our attitude towards Communism we are regarded as sympathetic to the Communist Party, but if we refer to the subject of Communism our references are irrelevant. That is all I wish to say on that at this stage except to add that it will be very interesting indeed to see how the speech of the hon. member for Carnarvon is treated by the Press.

Before proceeding to the main two subjects I wish to deal with, I should like to express my attitude to the Budget itself. I am moved to reflect that, as the State has a public debt of £322,000,000, it would be futile and presumptuous of me to lock horns, or match wits, with the Treasurer on a deficit of a mere £216,000.

Mr. Windsor: It was not incurred by us.

Mr. MELLOY: No matter who incurred it, that is the financial position of the State.

Mr. Coburn: We have a lot of assets, too.

Mr. MELLOY: The State certainly has nominal assets but they are not real assets because they have not been paid for; they are really liabilities. It is not my intention to discuss the Budget in terms of figures but rather on policy. The people of Queensland are looking for bold leadership from the Government at this stage of the State's history.

Mr. Windsor: They're getting it.

Mr. MELLOY: No, they are not, because the Treasurer in the Budget has attempted simply to balance income with expenditure, as I imagined he would. That is not making progress. The Budget as presented is rather timid, and I do not think it is altogether a true Budget. It indicates that the Government are somewhat uncertain about what

will happen in the State in the next three years. This is no time to retreat. They should have faced the next three years more boldly; they should have gone out for business.

The Deputy Premier said he went overseas and sought tourists for Queensland and claimed he had been successful; but if we want to attract people we must have something to sell.

Mr. Ewan: And haven't we?

Mr. MELLOY: No.

Mr. Ewan: We have attracted more overseas capital in the past three years than in any other period.

Mr. MELLOY: I do not suggest that the country has nothing to sell but I say that the Government have nothing to sell.

Mr. Beardmore: They have their good reputation.

Mr. MELLOY: What reputation? Whatever reputation they had they are gradually losing. It is no good bringing people to the country if we have nothing to sell. It is no good having a big shop if the shop is not stocked. What is the good of reducing our railway services? It is not very likely, but let us suppose that somebody wanted to go to Lota and wanted to travel by train. We would have to say, "We have no service to Lota. We are cutting out services all over the State." That is the attitude of this Government.

Mr. Windsor: You want to see Mr. Nolan about that.

Mr. MELLOY: The hon. member would not even know Mr. Nolan. I think the Government will make a success of developing Queensland only if they are prepared to be bold.

The Opposition are aware that we have a responsibility to the people of Queensland and that we must accept some responsibility for the legislation that is passed in this Assembly. It is carried by a majority of the members, and we are part of the Parliament. But we intend in the next three years to put up the most effective opposition that has ever been seen in this Chamber to legislation that we think is not in the interests of the people and the workers of this State.

The TEMPORARY CHAIRMAN (Mr. Gaven): Order! There is too much noise in the Chamber.

Mr. MELLOY: Every worker who raises his voice against his conditions of employment is branded a Communist by this Government.

Mr. Tooth: Nonsense!

Mr. MELLOY: It is not nonsense. The recently-proclaimed state of emergency was

quite unnecessary. It was like buying a 10-ton truck to do a job that could be done with a wheelbarrow. This Government are hiding behind the skirts of Communists purely for the purpose of putting the boot into the workers of the State. The 19,000 men who gathered at the Exhibition oval some weeks ago did not need to be told by any union leader what they wanted. They knew only too well the money that was in their pay envelope at the end of a fortnight, and they needed no persuasion from people who may have been Communists. They were fully aware of their rights and were prepared, as they showed, to hold a one-day strike to bring their case to the attention of the Government and the people of Queensland. Those men were not Communists; they were not led by Communists. They were acting of their own volition, and the leaders only provided the venue for the meeting that was held.

Dealing with Communism and the attitude of this Government and their accusations about fellow-travellers, I draw the attention of the Committee to a remark by the Leader of the Opposition in regard to a statement by Mr. D. S. Forbes, Chairman of the Millaquin Sugar Company Ltd. I will quote fully the article that appeared in "The Courier-Mail" because it indicates the attitude of the business section of the community—

"Mr. Forbes, who is chairman of Millaquin Sugar Co. Ltd., told the annual meeting of the Millaquin company that it was a pity this Near-East market was not being developed. He said that, adjuring all ideologies and apart from business to be gained in the sale of consumer and manufactured goods, Australia could create a substantial measure of goodwill . . ."

He is referring, of course, to Communist China.

Take note of this, Mr. Gaven. He continued—

". . . and establish amicable relations with a powerful and near neighbour."

That is Mr. Forbes, one of the really solid supporters of the Liberal Party. He further said; and this is most significant—

"This was greatly desirable in view of the considerable shift in the balance of power in recent years in the Near East."

It meant that he wanted to be with the strength. That is the attitude of this gentleman, and if hon. members opposite are to be consistent they must consider Mr. Forbes as a fellow-traveller. They are silent!

I wish to deal with several matters that affect the people of Queensland, and particularly of Brisbane. Firstly, I shall refer to the dental services that the Government do and could provide. At the outset I want to bring hon. members into the picture concerning the dental profession. I propose to do so by giving the Committee a brief history of the State's dental services over the

past 40 years. Queensland has a wonderful dental service as a result of the efforts of the Australian Labour Party over a period of 40 years. The State had its first public dental service in 1908 when what was known as the Dontology Association of Queensland set up a dental surgery in the old Harper's Building in Elizabeth Street. They started off with one surgery and a waiting room. The surgery was staffed in an honorary capacity by registered members of the dental profession in Queensland. Many of the registered dentists at that time were dentists who had not carried out the prescribed course of dentistry, but at various times had operated as dentists, and earlier in the century had been registered as such under what was then termed the "Dog" Act. In 1912 the service was extended and a dental supervisor was appointed on a full-time basis. The service continued to extend and in 1916 the dental hospital or dental clinic, as it was then termed, opened in the building in George Street next to the Government Printing Office. That clinic provided a very excellent service for the people of Brisbane. Prior to that, student dentists served their time of four years with qualified dentists under an apprenticeship scheme. In the latter part of that scheme, up to 1921, they served their last two years at the Dental Hospital in George Street. Most of the service at that hospital was provided by students although, at that time, there were two dentists there.

In 1926 the apprenticeship system was discontinued and students in dentistry were enrolled for a four-year course with the joint Board of Dental Studies.

In 1933 it was becoming apparent that the services required by the people of Brisbane could no longer be met by this joint service by students and two registered dentists. The sections were split, the student body became a separate body, and the Brisbane and South Coast Hospitals Board took over the hospital. The services provided by the Government were then separate and distinct from those provided by the students.

In 1935 two very important events occurred in relation to dentistry in this State. The first was the formation of the Faculty of Dentistry which took full responsibility for the training of dentists in Queensland and undertook a measure of reciprocity with dentists in other States. It was very desirable that the University should take over the training of dentists. The second event was the passing of Section 8 of the Dental Acts Amendment Act, which provided for the registration of certain persons who had performed the duties of dentists over a period of years, although, at the time, not registered as dentists. That section of the Act admitted 31 such persons to practise as dentists in this State. There was considerable controversy at the time about the desirability of such action, but events have proved that it did not do any very serious damage to the reputation of dentists.

In fact, some of these men who were registered under that section became very reputable members of the dental profession. Some have even entered the "holy of holies"; they have become members of the Australian Dental Association.

The year 1936 brought another very interesting development in dentistry—advertising by dentists was restricted. It brought to an end a very colourful period in the dental profession in this State. In the 1920s and up to the time that advertising was restricted, it was, to say the least of it, very flamboyant. In the twenties there were huge advertisements in the daily papers concerning the sale of dentures—"Ten Guinea Sets for Eight Guineas for the duration of this sale"; "A Gold Tooth Given Away Free with Every Denture Worth Ten Guineas or More." Some of the advertisements concerned were four or five columns, eight inches in depth. They were certainly very large and that type of commercialism was not desirable in the interests of the profession. With the passing of the regulation a definite step forward was taken in the dental profession in Queensland.

In 1940 and for some years before that time it was apparent that the premises in George Street were most inadequate; plans were drawn for the establishment of the Dental Hospital at its present location. On the completion of the very modern building in Turbot Street in 1941, the staff and equipment were moved into it.

The service provided by the Australian Labour Party Government was increased in 1953 when the South Brisbane Dental Hospital was opened. At the present time both hospitals are functioning to capacity, providing the most efficient dental service that can be obtained in any part of Australia, perhaps in the southern hemisphere. I should say that the standard of work in those hospitals would be higher than most of the work of private practitioners. The service provided by private dental practitioners, of course, is tinged with the desire for profits. Although we have had many brilliant dentists in Queensland, that could not be said of them all. Some have not been very scrupulous in their work. The Government dental service in Queensland is the most efficient in Australia.

I have had a great deal of experience of the profession in Queensland and I could tell some very interesting stories about the conduct of some practitioners. On one occasion I watched a registered dentist in the centre of the city sit a patient on a box behind a barber shop and extract a tooth. That was the way in which dentistry was practised in some instances. On the other hand Queensland has had some brilliant dentists such as Dr. George Christensen, one of the most outstanding dentists in Australia and perhaps in the world. If he should leave Queensland he will be a great loss to this State.

A very fine Government country dental service is also provided. There are 81 clinics, two metropolitan hospitals and four suburban clinics, 32 full-time base clinics in the country and 43 part-time clinics. In the metropolitan clinics and hospitals 54 dentists are employed, and 45 dentists in country clinics. Although we are fortunate in having such a fine dental service, a certain section of the community is not catered for. The private practitioners provide a service, dental clinics cater for some people, and the repatriation service looks after ex-Service men.

I turn now to the cost of dental services. I wish to relate these figures to certain proposals that I shall make at a later stage. I am giving these charges for comparison purposes. Firstly, I propose to give the charges at the Dental Clinic. I will quote the charges for essential services, that is, fillings, extractions and dentures. For fillings at the Dental Clinic, the charge for an amalgam is 10s. 6d., porcelain 14s., and gold 15s. plus the cost of the gold. For extractions it is 6s. for the first tooth and 4s. for each additional tooth. That is under local anaesthetic. For teeth extracted under a general anaesthetic under ethyl-chloride the charge is 17s. 6d. plus the usual tooth rate, and for nitrous oxide—laughing gas—£1 2s. 6d. plus the usual tooth rate. For X-rays the charge is from 5s. 6d. to a maximum of £2. For full upper and lower dentures the charge is £15, and for a full upper or lower denture it is £9. It costs £14 to have a full upper and lower denture remodelled, and £8 to have a full upper or lower denture remodelled. For relining a full upper or lower denture it costs £3 3s., and for partial dentures from £4 for one or two teeth, up to £8 15s. for seven or more teeth; for repairs there is a basic fee of 15s., and for additional teeth 2s. a tooth. Other miscellaneous treatment, including Maxillo-facial appliances, is charged for at more or less a basic rate plus the cost of the gold.

Probably hon. members will not be able to keep these charges in mind. I wish they could, because I now propose to give an indication of the cost of dentistry by private practitioners. Their charges are similar to the means test applied at Government clinics in that they are flexible. For amalgam fillings the charge varies from £1 5s. to £2 2s.; for porcelain it varies from £1 10s. to £2 10s., and for gold fillings it varies from £4 4s. to £6 6s. The charge for a gold filling at the Dental Hospital is 15s. plus the cost of the gold. That has to be compared with a charge of from £4 4s. to £6 6s. by private practitioners.

In private practice the charge for extracting the first tooth ranges from 15s. to £1 7s. 6d. with additional teeth costing 10s. The charge for a local anaesthetic is £1 1s., and for a general anaesthetic it varies from £3 3s. to £5 5s. The charges made by private practitioners for a full upper or lower denture are anything between 14 guineas and 25 guineas. For a full upper and lower denture they

vary from 25 guineas to 50 guineas. They have their own means of assessing the charges. If you arrive in the dentist's waiting room looking as though you have 25 guineas you will be charged 25 guineas. If you look as though you have 50 guineas you will be charged 50 guineas, although you would get exactly the same treatment and the same set of teeth as if you paid 25 guineas. Other charges are—

Remodels—

Full upper or lower, 10 guineas to 20 guineas.

Full upper and full lower, 20 guineas to 40 guineas.

Relinings—

Full upper or full lower, 5 guineas to 6 guineas.

Partial dentures charges range from 6 guineas to 15 guineas. Repairs run from 2 guineas to 4 guineas.

Those are more or less basic charges. For certain trimming work, such as gum-trimming of dentures and tooth characterisation, people pay extra. If the dentist decides he can talk the patient into gum-trimming he will. Then he merely rings up the laboratory to which he sends his work and says, "Look, will you gum-tint that full upper and lower for Mrs. Brown?" That is done and he adds 10 guineas onto Mrs. Brown's account, although the extra cost to him is only about £2. So he gets 8 guineas for the cost of a 'phone call.

I proceed now to the prices paid to the dental profession by the Repatriation Commission. As hon. members may or may not know, when any ex-serviceman who is eligible—if hon. members are finished—

The CHAIRMAN: Order! I must ask hon. members to pay some respect to the hon. member who is delivering his speech.

Mr. MELLOY: I know that these comparisons are very odious to hon. members opposite and those they represent, but I desire to bring the matter to the notice of the Committee. I propose to outline the sums paid by the Repatriation Commission to private dentists to whom ex-service men requiring dental attention are referred. This scale was drawn up after consultation between the Repatriation Commission and the dental profession of the Commonwealth.

Mr. Windsor: Are you trying to tell us that dentists are "biting" people?

Mr. MELLOY: I am not trying to tell the hon. member anything. I am telling the Committee. On second thoughts, perhaps I am merely trying to tell the hon. member because it is not sinking in.

Mr. Bennett: Some of the sets are so bad they were probably made down at the engineering works of the hon. member for Ithaca.

Mr. MELLOY: Under this arrangement extractions are paid for at the rate of 15s.

for the first tooth and 5s. for each additional tooth. Multiple extractions are from 2 guineas minimum to 3 guineas maximum. Amalgam fillings are paid for at the rate of £1 5s. to £1 17s. 6d. and base metal or acrylic inlays 2 guineas to 3 guineas. Gold inlays, to be done with prior approval, are 5 guineas. For dentures the sums paid to the dental profession by the Repatriation Commission are also rather liberal. For a full upper or lower denture the payment is 15 guineas, and for full upper and lower dentures £28 7s. For partial dentures the basic payment is 6 guineas with 1 guinea extra for each tooth, and repairs are from £1 11s. 6d. to 2 guineas. The other charges made by the profession for these repatriation services are more or less in line with the charges made to the public.

I have outlined rather fully the services made available to the public of Queensland and to ex-service men by the Government and private practitioners. It is quite obvious that there is a big difference between the fees for services provided by clinics in Queensland and those charged by private practitioners. This means that a large section of the community is not able to have the attention necessary for good dental health. The income of the people in this section is too great to make them eligible for treatment at the Dental Hospital and not great enough for them to pay the charges of the private practitioners. I include in this group men on incomes between £900 and £1,300 a year. There are approximately 108,500 wage-earners in this section, and if we add their dependants the total is approximately 350,000. Their children are suffering because they are not getting the dental attention to which they are entitled, and this, in turn, places another burden on the medical services of Queensland.

Mr. Windsor: Your Government made those rules.

Mr. MELLOY: We are not the Government. I am putting it up to you.

The CHAIRMAN: Order! The hon. member must address the Chair.

Mr. MELLOY: I cannot over-emphasise the importance of dental treatment for these people. It is all very well for the hon. member for Ithaca to make wisecracks about such matters, but these people cannot afford to pay for the treatment. Only the other day my wife took my seven-year-old child to the dentist to have a loose tooth extracted, and the dentist charged her one guinea to extract a tooth that I could have taken out myself without any trouble.

Mr. Windsor: And given the child sixpence from the fairies.

Mr. MELLOY: Yes, and put 6d. in the child's pocket.

As a further indication of the importance of this dental treatment, I will give the House figures in relation to the school

dental service. In the 12 months ended June last, 24,770 children were examined by school dentists. Of those, 24,770, only 1,207 had naturally healthy teeth, and 4,947 had healthy teeth as a result of treatment, which means that about 18,000, or approximately 75 per cent., were in need of urgent dental treatment.

The Federal Government have failed to live up to their responsibilities to introduce a dental health scheme for the people of Australia. It is up to the State Government to step in to the breach. Through the dental clinics we already have the machinery to extend the dental services to people in the income range I have mentioned. They are entitled to it. It is the Government's responsibility to extend the dental facilities of clinics and hospitals so that such services are available to those who for various reasons are unable to obtain adequate dental treatment. We have the equipment and the dentists to provide the service. It may mean that some dentists in private practice would have to join the State's dental service, but that would be for the good of the people as a whole. I commend the proposal to the Government.

Another serious matter is water supply and sewerage in Brisbane. I know that the matter was discussed by the Government at some length when they first took office.

The CHAIRMAN: Order! There is far too much conversation in the Chamber. It is not respectful to the hon. member who is speaking and it is discourteous to the Chair to maintain continuous conversations, particularly amusing conversations. I ask hon. members to cease, otherwise they must retire from the Chamber.

Mr. MELLOY: I am not a bit disturbed at the attitude of Government members. It is what I expect of them because they are not interested in any matter raised by the Opposition, no matter how beneficial it might be to the people of Queensland. To them, to Government members, the people of Queensland as a whole are a secondary consideration.

The Government have already considered water supply and sewerage in Brisbane. My proposal is to set up a Water Supply and Sewerage Commission to take over these services in Brisbane. The Premier had a similar idea when he took office in 1957 but nothing was done. It is now the Government's responsibility because the situation is chaotic and there appears to be no prospects whatever of sewerage work proceeding at a satisfactory rate.

Mr. Coburn: Do you think the Government should do the same for every local authority?

Mr. MELLOY: Not at all.

Mr. Coburn: Why not? Why favour Brisbane?

Mr. MELLOY: It is a major undertaking in this city. If such a body was set up it could be responsible for raising its own

finances, which would not, as at present, depend upon what was left over from other departments in the Brisbane City Council. The council cannot provide the finance necessary to undertake the sewerage of this city.

In the southern States, particularly New South Wales, Victoria and Tasmania, separate bodies control the water supply and sewerage undertakings and it is interesting to note the percentages of homes sewerage in the various cities. I will give the percentages of homes in Brisbane sewerage as from the end of World War 2—

Year	Percentage of homes sewerage
1948	42.9
1949	42.9
1950	42.8
1951	42.9
1952	41.9
1953	41.6
1954	41.3
1955	36.2
1956	37.2
1957	36.9
1958	37.8
1959	36.8

The percentage of homes sewerage in Brisbane has decreased from 42 per cent. in 1948 to 36 per cent. in 1959.

Mr. Aikens: Townsville has a more deplorable record than that.

Mr. MELLOY: If the city of Brisbane can undertake its own sewerage, so can Townsville. The position in those States in which the undertakings are controlled by separate bodies is—

City	Percentage of homes sewerage
Sydney	69.5
Melbourne	83
Newcastle	66.2

Mr. Hiley: Are those figures for the city of Sydney?

Mr. MELLOY: Yes.

Mr. Hiley: Only 69 per cent. for the city of Sydney?

Mr. MELLOY: Sydney, 69.5 per cent.

Mr. Hiley: You want to check your figures as the city of Sydney is the inner harbour area.

Mr. MELLOY: I take it that it would be the area covered by that particular Board.

A Government Member: Where did you get that information?

Mr. MELLOY: The lowest percentage of sewerage applicable to a city where sewerage is controlled by a separate body is 66.2, in Newcastle, while in Brisbane, where it is controlled by the Brisbane City Council, the percentage is only 36.

Mr. Windsor: Get up, Mr. Bennett, and tell us why.

Mr. MELLOY: It is no good blaming the Australian Labour Party. That party has been in control of the Brisbane City Council for only three years in the last 20. The estimated cost of sewerage for Brisbane is £45,000,000 and the present average spending by the Brisbane City Council is £700,000 a year. What chance have we of sewerage this city under the present set-up? The Brisbane City Council is never able to allocate sufficient money to provide for any worthwhile sewerage works in Brisbane and the position is getting worse. Unless a separate body is set up by the Government, the city of Brisbane will never be completely seweraged.

I understand that over the last few years the Government have approached the Brisbane City Council with a proposal to solve the difficulty. They stated that if the proposal was accepted by the Brisbane City Council 85 per cent. of the city could be seweraged within the next 20 years. I understand negotiations have ceased and will not be resumed except at the instance of the Brisbane City Council. A condition of the proposal was that the Brisbane City Council should relinquish its electricity undertaking. I do not think that condition was fair, because to all intents and purposes the electricity undertaking is showing a profit, whereas the provision of water and sewerage will never show a profit.

I suggest that the Government set up a commission to deal with Brisbane's water supply and sewerage. I understand further that the Treasurer's proposal involved a subsidy by the Government of £1,200,000 a year to enable the council to carry out the work. I shall not deal with the matter at great length, because it is very clear. In my opinion, however, the setting up of a separate commission is the only way in which the problem can be solved.

A water and sewerage board operated prior to the first world war, but went out of existence when the Brisbane City Council took control of water and sewerage facilities. If a commission was set up and could raise funds in the same way as authorities in the South, we would have some chance of getting the city seweraged.

Mr. Hiley: Suppose it is set up. It would still be subject to Loan Council borrowing allocation. Where would it get its borrowing allocation to carry out the work?

Mr. Mann: You should be able to borrow the money if you set up some authority.

Mr. MELLOY: I think that matter was discussed earlier. Was there not some reference to the fact that in loan allocations consideration is given to the position in States where water and sewerage are controlled by separate bodies.

Mr. Bennett: The Lord Mayor said he would raise special sewerage loans. He must have consulted you before he said that.

Mr. Hiley: He cannot do it unless he gets a Loan Council allocation. Everyone knows that.

Mr. Walsh: There is nothing to stop you setting up a separate authority.

The CHAIRMAN: Order! Hon. members have been told through Mr. Speaker and the Press that Rule 114 will be applied. If hon. members speak to other hon. members and do not ask questions of the hon. member who is speaking, they are completely disregarding the Standing Orders. If that continues I shall draw the attention of the Chamber to the particular hon. members who are breaking that Standing Order and, if they do not cease, I shall ask them to retire from the Chamber.

Mr. WALSH: I rise to a point of order. In view of your statement and the fact that you have drawn attention to the article that appeared in "The Courier-Mail" which associated Mr. Speaker with Standing Order No. 114, I should like through you, Mr. Taylor, to ask the Treasurer—

The CHAIRMAN: Order! The hon. member has no right under Standing Order No. 114 to ask the Treasurer a question.

Mr. MELLOY: That statement by the Treasurer is at variance with his reply to my question on the sewerage of the Zillmere Housing Commission area. I asked him on that occasion would the money be made available under the loan allocation of the Brisbane City Council and he said that it would be in addition to the amount provided by the Loan Council. If that can be done on the sewerage scheme at Zillmere it can be done in other instances. The difficulty can be overcome once that method is established and some positive action taken on this undertaking in the city of Brisbane.

I commend this proposal to the serious consideration of the Government.

Mr. MULLER (Fassifern) (4.17 p.m.): This is the first occasion on which I have risen to address this Assembly since the recent election and since I resigned from Cabinet. I should like to announce that a week ago I addressed this letter to the Premier—

"Dear Mr. Nicklin,

"Following the recent General Election I was re-elected to Cabinet rank by the Country Party Members, but the Deputy Premier and yourself decided that I be removed from the Portfolio of Public Lands and Irrigation in which, for three years, I had done my utmost to serve the people of Queensland.

"I can only regard this as a reflection on my administration, which I consider to be entirely unjustified, and after mature consideration I feel I have no alternative other than to resign from the Party led by yourself and Mr. Morris. I hereby do so accordingly.

"I intend to take my stand in the House as an Independent Country Party Member, in which capacity I think I can best continue to serve Queensland."

I have a number of important matters to bring before the Chamber. I fancy there may be some present who are expecting my remarks to revolve round personalities and consist of attacks on individuals. They will be disappointed. I hope I am bigger than that. The newspapers some few weeks ago mentioned there was likely to be a blast. Well, there is no likelihood of a blast. I have come here to tell hon. members calmly and sincerely what has happened and why I have made this decision. I wish to assure them it has not been an easy decision to make, and consequently it has taken three months to lodge my resignation. Hon. members will agree with me that bigness and vision are essential qualities in approaching matters of State, and I do not intend to depart from that high plane. Disappointed ambitions of Alf. Muller are of little concern to Queensland, and correct principles of public policy and administration are of the utmost importance. We must keep Queensland forging ahead irrespective of party. I think, as I shall show you, that I have been unfairly and cowardly assailed, and quite wrongly transferred from the Lands, Irrigation and Forestry portfolio in which I say I endeavoured to do so much for my party and for Queensland.

In dealing with these events I shall of necessity have to refer to the actions of shabby and misguided individuals. Bad personal references are of value only to the extent that they may prevent these things being done again to the detriment of Queensland. I shall not hesitate to hit hard where I think it is deserved. That is what I have always done, but I do not intend to lower the tone of this Chamber by indulging in anything paltry, petty, or mean. In a fight I like to fight clearly and not hit below the belt. As hon. members will soon know, this fight in which I am engaged is a sincere effort to bring about better administration. It is a fight to help the Country Party take bearings afresh and to bring the party back to its time-honoured principles from which it has departed because of the domination of other narrowing influences.

When I was in Cabinet I fought these narrowing influences with some degree of success, but eventually they brought about events that were obnoxious to me and led finally to my resignation. Now that I have resigned from the official Country Party and have become an Independent member, supporting all the old Country Party principles, I am free to criticise any Government tendency or action that I consider detrimental to the true interests of the State. In all such criticism I shall be guided by principles and by principles alone.

I have long been identified with the official Country Party and it is a wrench to leave it.

I was one of its early members and deputy leaders for some years. For the past 25 years I have helped to carry its banner in this Chamber.

I have been a farmer all my life and I have been active in a number of primary producers' organisations. I am thus in a position to speak for the primary producers of this State and as an Independent Country Party member I intend to represent their interests, be their spokesman, and advocate the introduction into administration of the principles for which the old Country Party always stands.

Now I want to make it very clear here that I am not attacking my mates. When I talk of mates—there is a good deal in mateship with me. It is one of the features of country people and, as you know, I come from the country. When I speak of my mates I mean the back-bench members of the Country Party, who stood by me loyally and who agree with me that I have got a pretty raw deal.

In order that you might get a true conception of what has happened and in order that you and the people of Queensland might judge my actions, I think you have to get the background of the case, in relating my experience with the Country Party, after 25 years in this House—22 years in the Opposition and three year as Minister. Following the 1957 elections, my colleagues elected me to Cabinet rank. I was then appointed to the portfolio of Public Lands, Irrigation and Forestry.

I should like to point out here that, in order to do that difficult and important job, I gave away everything I had in the line of other occupations. At that time I held office in every dairy industry marketing organisation in the State. I was chairman of directors of the Queensland Farmers' Co-operative Association with a group of four factories, I was chairman of the Queensland Butter Marketing Board, I was chairman of the Co-operative Dairy Companies Association, and I was a member of the Commonwealth Dairy Produce Equalisation Committee. I was a member of the Australian Dairy Produce Board for 17 years. I was also on the directorate of the Producers' Distributing Society—the biggest organisation of its kind in the Southern Hemisphere, with a turnover of approximately £30,000,000 annually. There were 24 directors and an executive of seven. I was one of those seven. However, I gave all those away to do this job only to find myself dumped at the end of three years.

I took over the Department of Public Lands following a time of serious difficulties. I found it was torn with bitterness among the staff. I immediately won the confidence of the men and women working around that department and it was only a matter of weeks before we had the work on the highroad to recovery. As you know, my administration at that time required much careful consideration and fair and honest judgment. There was a multitude of leases, all of various types—as you know, there

were about 27 of them at that time—and various types of people as well. I might say that I found the vast majority of those people very reasonable, leaving a number very unfair and very unreasonable, who would go to any extreme in an effort to get more than they were entitled to.

Here is an example of the remarks that were made:—"I am a member of the Country Party. I have been for years. I expect decent treatment." As a matter of fact, Mr. Taylor, many of them I had never seen in my life. And when I made some of the decisions I had to make, I was told they were socialistic; they were all right for a Labour Government but they were no good for a Country Party Government. As a matter of fact, politics did not enter into the issue at all. I made my decisions with the thought of being fair and just to everybody. I did not mind a number of lessees making an endeavour to get all they possibly could but I felt that as Minister I had a job to do. Very soon after I took office, I found that I had the Country Party Executive on my back, and they were doing more to aid and abet the cause of these fellows than anything one might like to mention. You talk about the Q.C.E.! When they did not get all they wanted, they would go to the Executive, and on more than one occasion I was brought before the Premier to show cause why I made some of the decisions I did make. In several cases I was charged with sabotage. "Sabotage" is a big word, and the only sabotage I committed was to see that the Crown got a fair deal.

I should like to mention here, too, that when the Government took office in July 1957. Mr. W. L. Payne, now Sir William Payne, was in Malaya writing their land code. I knew something of his conception of land administration, and on his return I rang and asked him if I might interview him regarding assistance to me in the department. He very kindly offered to assist me as far as he was able.

The next thing really of note was the Country Party Conference in Toowoomba in the early part of 1957. You will remember, Mr. Taylor, that one of the early motions on that agenda was a vote of no-confidence in the Lands Department. I flatly refused to accept that motion as a vote of no-confidence in the department. I felt that, as Minister, if there was anything wrong with the department, the vote of no-confidence should be directed at me, and I insisted that it was. After the matter was properly debated, I had a large majority of those present with me.

I thought that would end the matter, but these complaints went on and on. From time to time meetings were held all over the place, and "Queensland Country Life" came into the matter. Every hon. member in this Chamber knows the part it played at that time. I am not saying it was biased, nevertheless it put up the case in a way that it engendered a feeling of hatred of my

administration. We had a continual barrage, as you know, Mr. Taylor. Much of it, of course, was false. However, the policy of the Government, and particularly my policy as Minister, was closer settlement, and I was determined to carry out that policy to the letter.

I want to say that I was never mean, or guilty of giving anyone a starvation block. All the people getting new leases got justice, I would say, and a good deal more than justice, and I never objected to anyone having a fair area over a living area provided he made use of it and improved it. But many people really wanted only the lease. You know, Mr. Taylor, that if a lease is granted for 28 years, as it was at that time, they can do what they like with it. They can sell it. It can be sold and re-sold and sold again. That was going on. I did not mind them selling, but in a great many cases it was not a question of getting what they described as a living area but getting a big area so that they would have some goodwill value to sell. In the three years that I was in office, the sale value of these leases that were sold was approximately £13,000,000 a year.

The whole question of this land-hogging, as you will realise, Mr. Taylor, was definitely obnoxious to me. I found I had thousands of young men on my hands, with the money and the know-how, desiring to go onto the land and many of these people wanting to hold two, three, four, and in some cases half a dozen, living areas. If you had been in my office, Mr. Taylor, you would have taken the stand with me.

I want to give the Committee some illustrations. When we opened Wyenbah we had 1,940 applications for one block. In other cases we had 1,500 and 1,000, and 700 and 800 were common, and we cut up land only where it was suitable and in districts that were suitable. I wish to mention here that every one of the 4,500,000 acres mentioned in the Governor's Opening Speech is due to my close supervision in order that lands might be opened up. I am a very keen advocate of closer settlement, and I want the Committee to look for a moment at what has happened to our towns—Dalby, Chinchilla, Oakey, Monto, Biloela, Murgon, and Kingaroy. Everything we have we owe to closer settlement. How can Queensland survive, let alone prosper, without a policy of closer settlement?

I should like, Mr. Taylor, to give you some of the ideas that were bowled up to me and some of the things I was obliged to resist. When I took over the portfolio I found that there was a continuous demand for additional areas. What is an "additional" area? In plain language it is a gift from the Crown estate. In the old days when it was introduced the idea was to build up leases that were badly designed or too small, but it had grown into something in the nature of a racket. I found that there were people who had been given two and sometimes three

additional areas. In some instances their holdings had grown from a horse paddock to a sheep station.

Dr. Noble: Who gave them those additional areas?

Mr. MULLER: They asked me for them and I turned them down. It was not a question of giving them or who was likely to give them. I was the Minister at the time and I accepted it as my responsibility and stopped it. I suspended it. At a later stage I asked Sir William Payne to inquire into this matter and if he thought I was wrong I was prepared to reconsider. The Committee will remember what he said in his report. He said that except in remote places there was no justification for it and that if people wanted additional areas they could do the same as anyone else—go and buy it.

I am merely mentioning these things to show what I had to stand up to. We had the 1952 Act. Hon. members know what that meant—the surrendering of land in the last term of the lease. The period at that time was seven years. The consideration would be that the holder of the lease would get a living area plus a living area as compensation for his surrender. Many of these surrenders were made, but immediately demands were made on me to cancel all contracts that had been made and to let them have the whole lease. I was not prepared to do that.

Problems arose with rentals. Hon. members know the howl there was about high rentals. My reply was that I was not going to accept the responsibility, nor would I expect my officers to accept the responsibility, for fixing rents. I sent them to the Land Court and that got over a good deal of the difficulty.

There was the incident of the Country Party Executive rolling down to Parliament House one day and putting to me the principle of the right to subdivide and sell. If one examines that proposal one realises that it means only one thing: in plain language it is thievery of the Crown estate, and nothing short of it.

Opposition Members: Hear, hear!

Mr. MULLER: If a person has a lease of 20,000, 30,000, 40,000, 50,000 or 100,000 acres that contains more than one living area, why should he have the right to sell it and not give the money to the Crown? I did not agree to it. We had another proposal put up along the lines that the hon. member for Condamine spoke about the other day. I am not criticising the hon. member. He did just what I did when this matter was first put to me. I refer to the right to transfer to members of the family. That is all right, as the hon. member said in his speech, but it must not be forgotten that there is a trick in it when you examine it. This idea had been rejected for years, and I rejected it when I examined it. Let me tell the Committee what it could mean.

If Bill Brown had a lease of more than a living area, and he had no family, he could sell it to Tom Smith who had a family. Tom Smith could subdivide and transfer to members of his family, but the proceeds of that sale would be such that the first seller would get a very handsome rake-off at the expense of the Crown. Whenever anyone told me he had too much land I was quite happy to subdivide it, but not to give him the proceeds of the sale.

All these matters raised big questions and they had to be handled with a good deal of care. I was subject to a good deal of pressure from all directions. I was told, "If you don't do as we want you will lose this seat." I said, "I am sorry if we lose the seat but the seat does not enter into the argument at all." I was told, "We have not a lot of votes but we have a lot of money." After being attacked by the U.G.A., that organisation saw how fair I was in my decisions and they came right my way. Before he got out, Mr. Gunn came over and told me so. Just prior to leaving office I received a beautiful letter from the present president, Mr. Bell, also expressing his satisfaction.

This system, I say, never ceased, and one morning one of my board members, Mr. Fred Mathews, called in to the office and said, "Mr. Muller, I have an idea." I said, "Yes, what is it?" He said, "What about asking Mr. Payne to make an investigation and report on land settlement in Queensland? People have tremendous confidence in him." I said, "This is an excellent idea." I called on Mr. Payne and I said, "Will you do the job?" He said, "I will do it."

I then went to the Premier and he said it was an excellent idea. We got Mr. Payne—now Sir William Payne—on the job and he commenced in the latter part of 1958. In 1959 he submitted his report. That report, as hon. members know, was hailed with good grace throughout Australia and is accepted as perhaps the most valuable document on land settlement ever printed.

Now let me go a little further. This report of Sir William's was very popular with the people. No doubt it was a wonderful document. I announced at the time that I was prepared to accept it. Some time later we had another Country Party Conference—this time at Bundaberg—and in their report the executive tried to take from me the credit for launching the Payne investigation. They had no more to do with it, Mr. Taylor, than you did. Nevertheless the announcement was made. I had to get up and defend what had been done. The chairman of that conference was the hon. member for Somerset, Mr. Richter. We had so many motions on the agenda that he said—and I think he will bear me out in what I say—"It will be impossible to get through all these at a conference such as this." He sent me off with the delegates interested in the land resolutions and about 60 of us met in another room for two days for about

6½ hours. After we had finished our deliberations, Mr. Rod Cameron, who was one of those present, was so pleased with my explanation of what had been done that he got up in open conference and moved a vote of thanks and confidence in my administration.

We had the last conference of the Country Party only a few months ago, just before the election, and the first motion on the agenda sheet was that one of the Central Queensland branches congratulate the Government on its statesmanlike land policy. Can you wonder, Mr. Taylor, at my being vain enough or silly enough—if you like to put it that way—to think that if one member would be returned to office it would be me?

I should like now to give the Committee a brief resume of our legislation. Hon. members, of course, know most of it. First of all, in the three years we have had big land Bills and a few small ones. We had one Bill with 32 amendments based on the Payne Report. We also had many regulations. We then had raised the question of *Harrisia cactus* in the Collinsville district. When I took office there was an expenditure of £100,000 on destroying *Harrisia cactus* in the Collinsville district and no impression was being made. As hon. members know, it is a bad form of prickly pear. I said to the chairman at the time, "This thing will break the Bank of England. What are you doing?" He said, "We are poisoning it but for every acre we destroy, three acres grow." I said, "I will have a look at it." After doing so and meeting many graziers I found that the main cause of the trouble was that many people had more land than they could make use of.

Mr. Aikens: That is true.

Mr. MULLER: We have a lot of beautiful brigalow scrub in Queensland and much of it was "lousy" with this pear. I noticed that it grew in shelter, in cattle camps and under the scrub. I called the graziers together and told them what I had in mind, that we would appoint a committee with a member of the Commission as chairman, and a representative of the biological department, and that we would give them representation on the committee. Today I take credit for the whole of that work, which has resulted in 130,000 acres of that scrub pulled and most of it grassed. Furthermore, we got the area into such a state that they could handle it. I am not saying that the blocks are too small. But we gave them security of tenure, and for their part they had to clear the weed progressively. That is just one of many things I did.

Then I come to Crown land development. The hon. member for Cooroora had an idea for doing something with useless coastal land which, as you know, Mr. Taylor, is composed of mangrove swamps, jungle and mosquito-breeding beds. With officers of the department I had to frame legislation to open up that land. The result was that

we opened the land without any cost either to the Crown or to the local authorities. We charged a rental—up to £1 an acre—for the land, which previously was earning nothing. When the land was opened up with roads, bridges, and subdivisions it was handed to the Local Authority, and the lands were sold. The Crown benefited to the extent of from 10 to 30 per cent. of the gross proceeds of the sales.

Mr. Graham: What did T. M. Burke get out of it—£1,500,000?

Mr. MULLER: I do not know. Whatever he gets out of it he will have to earn. As a result of this legislation £20,000,000 worth of work was rolling on between Cairns and Coolangatta. It is not a matter of what Burke got out of it but what the people of Queensland got out of it in the way of employment that was created and benefit to the State's economy. It is estimated that the return to the Crown will exceed £5,000,000. The legislation was so popular that New South Wales has since copied it. We gave people the right to freehold land, the first for 27 years, on easy terms—rural land, suburban land and seaside blocks.

I now come to the Department of Irrigation and Water Supply. It got a complete face-lift. I have not the time to deal in detail with the many directions in which improvement was effected, but in order to give hon. members some idea of what actually happened I point out that the sales of tobacco in the Mareeba-Dimbulah area this year amounted to approximately £4,000,000. The Government spent about £12,000,000, some of it, I admit, before the present Government took office, but on taking over this portfolio it became my responsibility to make a job of it, and if ever Queensland got a shot in the arm it was in this direction, where the benefits have been tremendous.

The Treasurer referred in his Budget speech to farm-water assistance. That Act was entirely the result of my efforts. The Commissioner told me of some of the things done in the southern States. I always had an idea we could do something on the farms and help farmers in this way. We toured the southern States. In March, 1958, I brought down the Farm Water Supplies Assistance Act. Up to the time I left office over 1,000 of those farm schemes were operating in Queensland—again, at little or no cost to the Crown—and the sum of money referred to by the Treasurer, £150,000, is not a gift to anyone; it is money lent, and the people repay it over a period. I did my utmost in all parts of the State to assist those growing tobacco, cotton and fruit, and those engaged in grazing and dairying, and I cannot visit any part of Queensland without receiving praise for my farm-settlement legislation.

I come now to the Forestry Department, which had been neglected for years. I put

through two Bills, one a very big one containing 102 clauses. No previous Minister would ever bother about it. If hon. members want verification of that statement, they can ask Mr. Grenning, Mr. Trist or Mr. Wilkes, just as hon. members can go to the Department of Public Lands and the Department of Irrigation and Water Supply, where they will find very high commendation for my work.

Mr. Walsh: No doubt they would commend other Ministers, too.

Mr. MULLER: Yes, but I am talking about what I did. The hon. member is quite capable of telling us what he did, but I am dealing only with what I did.

I appointed the Timber Inquiry Committee. As hon. members know supplies of timber were getting seriously low. Supplies of logs were gradually diminishing, and we had to investigate this very difficult and touchy question. I appointed that committee with Mr. McLean as chairman, Mr. Watson to represent the timber industry, and Mr. Peel and Mr. Heffernan. All these things had to be implemented. I do not take credit for doing all that; I had wonderful men round me in my office. Can hon. members wonder at my feelings when I was ordered out of the place? I refer particularly to the work of Sir William Payne in implementing this legislation. I refer also to Mr. Mathews, Chairman of the Land Administration Board, and Mr. Seymour, the Parliamentary Draftsman. God only knows how they worked night and day with me to do all this manner of work. We had to make adjustments of rent on the Downs and North Queensland—in fact, all over the place—that had been side-stepped for years, and we had the problems of rabbit and dingo control, noxious weeds, and everything else. I had one long fight to protect the Crown estate and my reward was the sack. It was a strong move, and there must be some justification for it. I am throwing this thing on the table of the Chamber to let hon. members and the people of Queensland judge. If I have got what I deserve, I am prepared to let hon. members and the people of Queensland judge. I assure hon. members that on the record of the whole of my life I would never have anticipated that I would have to go through what I have suffered during the past few months.

We had the election on 28 May, and a fortnight before the elections took place a report appeared in the "Telegraph" giving the names of people who, some years before, had evaded income tax as a result of carelessness. I saw this report in the paper and I saw my name mentioned. I had some doubt that it might be a reference to a namesake. All I knew about my experience was that it was up to 12 years old. It was never serious, and it was cleared up in 1955. At the time when it blew up my attention was drawn to the fact that I was not showing in my return what I was receiving to meet

my expenses on these boards that I referred to a moment ago. My duties in these things were tremendous and I felt that what I had done was quite justified. I can still see no harm in it. When my attention was drawn to it I said, "I have been doing that for years." I said, "It would be most difficult for me to take a secretary around with me to show every item of expenditure." The Commissioner and the officers of the department were very fair. They said, "We don't want you to do that, but you must show what you get and make a claim for deductions. We see nothing wrong with that." I said, "In that case we had better have a good look at it. I had another case that we had better look at." I had bought a property in my daughters' names, and I was working it for my three daughters and was banking the proceeds in my name before passing them on to them. I asked them to check that. We had a complete check, and the man who checked was very decent. There was not one unpleasant word said. It was all carried out in a good, friendly spirit. When the inquiry was completed I was assessed, and I paid the amount. I did not consult a solicitor or a tax expert. I just paid what I was assessed. I was told there was nothing to worry about and I would get plenty of time if I needed it. I said I had no need for time, as my bank was good to me. In my opinion what I did was perfectly honest, and I felt—and I still feel—that it was quite legitimate.

No-one in this Chamber—and no-one outside—can point to a single instance in my whole life where I have cheated anyone of 6d., knowing I was doing it. If anyone can point to an instance, I would like him to do so. The matter was settled by mutual agreement and it was forgotten years ago. I just cannot believe that it was the cause of my dismissal.

At the last elections I was returned by a majority of two and a-half to one, the biggest majority I have ever received. However, nine days after the elections, on the evening before the day that the party was to meet to elect the new Cabinet—on 6 June—the Premier called me to his office and told me that the executive of the Country Party had called and demanded that unless I could produce a letter to show that I was not the person mentioned in that report, they were objecting to my continuing in my portfolio. My reply was that they could jump in the lake. However, the Premier told me something that I already knew—that the matter was being canvassed by certain back-benchers of the party who were candidates for selection to Cabinet. I was not at all surprised by that. I told him what I already knew. I said I was quite prepared to leave it to the judgment of party members. We met the next morning, Tuesday, the 7th. I, with three others, was elected on the first count in the presence of the Premier; in fact, he was in the chair. From memory I think

there were eight ballots before the full number were appointed. I then went back to my office thinking that was the end of the dirty business, but the Premier called me back to attend a meeting of Cabinet late that afternoon, when the matter was again re-opened. As we are sworn to secrecy, I will not relate what happened. Suffice it to say that I knew I was fighting a hopeless battle. The contract had been made and Alf. Muller found himself out on his pink ear. That was on the morning of 8 June.

All this, I say, has been done to satisfy the wish of people who were trying to get me for a long time, and you know that to be a fact.

Finally, let me say that I have done nothing of which I am ashamed. If there were any mistakes they were quite unknown to me. The taxation investigating officer paid me the compliment that, in all his experience, no-one ever had been more helpful. However, I now find myself, after 25 years in Parliament—15 years of hard work on the front bench; 12 in Opposition and three as a Minister—relegated to the back benches where I can no longer embarrass people who were trying hard to extract from the Crown estate much that they were not entitled to.

I have the great satisfaction of knowing that Fassifern electors, men and women, are backing me right to the hilt.

Opposition Members: Hear, hear!

Mr. MULLER: And if the Government doubt that statement I am willing to have a showdown. If it is their wish I will resign the seat and re-contest it against anyone they care to nominate.

Opposition Members: Hear, hear!

Mr. MULLER: I can assure them it will take more than blackmail to win the next fight.

To my constituents and to the people of Queensland in general, let me say that I can be of greater service as an Independent than by sticking to a party led by Mr. Nicklin and Mr. Morris. I do want to say that the whole thing, of course, has weakened my confidence in Mr. Nicklin; as far as Mr. Morris is concerned, I never had any.

I know that you are not interested in personal matters, but I want to tell you of certain things that happened. There are some who say that you should stick by the party and voice your opinion in the party. Some of these things have been done without even consulting the party.

I noticed in the Budget several matters with which I entirely disagree. When I saw the Budget I was horrified to see the decision that had been made to reduce the Vote for the Irrigation Department by approximately £500,000. In other words, as the hon. member for Carnarvon said a short time ago, the throat of the Irrigation Department has

virtually been cut. While I was in charge of that department I lay down a scheme for building a series of small dams. We started one at Moogerah. It will be completed by Christmas this year at a cost of £1,300,000. The Borumba dam was started. By agreement with the Warwick city, plans and estimates were prepared for the Warwick dam and were ready for consideration of the Cabinet at its first meeting. I asked that at least £200,000 be placed on the Estimates in order to start that work after Christmas. What has been the result? The proposal has been "wiped." Nothing will be done there for another year at any rate. We had to go to quite some trouble to get that staff together. You do not pick up qualified men every day for this kind of work. Twenty staff men had been dismissed. We had hoped to finish the work at Moogerah by Christmas. We have a very valuable plant, which we trucked down from Dimbulah to Tinaroo. It will be idle. It will require a caretaker, but it will still deteriorate. The intention was to travel it over the range. But the worst feature of it all is that 300 to 350 men now engaged in water conservation will be diverted to some other means of employment. They cannot be turned out into the bush; they have to live. We have heard cries that there is no money, but I see the Minister for Education skiting up and down the length and breadth of Queensland that he has £3,300,000 more; the Department of Health and Home Affairs has £2,000,000, and the Department of Public Works has an extra £1,000,000. I know all these things are necessary.

I want to point this out—and I hate to say it, but it has to be said: in the last year of Labour administration, 1957, there was an expenditure of £164,711,270. In the current year, in the Budget now under consideration the expenditure provided for is £218,950,471, or £54,240,000 more than under a Labour Government. Nothing for the Irrigation Department! If you are silly enough to believe that, Mr. Taylor, I am not, and I am sure you are not. I have taken the following figures from past Budgets and statements that have been made, and this is what they show—

IRRIGATION DEPARTMENT EXPENDITURE

Year	Revenue	Trust and Special Funds	Loan Funds	Total
1957 ..	£ 682,706	£ 22,000	£ 2,404,000	£ 3,108,706
1961 ..	429,409	21,500	1,691,000	2,141,909

When we have regard to money values today, that would be at least £4,000,000. Now can you wonder that I am unhappy, Mr. Taylor? I am not surprised at the Liberal Party, but I am surprised at the Country Party. All I can say is that they are not worthy of the name if they treat water conservation as lightly as that.

What the hon. member for Carnarvon said is true. In the U.S.A. the Federal Government find the money and the States repay them, but that is not the practice in Australia. Victoria has spent £104,000,000 on water conservation. The result is that, as we saw reported in this morning's paper, we are importing butter from Victoria.

I know that education is very necessary, and I know health is also very necessary, but we will have highly-educated starving people if we are not careful. The Irrigation Vote has been cut to the extent of £500,000. It would not make very much difference if the Government took all of it. Spread over the whole, there is a drought raging in Queensland today, and an application has been made to the Commonwealth Government to find money. I believe they will advance the money. Do not forget that it will only be a loan, and unless more food is produced the cost will be so high that the farmers will not be able to afford to borrow the money to pay for the food. The whole thing is economically unsound.

The same thing applies in New South Wales. We should have had these small dams; it is a great pity that they have been scrapped. Here, all we required to carry out the programme laid down was about £2,500,000 a year, which is a very small item out of the £218,000,000. I will not accept the responsibility for this stupidity. These small dams are very useful and very helpful, and I can only describe this decision as just plain stupid.

Then we come to the question of land tax and land values, and this is a sore point. To illustrate my point, I quote the following figures showing land tax receipts:—

Year	Amount £
1953-1954	1,079,624
1954-1955	1,205,531
1955-1956	1,320,000
1957-1958	1,412,396
1959-1960	1,572,328
1960-1961	1,650,000

I, together with others, complained very bitterly about those figures when I was a member of the Opposition. Despite the Treasurer's claim that he is going to reduce land tax, here we see a continual increase, and when these new values that have just been determined become effective, land tax receipts will probably exceed £3,000,000.

Only for the firm stand taken by the hon. member for South Coast, Mr. Gaven, and the Gatton Land Values Committee, the position could have been very much worse. They asked and insisted that the hearing of appeals should be transferred from the Magistrates Court to the Land Court, and the Land Court heard these cases. I had to put up a mighty fight to bring that about, and I even had to have it mentioned in the

Payne Report to bring it out into the open. If that had not been done, there would have been no relief.

Sir William Payne had a look at the Balonne case and reduced the valuations by 30 per cent.; Mr. Smith had a look at the Springsure case and reduced the valuations by 30 per cent.; Mr. Wright had a look at the valuations in the Gatton district and reduced them by 30 to 40 per cent. Those high valuations are continuing and I can assure you, Mr. Taylor, that country people just cannot carry the burden.

Look at what happened at Southport a few days ago. The revaluations of the Gold Coast City Council became effective from 1 July, 1960. The valuations total approximately £28,000,000; Brisbane City Council valuations total £68,000,000. Here is a valuation of £28,000,000 for the South Coast whereas the city of Toowoomba valuations total £8,488,000, Rockhampton £6,641,000, Ipswich £6,000,000-odd, Maryborough £2,000,000, Cairns £4,000,000-odd; in other words, a total of not quite £28,000,000 for these cities as against £28,000,000 for the Gold Coast alone. Can you wonder at the stand taken by the hon. member for South Coast? Country people cannot afford to pay these charges. Nothing was done about it. The only answer we got from the Minister in charge of the department was, "They were mighty lucky they were not higher." Can you wonder that people outside think they "got it in the neck"? Let me refer to some of the recent valuations on the South Coast. A dairy farm of 172 acres owned by Mrs. Rudd was previously valued at £1,048; the latest valuation is £15,580. A property owned by Mr. J. L. Brown was revalued from £4,550 to £34,125, an increase of 650 per cent. And the Minister in charge says that they are mighty lucky they are not higher!

These things have upset me tremendously. I know that people will say there is no place for an Independent in Parliament. There are many matters I should like to mention. I think it was the hon. member for Townsville North who made reference a few weeks ago to the destruction of the Tully scrub lands. There are 90,000 acres of beautiful scrub land, virgin scrub growing valuable veneer and plywood timbers. When I was in Longreach in early May the United Graziers' Association put up to me a proposal to open up that land for settlement. They did not insist on it but said they would like the matter examined. I assured them that I would examine it. When I came back to the office I could not get one report favouring the scheme. The Forestry Department were horrified at the idea. We had several photographs showing what had happened where some of that country had been cleared. This area contains thick rain forest growing valuable timbers. In accordance with my usual practice I had a look at the land. The yearly rainfall is 180 inches.

Anyone with any knowledge of cattle should know that stock will never do any good in an area with a rainfall of 180 inches. I found that the cattle on the area that had been cleared were suffering from buffalo fly attacks from the nose to the shoulders. They were walking skeletons even in May last, when they had plenty of food. The country was infested with buffalo fly, tick and worm. On the country that had been opened up you could find nothing but bracken, blade grass and lantana.

Anyone who suggests that that land is suitable for cutting up for closer settlement and grazing purposes does not know what he is talking about. Of those 90,000 acres, half is so steep it would suffer badly from erosion if cleared. Furthermore, I regard that land as God's own gift. One could not find its equal anywhere else in Australia. It grows these beautiful timbers but you never finish logging it because as the trees are cut there are small seedlings growing up. More timber is coming on all the time. When I got back to Brisbane I found that two blocks had been thrown open. I immediately withdrew them. They have been since opened up together with six more, I understand. When I returned to Brisbane a Press reporter said to me, "What do you think of it?" I said, "The Minister that puts his signature to a document opening up that land should be gaoled." He said, "Would you go so far as that?" I said, "Yes, for being a traitor to the generations to come." I was not prepared to give a statement to the Press as strong as that, but I said that it would be a criminal action. Many people have been sent there to inspect something that they know nothing about. It can be seen that they have to borrow money to destroy not only valuable timber but valuable potential timber that does not exist in any other part of Australia.

I have not got in any propaganda for myself but I want to mention one or two points for hon. members. The first is the statement in the Press a few weeks ago by Sir William Payne on the eve of his retirement. He said—

"A well-deserved tribute is due to A. G. Muller, M.L.A., who was Minister for Public Lands, Irrigation and Forestry from July 1957 to June 1960 and to whom I acted as consultant and adviser on land administration for some 18 months. Having had the privilege of working with him, I can say that no Minister for Lands in the land history of Queensland more energetically and devotedly served his office, and no Minister accomplished more in such a period of time. With his help we evolved and gave to the people and to the State a grazing land policy generally accepted throughout the industry."

Sir William must have known that that statement would not help him and how unwelcome it would be to those working against me but, in keeping with his well-known frankness and

independence, he did not hesitate to say what he thought. Now Sir William has reached retiring age and, even though he has, I say his services are indispensable to the people of Queensland. It was my intention to retain him as a consultant and to act as an adviser to the new members of the Land Court. I am certain that if that had been done it would have saved appointing at least one or two new members to that Court. It might be said that it is a principle that he must retire at that age but I think he is an exception and that a simple Bill might have been introduced to retain his services for another year or two.

Mr. Walsh: The Treasurer should have taken him on.

Mr. MULLER: He would have been of tremendous help and guidance to the people controlling the land laws of the State.

Mr. Sparkes, the former member for Aubigny, had this to say the other day in "Country Life"—

"Sir William's knowledge and experience is such that Queensland cannot afford to lose it. Pressure should be brought to bear on the Government to retain him."

During my three years I can claim to have accomplished much as Minister for Public Lands and Irrigation and to have allayed the discontent that previously existed. With the help of Sir William Payne and the other members of the department I claim I placed the Lands Department on a footing such as had not been seen for many years. It was staggering and unbelievable for me to find that the Premier, Mr. Nicklin, should be so lacking in a sense of appreciation for what was done. I gave the best years of my life to him and I just cannot believe that this is his decision. Of course, the thing has happened and I suppose it cannot be undone, but I can assure hon. members that I am labouring today under a very deep sense of emotion, feeling that I have been treated most unfairly. I hold nothing personal against members of the Government. Those on the back benches have stood by me to a man and I believe that if another ballot took place for appointment of Cabinet Ministers I would be one of those elected.

Opposition Members: Hear, hear!

Mr. MULLER: To think that I should be on the receiving end of such shabby treatment and then say, "Yes, I will support a Government who are not realistic!"

When I attained Cabinet rank I said again and again, "These things cannot be done", and it rather breaks my heart to think that people who should be supporting me are out to help these people. I do not know; Mr. Nicklin might have been influenced by that little incident regarding my taxation. From inquiries I have made I find that there are thousands of cases in the same category.

Mr. Burrows: It could happen to anyone.

Mr. MULLER: I was told at the time, "This is a careless way of doing your return. You should not be doing it yourself. It is a matter for an expert." My interests were fairly big and varied and I assure hon. members that I now realise it is a job for an expert. The officer who went through it with me was full of appreciation for the help I gave him. The worst that could be said of it was that it was carelessness. I suppose that if I had not been a Minister of the Crown, no-one would have said a word about it. A mistake has been made, but surely my record should be taken into consideration. Throughout the whole of my lifetime, inside and outside Parliament, I have been trusted by the people—by members of the dairying industry and by people in my own district—and I have held the most responsible positions the State had to offer. I served for a number of years as chairman of a shire, so that hon. members can realise that my experience has been wide and varied.

Mr. Duggan: I should like to tell you that we knew the information before the election and did not use it against you.

Mr. MULLER: I know you did.

The CHAIRMAN: Order!

Mr. MULLER: Over the years, both before and after I was an administrator of the Crown, I have gathered a lot of useful information. Do you feel, Mr. Taylor—if you do not, I do—that it is nothing short of a crying shame, having that information, that I am not able to use it. I have never used it in any way for the purpose of being unjust or unfair to anyone, and now I am sent along to the scrap heap after all my efforts. When I say that in my opinion the treatment is unjust and unfair, I do not think I am exaggerating.

There are other matters I should like to speak about, but let me say that this taxation business is something that could happen to any hon. member. The hon. member for Port Curtis agreed. I understand that he is an accountant and has handled several such cases. There was never any suggestion of vice or of ill feeling, but strangely enough the only people who are blaming me now are members of my own Cabinet whom I can say I worked like hell to help and that is a pretty tall expression. Does anyone wonder at my being not only disappointed but absolutely disgusted at what has happened to me? And I believe the people of Queensland agree with me.

Mr. EWAN (Roma) 5.13 p.m.: It is with mixed feeling that I rise to make my contribution.

Mr. Hanlon: We can see that by looking at the Government front benches.

Mr. EWAN: The hon. member for Fassifern has given us a very full account from his viewpoint of this unfortunate incident.

Mr. Bennett: Have you been directed by the Country Party to say this?

The CHAIRMAN: Order! Hon. members gave the hon. member for Fassifern a reasonably fair hearing. I trust they will give the same reasonably fair hearing to the hon. member for Roma. I am anxious to hear what he has to say, and I do not want his voice drowned by interjections.

Mr. EWAN: Having regard to the charges that have been levelled at some hon. members of the Cabinet, I feel sure that they will exercise their privilege and reply. As an independent-minded and fair-minded person I shall reserve my judgment until they do so, and I think every fair-minded hon. member should do likewise.

Mr. Walsh: Do you support the hon. member for Fassifern?

Mr. EWAN: It is not my intention to criticise the hon. member for Fassifern or any Government member in this matter. I realise that Opposition members, for their own small, petty, political ends, are seizing avidly on every word of the discussion. They have no regard for the hon. member for Fassifern. We know that they are prepared to use him for their own petty political ends. I regret that the hon. member for Fassifern has seen fit to resign from the Country Party after 25 years of loyal service, supporting the decisions of the party. It must have been a tremendous wrench to him.

Mr. Bennett interjected.

The CHAIRMAN: Order! I warn the hon. member for South Brisbane for the last time that if he continues his interjections he will be asked to leave the Chamber.

Mr. EWAN: I have some degree of pleasure knowing that the hon. member for Fassifern has not severed his 25 years' connection with the Country Party, and that although he has seen fit to resign from the party he is going to stay in this Chamber as an Independent Country Party member. In the light of his remarks I feel sure the Government parties, particularly the Country Party, will be pleased to receive his support in the future as it has in the past.

We hear all kinds of comments from the Opposition benches. In reply, I say that they had their own troubles in 1957 when the Royal Commission on land matters did not reflect very highly on their administration.

I am going to deal with subjects more appropriate to the important debate before the Chamber. On behalf of the electorate of Roma I congratulate the Treasurer on his splendid and magnificent presentation of the Budget. I regard it as a simply-worded, easily-understood document, factual in concept, characteristically honest, and in my opinion, in marked contrast with many Budgets presented by successive Labour Governments.

Mr. Walsh: It is a masterpiece of camouflage.

Mr. EWAN: While the hon. gentleman was Treasurer he was the greatest camouflage artist we have ever seen. No one could read his Budgets; he was the only one who could understand or interpret them.

Last year the Treasurer budgeted for an estimated surplus of £15,467, but, as he pointed out, unknown factors caused his estimated surplus to be converted to a deficit of £164,675. Nevertheless it could be classed as a masterly Budget. The factors bringing about the unhappy state of affairs were an increase in the State basic wage, and an increase of £460,000 in the Government payroll. As I know the Treasurer's business acumen, I feel quite confident that he made provision in his Estimates for just some similar happening.

Mr. Walsh: You said it was unknown.

Mr. EWAN: I said it was unknown, but the Treasurer did not say that; he said unmentioned factors unknown are incapable of being accurately estimated. The real factor upsetting the Treasurer's careful Estimates could be likened to the sins of the father being visited upon the children unto the third and fourth generation in the form of the Labour Government's socialistic experiments in State mining undertakings and a cleaning-up of Labour's inept tragic attempt at war service land settlement at Clare, the cost of which amounted altogether to £461,000.

It was my privilege each year in the last Parliament to expose the tragedy and ineptitude of the previous Labour Government in attempting to settle ex-servicemen at Clare. We all know the history of it, what a tragedy it was, and how those men were forced to live hand-to-mouth. We know, too, how this Government came into power and, with the help of the Commonwealth Government, saw fit to write off the whole of the capital indebtedness of the Clare settlers.

Do not forget—seeing that this Assembly this afternoon has developed somewhat into a pat-on-the-back society—in 1953 I was up at Clare and I wrote a report, which was furnished to the Commonwealth Government, recommending that 75 per cent. of the capital indebtedness be written off at that time. Do not forget that the then Labour Government were acting for the Commonwealth Government and they caused that tragic error; they were responsible for the expenditure of money that was completely thrown into the irrigation channels there. This Government came in and wrote off the whole of that capital indebtedness and today those settlers are able to start afresh in some other field. They can sell their properties if they like and salvage as much as they can out of the wreck—probably buy other places and give themselves a reasonable living area and so carry on with at least

the assurance that they will receive similar conditions to those extended to the basic-wage earner.

Mr. Walsh: And you say they owe the Government nothing?

Mr. EWAN: Of course they owe the Government nothing, because the previous Government, by their ineptitude, actually caused those men to be sentenced to seven years' penal servitude. As the previous speaker said, the Minister responsible, in some instances, should have been gaoled for putting them there.

Only for the sins of Labour that I have enumerated—costing £461,000 through socialisation experiments, including State-ownership of mining ventures and the tragic Clare settlement—the Treasurer would have shown a budgetary surplus of £296,325 instead of a deficit of £164,675, yet the Leader of the Opposition had the temerity to describe the Budget as apologetic. Of course, we can understand why. We know that the Leader of the Opposition has had no business training; he has never had to compete in the hurly-burly of commerce. He is better fitted to try to disown the Communists and deny the Communist infiltration into the Labour movement than to talk about financial matters which he does not understand. I can sympathise with him and, when I listened to the remarks of succeeding Opposition speakers, I felt even more sympathetic towards him and towards the budding Opposition shadow-Treasurer because of the team they have to put up with on financial matters.

The Treasurer, in presenting his carefully-prepared Estimates for the financial year ending 30 June, 1961, with inherent honesty and fair dealing forecasts a deficit of £216,286. I personally think, particularly if the present drought breaks in the very near future, that deficit may be transformed into a small surplus.

Mr. Walsh: You are optimistic.

Mr. EWAN: Of course I am optimistic, particularly when dealing with a man with the business training and acumen of the Treasurer. After carefully considering the Estimates, I am sure that all thinking people, at least those with any business knowledge, will agree with me that the Treasurer is to be congratulated upon setting an example by cutting the State's coat to measure and continuing the sound development, overall progress, advancement and well-being enjoyed by the majority of the people of Queensland since the present Government took office.

Of course, we have noticed during the last week or two a considerable amount of criticism in this Chamber of the Commonwealth Government and the Hon. John McEwen, Deputy Prime Minister of Australia. He has been referred to as "Black Jack". I am sure that if the people who seek to be derogatory of him had done a one-hundredth part of the work for which

he has been responsible in furthering the interests of the Commonwealth of Australia, and Queensland in particular, they could be very proud Queenslanders indeed. I say unequivocally that the names of Sir Arthur Fadden and John McEwen will be remembered in history as two of the greatest statesmen who have occupied the Government benches in the Commonwealth Parliament.

Mr. Mann: Who criticised them?

Mr. EWAN: We heard nothing but criticism from hon. members opposite. We heard it from the hon. member for Hawthorne and from the Leader of the Opposition.

Mr. Walsh: And the hon. member for Gregory.

Mr. EWAN: The hon. member for Gregory is entitled to his own opinion.

I want to illustrate very briefly what these two wonderful statesmen have done to serve the interests of Queensland and Australia. Let us take first Sir Arthur Fadden's taxation concessions, depreciation allowances, and his much-criticised wool tax, which has saved many wool-growers from financial difficulties. By taking the tax when prices were high, a reserve was set up to pay their taxation when values inevitably came down. Some people thought that values would not come down, but Sir Arthur Fadden saw, in his far-sighted way, what was going to happen, and imposed a compulsory saving that was of great advantage to the wool-growers when the price of wool fell.

Now let us see what the Hon. John McEwen has done. Many hon. members may not know this, but John McEwen preserved the Australian wool-auction system. When the Korean War broke out—and a member of this Parliament who was once a member of the Federal Parliament will know this—the Government of the United States of America indicated to the Australian Government that they wanted to take over the whole of the Australian wool clip, which at that time was bringing about 100d. a lb., at 24d. a lb. and to use it as Australia's war effort in the Korean dispute. Had John McEwen, who was Minister for Commerce at that time, agreed to that, we would have lost our auction system. There would have been widespread unemployment and financial chaos instead of the greatest period of prosperity known in the Commonwealth of Australia. What happened? John McEwen immediately boarded a plane and went to America and interviewed the President, with the result that our wool-auction system was preserved. How many hon. members opposite know that? Why do not those who do know give him credit?

Now, what did he do for the cattle industry? Let us not forget that 60 per cent. of the meat produced in the Commonwealth comes from Queensland. By his representations to the Imperial Government he put £58,000,000 into the pockets of the cattle-growers, and incidentally into the pockets of the rest of

the people of Queensland. Hon. members opposite have very short memories. What did he do about dried fruits? The growers sent their own representatives to England to negotiate a contract. When they came to John McEwen they told him they had arranged terms and conditions of the contract at a certain price. He said, "You fellows get on the first plane you can tomorrow morning and get back to Australia because I can get you £30 a ton more for it." And he did. Yet this is the man that hon. members opposite have the temerity to criticise. They call him "Black Jack". They say he will do nothing; they criticise the Commonwealth Government because of their caution in dealing with requests made by the various State Government.

Mr. Walsh interjected.

Mr. EWAN: I shall make my own speech without any prompting from the hon. member.

Following certain suggestions made to them the Queensland Government are making representations to the Commonwealth Government for drought assistance. Let me quote from yesterday's "Courier-Mail"—

"McEwen says 'No Delay'

"Queensland Asks For Drought Aid

"An assurance that there would be no delay by the Commonwealth in giving 'sympathetic and prompt consideration' to any Queensland request for direct drought assistance was given by the acting Prime Minister (Mr. McEwen) yesterday.

"Mr. McEwen said that he did not know whether the ravages of the drought were yet clear enough to enable the Premier (Mr. Nicklin) to make a specific proposal for direct relief. Mr. Nicklin had asked that there should be nothing in the Commonwealth Bank policy or in the Reserve Bank policy that would inhibit the banks from aiding those of their clients who were suffering from drought.

"Mr. McEwen said that Ministers felt that Mr. Nicklin and his colleagues were the best judges of what was necessary for their own State.

"Mr. McEwen said that the Premier would be concerned only with whether the dimensions of the disaster warranted a request for aid and whether the circumstances enabled him to demonstrate the need to the Commonwealth. 'There is no other limiting factor than that,' he said."

Opposition Members interjected.

Mr. EWAN: Hon. members opposite would not understand what a drought means. They have had no experience of droughts. Listen to the Queen Street graziers talking about droughts! I should have exempted one hon. member opposite. I can see a smile on his face. I know where he comes from and I realise he has experienced the ravages of drought.

Mr. Walsh: There is no drought relief in the Budget.

Mr. EWAN: Never mind about the Budget, my dear friend. I am going to tell you all about it.

Opposition Members interjected.

The CHAIRMAN: Order!

Mr. EWAN: I hope that hon. members opposite will take these figures to heart. The overall losses in the 1942-1946 drought were as follows:—

—	Sheep Lost	Cattle Lost
1944-1945	2,047,283	409,270
1945-1946	1,951,325	361,897
1946-1947	2,641,641	881,467
Total	6,640,249	1,652,634

Hon. members will remember that the drought broke at the beginning of 1947.

Now let us consider the present drought. Hon. members should not forget that the 1942-1946 drought put many people who had slaved in the back country for years back to where they started.

Mr. Bromley: What about the soldiers who were lost in those years?

Mr. EWAN: That is quite true.

Mr. Mann: You did not do too badly out there.

Mr. EWAN: That was through my own ability.

Remembering that the present drought has not yet finished, in 1958-1959 stock losses were 2,049,533 sheep and 459,818 cattle. Stock returns for each year come in on 30 January, yet so far, for 1960 losses have been 1,627,159 sheep and 363,922 cattle. For the two years, losses have been more than 3,676,000 sheep and 823,000 cattle.

Mr. Walsh: You must have included the "crackers" that went to America.

Mr. EWAN: One must keep in mind what the total final loss will be.

Mr. Walsh: Despite all that, the Government have no provision in the Budget for drought relief.

Mr. EWAN: Drought relief will be provided for. If the drought continues and no relief is provided—

Mr. Walsh: We will not have any Budget.

Mr. EWAN: We will not have a Budget and they will not be able to pay your salary, Ted.

The CHAIRMAN: Order!

Mr. EWAN: It is difficult to help those suffering from the ravages of drought, and to decide what form the relief should take. I have had 40 years' experience in primary industry and I have considered this matter

calmly and dispassionately. The only practical measure I can see is for the Commonwealth Government, through the Reserve Bank, to release some of the compulsory deposits from the trading banks on the understanding that the money will be lent to primary producers and not go to the hire-purchase companies. That would be perhaps the most suitable form of assistance.

Mr. Walsh: In 1956-1957 the Labour Government had £300,000-odd in Trust Funds for drought-relief purposes. You have nothing now.

Mr. EWAN: And you did not give us anything.

Mr. Walsh: Of course, we did.

Mr. EWAN: You did no such thing.

I have here an example of what drought can do. As I said a few moments ago, many of these people were set back to where they started. I have taken the example of a large Western Queensland sheep and cattle property, because such people should be capable of looking after themselves. The property is particularly well improved, well watered, and excellently managed. It went into the present drought carrying 47,710 sheep and 10,797 cattle, and up to the present time—and there is no sign yet of a break in the drought—they have lost 13,610 sheep and 3,835 cattle, and during the last two years they have not marked any lambs or calves. The total loss on their operations for the 12 months ended 30 June last, which was the close of the financial year, was £10,488 15s. 4d. Their book assets are shown at £188,370, which in my opinion is a complete understatement as under normal conditions the stock alone would be worth much more than that.

Mr. Bromley: What is the name of the property?

Mr. EWAN: I will give that information to the Treasurer.

Mr. Bromley: I want to check your figures.

Mr. EWAN: The hon. member would not know how to do it.

For the moment accept the figures, including assets of £188,000. If they realised on the property at the book figure—and they could do so easily—and invested that sum in hire-purchase debentures returning 7 per cent., they would have an annual return of £13,160.

Mr. Houston: Why don't you tackle the hire-purchase companies?

Mr. EWAN: I am replying to criticism levelled at the grazing industry by Opposition members. The primary producer is always the "bunny" and has no control over production costs. Let us compare the wool-grower's position with that of the manufacturer and the retailer.

The following table appears in Wool Statistical Service of June, 1960:—

"Cost Components of Wool Manufactures
"1. Two-Piece Ready-to-Wear Suits of
14-15 oz. fabric—

	£	s.	d.	Per cent.
Raw wool	2	0	0	8.0
Fabric Manufacturing ..	4	12	0	18.4
Cut, make and trim ..	10	10	0	42.0
Retail margin	7	18	0	31.6
Selling Price	25	0	0	100.0 "

In other words, the producer of the wool gets £2, while the retailer gets £7 18s., and it takes the producer 12 months to produce it. Further, in order to be able to do so he has to invest money to buy the land, transform it into a fit condition for sheep, get rid of the dingoes and cope with many other problems. The figures are worth repeating. Out of the £25, the wool-grower gets £2 while the retailer gets £7 18s.

The next table is also interesting—

"Worsted Shirt—

	£	s.	d.	Per Cent.
Raw wool	13	6		11.3
Fabric Manufacturing ..	2	9	0	41.0
Making Up	17	6		14.6
Retail margin	1	19	6	33.1
Selling Price	5	19	6	100.0 "

The manufacturer could be given the wool and the retail price would not be affected.

Even in those circumstances hon. members opposite complain that the workers are denied the necessities of life. Why do hon. members opposite not agitate for an inquiry that would bring some results. I have shown that even if the wool-grower presented the manufacturer with the material, the price of the commodity would not be reduced.

To a lesser extent the same thing can be said of the cattle industry. We heard one Opposition member asking for a Royal Commission into the ramifications of the cattle industry.

Mr. Melloy: So you should.

Mr. EWAN: He now repeats his statement. If he is patient I will explain the position to him and he may learn something about it. By the production of a 500 lb. 3-year-old steer of good quality—and that can be done—the producer may get £10 a 100 lb. for it at Cannon Hill.

Mr. Walsh: Is that a poll Angus?

Mr. EWAN: The hon. member is a poll Angus. Assuming this one is a Hereford; the producer receives £50 for a 500-lb. beast. I am giving this information mainly for the benefit of the hon. member for Nudgee, who apparently knows nothing about it. As it takes three years to produce 500 lb. of beef, the gross return to the breeder and fatterer is £17 a year, from which must be deducted the cost of feeding, caring, fattening, dipping, and so on. Those costs amount to approximately £10 a year, leaving a return of £7, or 3½d. a year for each pound of beef produced.

The wholesalers have pretty good buyers estimating the weight of the beasts and they can win probably 50, 60 or 100 lb. in their estimate and thus get a great advantage from it. We will assume that their estimates of weight are correct and that they handle their product economically, as some wholesalers do. These things take considerable finding because the formula is very difficult to determine, but I am satisfied that this figure is correct. Mark these figures and you will know why the price of beef gets so high. After deducting the whole of their costs the wholesalers make ½d. a pound clear on the whole of their turnover. It is to be remembered that they make ½d. a pound in a few days, but the grower makes 3½d. a pound a year.

Let us turn now to the retailer, who has to cut up his meat and serve it in a suitable form to the housewife. He has a gross return of 5d. a pound, and whatever is left after his costs, such as rent on his shop, cartage of meat to the shop, and cutting and retailing it, is net profit. Whatever it may be, he makes it out of 5d. a pound in a few hours or a few days, whereas the man whom the hon. member for Nudgee wants fully investigated makes 3½d. a pound in 12 months.

Mr. Walsh: You are making a wonderful case for the reintroduction of price control.

Mr. EWAN: No, I am not.

Mr. Sullivan: Do not forget to tell them that the fatterer has to buy his bullocks, too.

Mr. EWAN: I gave them credit for as much intelligence as that. We have to be very careful that we do not price ourselves out of the world markets. We have to watch things very closely. I can remember that in 1922 we were selling bullocks for £15, £18 and £20 a head and cows for £12 and £14 a head, and overnight the price fell to 25s.

An Opposition Member: That was under the Moore Government.

Mr. EWAN: No, it was not; it was in 1922.

Mr. Melloy: How many graziers are walking off their properties?

Mr. EWAN: Thank you. A lot of growers will be sold up in the near future. The primary producers—the wool-men and the cattle-men—are the "bunnies." I include in that category the vegetable-growers and the small crops-growers around the cities. Hon. members know how they fare. The wheat-growers and the dairymen—I have a few wheat-growers in my area—are a little better off, as they have an acquisition scheme that the cattle and sheep industries do not have. Now let Labour rightly sheet home who is responsible for the high costs of foodstuffs in accordance with the cost-of-living figures of the basic wage.

Mr. Newton: Price-regulating without control.

Mr. EWAN: I thought it was coming to that hackneyed "price-regulating without control." If there are controlled prices there must be controlled wages. Would the Opposition have the intestinal fortitude, which they did not exhibit in Government, to control wages? One cannot be controlled without the other.

I turn now to land development in Queensland. I think I should strike a note of warning about the development of the brigalow country. Let it be understood that no-one in the State is more enthusiastic about land development than I am, and no-one believes more in closer settlement. I believe that a prosperous and contented producer or settler instead of a bankrupt one gives economic security to the State.

What strikes me in watching the tremendous development that is taking place, especially in the brigalow area, with properties being fully developed in a few years, is that there seems to be a craze for getting away from the old conservative ideas of financing development from profits. The idea nowadays seems to be to develop a property and bring it up to the highest pitch of production in the shortest possible time. Settlers think they must do that or else they will fail.

Mr. Davies: You did that and look at you!

Mr. EWAN: No, I was there for 32 years. The hon. member for Maryborough would not understand. If he sticks to school-teaching he might get somewhere. When he gets on to land matters he soon goes astray.

The idea these days seems to be to borrow as much money as possible with very little regard to how to pay it back or how to service the debt. In travelling around the brigalow area it has become apparent to me that some of the most highly-developed and most attractive-looking properties are not being soundly financed. On seeing such a property one is prompted to say, "Isn't this a credit to this young man? Hasn't he done a remarkable job in the development of this glorious land for the State?" You admire him, but very often when you inquire about his financial position you find that he is almost bankrupt. A few miles further on you find the man who has set about developing his property in the more conservative style. He has cleared 100 acres here and 100 acres there and provided good water facilities, good fencing and that sort of thing, and has done it very gradually. You make inquiries about his financial standing and find it is perfectly sound. Nowadays the trend is to encourage people to borrow large sums of money, to be patriotic and develop their properties and bring them into full productive capacity, without regard to economics. That has been going on for some years.

Mr. Hilton: You are not trying to tell us that the banks and other financial institutions will advance money so liberally as to put men in that position, are you?

Mr. EWAN: The hon. member seems to have forgotten that up to last year the Agricultural Bank lent £4,874,165 to those people. Under the present Government, settlers can borrow £10,000 whereas under his Government the maximum was only £7,500. Moreover, we charge them interest on their day-to-day balance, whereas his Government charged them at a flat rate.

Mr. Hilton: Oh, no, you have your facts wrong.

Mr. EWAN: No, I have not. That is why I strike this note of warning. As I said before, no-one is more enthusiastic about land development than I am but I think we should indicate to the young men who take on these blocks that they should go about their development on a sound economic basis and not rush bull-headed into buying stock and trying to develop the whole bang lot in one year or two years. After all, they should ask themselves, even if they are successful, how they are going to get a way round taxation? We of course heard the hon. member for Maryborough today expounding his theories about dodging taxation but I do not think they would stand up in practice. If they will, I have a job for him at a high rate of remuneration tomorrow.

Those young men must realise that they are borrowing money, that they have to pay it back, and that they have to service the debt and also meet their taxation. If the property is developed gradually, they will increase their income sufficiently to continue the development.

There has been remarkable development in Queensland in the last 100 years, but I know of many mistakes made by Labour Governments. Take Mt. Hutton, for instance, where a Labour Government put settlers on 420-acre blocks and husbands and wives went out with axes cutting timber. Eventually it was decided that 7,000 acres was a living area, but only after many people went bankrupt. If that is the way to develop the State, I do not want to be associated with it. In my own electorate, in the Wandoan-Taroom area, for example, land was opened for soldier settlement. Young men borrowed money to go onto a block and went bankrupt, another settler came in and also went bankrupt, and now another settler has taken over and, after all the work of his unfortunate predecessors, he is making a success of it.

I sound that note of warning in the hope that it will be seized upon by thinking people in this State. Too often I have seen young men, particularly the sons of city people, who have drawn blocks of land out in the West and put up fine homesteads, wool sheds, and

fences, and bought fine cars and put down roads for them to run on, go bankrupt in the first few years. All I ask in these closer-settlement schemes is that we do our part as a Government to put them on a sound and sane basis economically.

Mr. Hilton: How many do you think have gone bankrupt because of the machinations that you suggest?

Mr. Ewan: I could not give the hon. member figures, but dozens of them. In the settlement of the 429,000,000 acres in this vast State, we must exercise a sympathetic understanding of the problems confronting settlers, remembering always that the aim of a man settling on the land is to endeavour to improve his own position, set aside something for his wife, and give his family a better start in life than he had.

Earlier I was dealing with the development of the brigalow area and the settlement of the 429,000,000 acres comprising the lands of the State. Because of the diversity of the land and the various forms of production over that huge area it is necessary, both from a legislature and developmental point of view, to have an overall sympathetic understanding of the many problems besetting the State's primary producers. We must realise the hazards they are subjected to from time to time in the uncertain undertaking of primary production. I have already touched on the financial aspect of the development of the brigalow area. I have issued a warning about developing the land too hastily and the difficulty of servicing loan indebtedness economically.

I understand that the brigalow areas contain in the vicinity of 20,000,000 acres. Many people seem to overlook the fact that after it is cleared of timber much of this land is incapable of being ploughed and that the servicing of the cleared land is a recurring expense. In the exercise of nature's recuperative or regenerative powers the land reasserts itself, timber grows, and clearing becomes necessary from time to time. The forest country in the flooded areas abutting the streams in the brigalow area is timbered mainly by coolibah and blue gum. For some reason or other land administrators seem to think that it is necessary to destroy that timber to increase carrying capacity. From my experience over 40 years that is a complete fallacy. It must be remembered that this flooded country cannot be ploughed. Much of the land is covered by a great depth of water in flood-time and the rivers run at great speed. If the land is ploughed all the surface soil goes in the first flood. Tremendous erosion can be caused in that way. Once the natural forest is destroyed great crops of seedlings spring up and they cannot be dealt with economically. To prove that, I asked the Minister for Agriculture and Forestry to send one of his top men to investigate the problem. I shall not weary the Committee with details of his report, but it leaves me in no doubt that

it is uneconomic to try to deal with these seedlings. Is it wiser to touch that country or to leave it as nature made it? I am of the opinion that it is better to leave it because if it is uneconomic it means putting a settler on the land who will be unable to service his loan and will ultimately become bankrupt.

It must be remembered that because of its arid nature most of the State is completely unfitted for agricultural pursuits. Those vast areas are suitable only for grazing, but even so, the hazards are so numerous that settlers who are sufficiently interested in the welfare and development of Queensland to go out there have to be given some incentive. They are put in the position of having to overstock, and nothing does greater harm to the productive capacity of land than that. If that sort of thing is remembered in the arid areas of the State I am sure that the great advancement that has taken place in the last 100 years and our heritage will be secure in future.

In view of the long speech delivered today on land matters I feel it would be appropriate, because of my close association with land settlement in Queensland, to deal in the remaining time at my disposal with land legislation introduced by this Government during the last three years. In my opinion, based on 40 years' experience, we have never had a period that could compare with this for far-reaching and productive land legislation. Perhaps the greatest single factor has been the re-introduction of freehold tenure in place of perpetual lease, a move that was violently opposed by hon. members opposite. The opposition to it is such that it could be classed as an attempt to sabotage the present Government's effort to bring about conversion from leasehold to freehold or perpetual lease and so provide, once and for all, the most necessary element for the development of this State—security of tenure. In no other way will people be induced to develop the land.

In considering this matter it might be as well for hon. members to consider the basis of freehold as against perpetual lease. During the last three years, in my capacity as member for Roma, I have handled perhaps a greater number of lease renewals than any other hon. member in this Chamber. Therefore, I claim to know something about it. I am frequently asked, "What is the best tenure to have, freehold or perpetual lease?"

Hon. members will remember that the legislation I have mentioned gave the right to freehold of all sorts of tenures, with the exception of settlement farm leases granted prior to the introduction of the 1952 amending Act. The question is constantly asked, "What is the advantage of freehold over perpetual lease?" In my opinion, the advantages of freehold tenure far outweigh any that might accrue from perpetual lease tenure. It is well known that with a perpetual lease you have a lease in perpetuity.

but the rental is reappraised every 10 years. Rental is based on 2½ per cent. of the unimproved capital value of the land.

The only method by which we can assess for the future is on past experience and it is reasonable to assume, with increases in population, the land values must increase. Therefore, every 10 years you get an increase in your rental. When freeholding you do so over a period of 20 equal annual instalments, free of interest, based on the unimproved value determined by the landlord. Assuming the unimproved value is £2 you pay 2½ per cent. of that, which is 1s., on my arithmetic, for perpetual lease. You pay that for 10 years when it may go up to 1s. 6d., and it is quite conceivable that in a 20-year period you will pay as much rental for a perpetual lease as you would in that period purchasing your freehold.

One big advantage of freehold is that it can be subdivided. That is one of the most important single factors covered by the progressive land settlement legislation of this State. The fact that a farmer can subdivide his land—despite the remarks made here this afternoon—at a period when his sons or daughters grow up and desire to start on their own is of tremendous value to this State. The land can be subdivided and the children get improved country quickly and, as a result of their rural upbringing, can make a living from the area and become successful settlers. It is of tremendous value to the State to keep that type of person on the land.

Mr. Hilton: Do you think many people would freehold, in view of the incidence of land tax?

Mr. EWAN: I thank the hon. member for his interjection. Hon. members opposite always introduce the subject of land tax, but, of course, it is Country Party policy to reduce and ultimately abolish it.

Mr. Hilton: It has not been reduced in the last three years.

Mr. EWAN: That is all very well, but we will be here for another 30 years. A practical man would realise, if his holding was of sufficient value, that at the termination of the 20-year freeholding payment period he would be called on to pay land tax.

Mr. Pizzey: He may be.

Mr. EWAN: He may be. It may even be abolished in that time.

Mr. Pizzey: The exemption is rising.

Mr. EWAN: Yes, the exemption is rising. But if he is a business man—and he has to be a business man if he is to be successful on the land—he will take steps to escape the incidence of probate and other duties. He will immediately subdivide the land and vest it in his children, and in that way so reduce the value of the land that land tax will not be incurred.

Mr. Aikens: What about gift tax?

Mr. EWAN: He would otherwise have to pay death duty.

The intention of the Government in introducing the freeholding legislation was to give to holders of land—irrespective of tenure—amounting to a living area or up to a maximum of 5,000 acres the right to convert from leasehold to perpetual lease or freehold. That was done in every instance with the exception of farm settlement leases granted prior to the introduction of the 1952 Land Tax Amendment Act.

Those leases are few in number and seem to be situated principally in my electorate. I am referring to the Mt. Abundance leases. I hope the Government, in this session or in the following session of this Parliament will see fit, wisely, I say, to amend the Act to bring those leases within the relevant provision.

Because it is against their policy, we find hon. members opposite using every means at their disposal to sabotage the Government's effort and so prevent them from gaining any advantage monetarily from freeholding and in turn spending that money on further development and the creation of employment for the many thousands who require it. Owing to the intelligence of the great majority of landholders, however, the efforts of hon. members opposite are being defeated. Since the introduction of the legislation no fewer than 1,429 applications have been received by the Department of Public Lands, including 75 in respect of settlement farm leases. Despite what some grazing representatives may have said, 208 holders of grazing selections have applied for permission to freehold their holdings. That in itself is a complete answer to the arguments of hon. members opposite and their efforts to sabotage the legislation.

Let me point out how sympathetically the Government have dealt with lessees in comparison with the treatment meted out by successive Labour Governments over a period of 25 years. Instead of giving lessees a tenure of 28 years with rental assessment every seven years—the policy of successive Labour Governments before we assumed office—the Government have increased the tenure to 30 years with a 10-year reappraisal. And let it not be forgotten that the second proviso to Section 125 was deleted from the Land Acts so that the Land Court could determine rentals on an equitable basis. When the hon. member for Bundaberg was Minister for Public Lands he inserted it presumably with the object of bringing pastoral lease rentals into line with those for grazing selections.

(Time expired.)

Mr. AIKENS (Townsville South) (7.30 p.m.): This will go down in history as a memorable sittings because we have heard from a former Minister of the Crown a statement that I think has shocked us all. Unless something very serious is said in rebuttal it would appear that the former Minister for Public Lands was dismissed from his office because he would not let the graziers write their own ticket. Now, of course, we are given to understand that they are writing their own ticket.

I find it very regrettable that I have to pursue in my relentless fight for the development of North Queensland, which has long been denied, in order to stop and kick at a little puppy that had barked at my heels. I have not very much time for that, and I really begrudge the time. Nevertheless what I have to say must be said and the time must be wasted.

In my Address-in-Reply speech, among other things I said there was Communist-A.L.P. collaboration against me in Townsville South at the last election. I have already said that I support John Murray, the Federal Liberal member for Herbert, in his proposal for cattle-fattening and cattle-raising on the northern coastal strip. The hon. member for Townsville North, in his Address-in-Reply speech, reading from a prepared typed statement, and running his finger along the line so that he would not lose the place, because of those two things, called me, among other things, a liar and a fraud.

Mr. TUCKER: I rise to a point of order. That remark was withdrawn.

The CHAIRMAN: Order! I point out to the hon. member for Townsville South that the hon. member for Townsville North made that statement during his Address-in-Reply speech and Mr. Speaker protected the interests of the hon. member for Townsville South and asked for a withdrawal. That matter has been dealt with; it is finished and cannot be referred to again because it was concluded in a previous debate.

Mr. AIKENS: My remarks on this subject will be pithy, but nevertheless effective—and that is not a pun on the name of the Minister for Education and Migration. A pamphlet distributed throughout the Mundingburra electorate in the 1956 election was produced in this Chamber by the member for Townsville North. It is true that in that Communist pamphlet the electors of Mundingburra were asked to vote for me. There is a very interesting story on that pamphlet. When nominations closed for the 1956 elections, it was found to our surprise that no Liberal candidate had been nominated. It was not known until nominations closed that the Liberals were not going to run a candidate, and that threw the Communists and the A.L.P. in the Mundingburra electorate into a dither, because although they profess to despise this hated Tory support they went into a huddle to see how they could transfer the hated and despised Tory support from

me to the A.L.P. member. They “nuttled” out a very big advertisement that was to appear the Friday before election day. They took that big advertisement along to “The Townsville Daily Bulletin” and in it they asked the electors of Mundingburra to vote for Tom Aikens because the Communists were asking them to vote for Tom Aikens. There is no more virulent anti-Aikens instrument anywhere than “The Townsville Daily Bulletin” but that paper still retains one or two decent journalistic principles. One of those principles is that before any party can advertise in support of a candidate who is not one of its members it must get his written consent and submit it with the advertisement.

In 1950, 1953, and 1956, when we wanted to put one single line in our big party advertisement asking the electors of Burdekin to vote for Arthur Coburn, before we could add that single line to our advertisement we had to get Arthur Coburn’s written permission to do so. So, when the Communists went along with a big broad grin on their faces on the Thursday afternoon before polling day and submitted their great advertisement calling on the workers to vote for Tom Aikens and of course splashing the fact that it was a Communist advertisement, “The Townsville Daily Bulletin” blandly asked them for Tom Aikens’s written consent. They knew they had no possible chance of getting it and so, if I may use a military term with which you, I am sure, Mr. Taylor, are not familiar, they retreated in great disorder. Then the Roneo machines of the A.L.P. and the Communist Party were put to work to churn out the pamphlet that was produced in this Chamber by the hon. member for Townsville North. Hon. members do not have to take my word for it; they can check with “The Townsville Daily Bulletin.”

In 1957 a more remarkable series of events occurred because when nomination day dawned I had only an Independent opponent; there was no A.L.P. opponent and no Liberal opponent and it did not look then as if we were going to have an A.L.P. opponent. But on the morning of nomination day the Leader of the Opposition, John Duggan, went down to the wharf at Townsville and addressed a meeting of the Waterside Workers’ Federation, in company of course with Communist officials of that federation, and then—and not till then—after that meeting he gave the green light to a young man named Mahoney to run around and get a nomination form filled in, to pick up £20 from somewhere or other, and nominate against me for Mundingburra in the 1957 election as an A.L.P. man. Mahoney arrived at the office of the Returning Officer for Mundingburra, panting and blowing like a broken-winded horse, with only 15 minutes to spare. And in case there is any doubt about it, I am going to lay on the table at the conclusion of my speech a photograph, taken by the staff of the Parliamentary Library, of a single page

of "The Townsville Daily Bulletin" reporting that remarkable coincidence and hon. members can draw their conclusions. I have it here. I have not time to read it all but there is the heading—"Duggan Talks at Townsville Wharf". And on the same page is the heading—"Surprise Nomination by Townsville School Teacher". It goes on to say that Mr. Mahoney, a trade instructor at the Townsville Technical College, just got to the Mundingburra Returning Office in time. Both reports are on the same page of "The Townsville Daily Bulletin" published the day after nomination day, which was 13 August, 1957. So if hon. members want to know why I had a Labour opponent in 1957, that is the reason. I did not have one till Duggan addressed the waterside workers on the wharf and later went into a huddle with the Communist officials of the Waterside Workers' Federation. Of course, throughout the Press and over the air, the Communist Party had announced that they were not going to run any candidates in 1957, but that they were going to support the A.L.P. to the limit, which they did. And of course in Mundingburra they cast aside all dissimulation and guile and issued a big pamphlet, which was circulated in thousands throughout Mundingburra, calling upon the workers of Mundingburra to vote for Jim Mahoney and—I have the exact words here—"Throw out Aikens, the stooge of the Groupers and the Tories."

In 1958—taking it year by year in chronological order—we had the council elections in Townsville. The T.C.A.—the Tory team—ran 10 candidates; the North Queensland Labour Party ran 10 candidates; the A.L.P. ran 3 candidates, and 20,000 unity A.L.P.-Communist "How-to-Votes" were distributed by the Communist Party and handed to every elector who went to the polls that day, calling on the people of Townsville to vote for the three Communist candidates and to fill up the other seven places with members of the A.L.P., all, of course, named and notated. If the hon. member for Townsville North or anyone else wants to deny that, let him not waste our time denying it here; let him go up to Townsville and deny it to the twenty-odd thousand people who were each handed one of these unity "How-to-Votes" when they went to the polling booths on that day. I am going to conduct a little quiz session, if I may, Mr. Taylor. Who do you think was the campaign director for the A.L.P. at that municipal election in Townsville in 1958? None other than the hon. member for Townsville North!

Now we come to the statement I made about the 1960 election, held on 28 May, and my repeated statement that there was Communist-A.L.P. collaboration against me in Townsville South. I will go further and say there was Communist-A.L.P. collaboration in Townsville North. It is useless,

of course, for me to label a man a Communist, and worse than useless for the Deputy Premier to label one a Communist. I must prove he is a Communist in the opinion of a reputable and responsible member of the A.L.P. I think that is a fair enough test, and so I propose to prove that in the opinion of the Leader of the Opposition, John Duggan, a man is a Communist. I read from "Hansard" vol. 192, page 1889—

"I tell the hon. member for Bowen and the hon. member for Mundingburra that a feeling is gathering force throughout the Railway Department that the sooner they kick O'Brien and others out of the job the better it will be for themselves and for the peace and contentment of thousands of wives throughout the Commonwealth.

"Mr. Russell: Are they self-confessed Communists?"

"Mr. Duggan: I do not know how much of a confession you have to make. Take Gerry Dawson of the Carpenters' Union. I do not think there is any doubt about him. Take Kissick of the A.F.U.L.E., Healy of the Waterside Workers' Federation, Graham of the Waterside Workers' Federation, Macdonald of the Ironworkers' Association. O'Brien is a fellow traveller.

"The hon. member for Mundingburra talks about sectarianism. O'Brien was the biggest curse of the lot. The religious faith indicated by his name causes people to go round and say that his religious faith would not permit him to embrace Communism, that he would not be tainted with this foreign doctrine, consequently he would not be a supporter of Communist policies. And the fellows outside who are loyal swallow this dope about Mick.

"For all practical purposes he might as well be a straightout Communist instead of a fellow traveller. On Saturday last I had a meeting with the Disputes Committee in Toowoomba. They were fair and generous and gave me a good hearing. The people who did not want to settle were those who were Communists or Communist travellers. They did not want the dispute to end. If they win their prestige is increased and if they lose, they will slink back to their burrows like the curs they are and wait for a favourable opportunity to come out."

I do not think any more scathing denunciation of any man was ever made in this Parliament than the statement by the Leader of the Opposition that Mick O'Brien was a fellow-traveller who might as well be a straight-out Communist, and that he would slink back to his funk-hole like a cur if the strike was lost. Having proved now that in the opinion of the Leader of the Opposition Mick O'Brien is all the things

that were said about him, I produce a photograph of an advertisement that appeared in "The Townsville Daily Bulletin" on 19 May, 1960. It is the gem of all gems. It says—

"(Advertisement)

"Australian Labour Party

"Hear

"Mick O'Brien,

"Federal President Australian Railways Union,

"In Support of

"Bill Edmonds, A.L.P. Candidate

"For Townsville South,

"Mansfield Hotel, 12 noon,

"Hermit Park Hotel, 7.15 p.m.,

"4TO 3.45 p.m.

"Authorised by J. W. Mahoney, 185 Bundock Street, W.E."

That is the same J. W. Mahoney who was my opponent in 1957 and the same J. W. Mahoney who was campaign director for the hon. member for Townsville North. Not only did Mick O'Brien, the man branded a Communist by the Leader of the Opposition, address the meetings as advertised, but he also spoke over the air from the commercial radio station. He launched a splenetic attack on me, and he asked the people of Townsville South to vote for good old Bill Edmonds and the people of Townsville North to vote for good old Perc. Tucker. If anyone doubts that Mahoney was Tucker's campaign director as well as Edmonds's campaign director, I have another photograph from the files of "The Townsville Daily Bulletin" which shows that the same man was the campaign director for both of them.

Now, having proved that there was that collaboration between the A.L.P. and the Communist O'Brien—I did not brand him a Communist, mind you; the Leader of the Opposition did that—and that O'Brien took part in the A.L.P. campaign against me in Townsville South, how do I come to be the liar after having said that there was Communist-A.L.P. collaboration? Will the hon. member for Townsville North deny that at the famous meeting at the National Hotel one of the sandshoe Communists—one of the disreputable element of the Communist Party—asked why I no longer marched in the May Day procession at Townsville and that I told him I would march in the May Day procession when it belonged to all the workers?

I said I would march in the May Day procession only when it was controlled by no one political party. It is true that for many years I marched in May Day processions in Townsville.

Mr. Mann: With a big red rosette on your coat.

Mr. AIKENS: I suppose the hon. gentleman is going to suggest they were Communist-controlled. But I have not marched in recent years, and that was mentioned over the air and off the public platform by my

opponent during the campaign. He said, "Aikens no longer marches in May Day processions in Townsville, but he used to when they were controlled by the Communist Party." As I said, it is true that for many years I marched in them. I have here a photograph of one of these processions, and marching proudly at the head of it are four men then prominent in the industrial and political life of Townsville. The most illustrious of the four, of course, is Thomas Aikens, but marching proudly by his side at the head of that May Day procession, which according to my opponent was controlled by Communists, the other three are Nugget Jesson, George Keyatta, and the late Harry Harris, who was then the secretary of the A.L.P. in Townsville.

Will the hon. member for Townsville North deny that another sandshoe type of Communist asked me at my final rally, "Tom, why don't you publish your photograph in the paper with your wife and family the same as Perc. Tucker is doing?" I said, "I do not publish a photo of my wife and family in the paper during an election campaign because I want my electors to judge me on my ability, not my fertility. I want people to vote for me because of the work I do in Parliament, not for the work I do on the double bed." If anyone is going to deny that, do not bother to deny it here; go up and deny it in the presence of all the hundreds of people who were there and heard what was said. I suggest that no man was ever subjected to more filthy abuse during a campaign than I was during the last one by this group of sandshoe Coms., none of them prominent Coms., none of them prominent union officials. An A.L.P. group led by Costello, of the A.W.U., and Senator Hendrickson and these sandshoe Comos gathered around my meetings and when they were not shouting "Tory Tom," they were shouting, "Tell us about the time you got drunk and lay down in the gutter. Tell us what the dogs used to do to you when you got down in the gutter. We have our bladders full to do the dog act on you when you lie down in the gutter after Bill Edmonds puts you there on 28 May. Lie down in the gutter now, Tom, and we will do the dog act on you." That is the sort of abuse I was subjected to.

Edgar Williams and I are not very good friends—the feeling is mutual—but at least when Edgar Williams was the district secretary of the A.W.U. in Townsville he conducted himself with the decency and dignity that befitted his office. There was an incident at Redlynch when Senator Benn walked off the platform and as he passed a little aged pensioner he turned around suddenly, king-hit him and knocked him down. The little old pensioner got up and swung a punch, and knocked Senator Benn down. He lay on the floor grovelling and snivelling and pleading with the little old pensioner not to hit him if he got up. What about the commission led by Dr. Dittmer? There is

a beauty! Give the man a cigar! Dr. Dittmer, Mr. Ormonde, and someone else are going around and asking why the people are not supporting the Labour Party today. Go up to Townsville and ask any of the decent people—the men, women and children who flock to my meetings in hundreds. Ask them about the sandshoe Comm. group and certain A.L.P. members up there—and the answer will be given.

Now I will get onto the matter of fraudulent misrepresentation. During his election campaign the hon. member for Townsville North said over the air and from the public platform that if he was elected he would live in Townsville and go to Brisbane only when Parliament was in session, as I do.

I produce another photograph from the advertisement page of "The Townsville Daily Bulletin" dated Saturday, 13 August. I am going to read it to show just how this paragon of political honesty keeps faith with the people and how I keep faith with them. The advertisement reads—

"Citizens of Townsville North

"I, Perc Tucker, wish to advise that my family will be temporarily absent from 18 Chubb Street, Belgian Gardens, witnessing with me the 'swearing in' ceremony and the opening of Parliament.

"All correspondence with me during this period should be addressed care of Parliament House, Brisbane, and it will receive immediate attention. (Sgd.) Perc Tucker, Member for Townsville North."

I went down the street that day and all the following week and people said to me, "Aren't you going down to the swearing-in ceremony and the opening of Parliament ceremony?" I said, "I will tell you when I am going down, and when I do go down Parliament will be opening and there will be a swearing-in ceremony." On the following Saturday, seven days later—and bear in mind that when his advertisement was put in by the hon. member for Townsville North he had left Townsville several days previously—my personal par appeared in "The Townsville Daily Bulletin"—

"Personal

"Mr. T. Aikens, M.L.A., leaves tomorrow night for Brisbane to attend the first session of the new Parliament, which opens with the swearing-in ceremony next Tuesday and the Governor's speech on Wednesday."

Mr. Mann: You are honest with the people.

Mr. AIKENS: I am always transparently honest with the people, and the people of Townsville North now know that the hon. member for Townsville North did not come down to the swearing-in ceremony or the opening-of-Parliament ceremony but to the garden party tendered to Lord and Lady Dunrossil, and other social activities associated with the Brisbane Exhibition.

Mr. Mann: What is wrong with that?

Mr. AIKENS: Also during the campaign he said, "I love Townsville. I love its people. I love its salubrious climate. I love the gentle lapping of the waves on the sea-shore. I love the sighing of the palm trees. My family gave three cheers when they found I had been transferred to Townsville." While he was saying that he had in his pocket a transfer back to the Titles Office in the South, for which he had applied. Had he not been elected member for Townsville North on 28 May last he would have left a couple of weeks later on transfer to the South and that would have been the last we would have seen or heard of him.

Mr. Thackeray: You have not heard the last of him.

Mr. AIKENS: There is a word of three letters with which I could very properly describe the hon. member for Townsville North in the political sense. I am keeping all my remarks on the political plane because his attack on me was political. I hope he never provokes me into a personal attack. I will not use the word because with the commendable fastidiousness for which you are noted, Mr. Taylor, you will probably rule me out of order. I will content myself, politically speaking, by saying that if the hon. member for Townsville North went into a public convenience he would stand side-on and lift up his leg.

The CHAIRMAN: Order! I find that remark by the hon. member offensive and I ask him to withdraw it.

Mr. AIKENS: Very well, I will withdraw it.

The hon. member for Townsville North attacked me because I supported in this Chamber the scheme put forward originally by Mr. Murray, the Federal member for Herbert, on cattle-fattening on coastal lands. With my transparent honesty, I supported that proposal during the election campaign and made a political issue of it in my radio broadcasts. I made a big issue of it on the public platform and even ran a very big advertisement in "The Townsville Daily Bulletin" in support of it. I have been open and honest with the people, and on 28 May last over 8,500 electors endorsed both me and the proposal. With the exception of the hon. member for Ipswich East—and I am doubtful about that—I got the biggest aggregation of votes of any member of this Chamber.

The hon. member for Townsville North created the impression—and again I am speaking from memory—that he would rather be found dead than with a Tory, that he would shrink away from a Tory as from a typhoid carrier or pestilence. But what do we find of this paragon of political honesty? I went along to a meeting in Townsville about two or three weeks after the election,

and there I found the greatest collection of Tories ever gathered under one roof in Townsville.

Mr. Mann: They are your friends.

Mr. AIKENS: I was there. Of course I was. I am glad the hon. member walked into it. Replying to his interjections is like taking corn from a blind cocky. I went along a little bit late. I had intimated that I would be a little bit late. But when I got there, who do you think was on the floor? Who do you think was addressing this greatest collection of Tories ever gathered under the one roof in Townsville, extolling them, lauding them to the skies, figuratively patting them on the back and telling them he would support every proposal they were making to the last drop of his blood and the last fibre of his body, that he was with them all the way "till death do us part"? Who do you think was saying that? The hon. member for Townsville North.

When I got up, I blasted their great master plan. I told them that they were opening the doorway to the Government of the day to damn it with faint praise, to stick it in a pigeon hole to gather dust and cobwebs, and that is what happened. They have seen the Premier since and the Premier has done all I prophesied he would do, yet the hon. member for Townsville North has become the petted and pampered darling, the white-headed boy of the Tories of Townsville because he supported them all the way when I was prepared to support them only a little bit of the way.

An A.L.P. Member: You are under an obligation to them.

Mr. AIKENS: I am under no obligation to the Tories because ever since 1947, at every successive election, I have beaten the A.L.P. candidate by more votes than he polled, so that to have any chance of getting me out of Parliament the Liberal Party candidate for my constituency would have to poll more votes than the A.L.P. candidate, and to suggest that a Tory could poll more votes than a Labour man in an electorate where, to use a grazing phrase, we do not run one Tory to the acre is pure and simple nonsense. I am under no obligation to them. But fancy A.L.P. members telling me I am under an obligation to the Tories! How many A.L.P. members are in Parliament now simply because the Tories did run candidates in their electorates. Would the hon. member for South Brisbane be here today if a Liberal candidate had not contested his electorate?

A.L.P. Members: Yes.

Mr. AIKENS: No, and many other A.L.P. members would not be here. In fact, the people who are under an obligation to the Tories, having regard to the nomination or non-nomination of candidates at election time, are the members of the A.L.P. itself.

I am speaking in sorrow and not in anger. I am speaking more in a fraternal sense than perhaps I have ever done since I came into Parliament.

Mr. Mann: A pretty bad speech.

Mr. AIKENS: According to the hon. member, because I am blasting hell out of him and his pals and he cannot take it.

The hon. member for Townsville North is very fortunate to be here. He would not be here but for the fact that the Q.L.P. ran a candidate, the New State movement ran a candidate and the Liberal Party conducted the most impossibly anaemic campaign ever conducted in any electorate at any time.

The hon. member for Townsville North could have been of assistance to me in my fight for North Queensland and Townsville, but he has adopted an entirely different attitude. Because of his supercilious and superior air, and because he seems to regard most of us as oafs and clods, he has become very unpopular. Indeed, if I can paraphrase a memorable statement made by the other great statesman in British history, I should say that never in the history of this Parliament has one man become so unpopular with so many in so short a time as the hon. member for Townsville North. That is to be regretted because there is so much to be done and so much that we could create. I hope he wakes up to himself in time. The hon. member for Townsville North has decided to become another Tom Crowley, a sucker for the "soolers" of the A.L.P. We know what happened to Tom Crowley. We saw the mental deterioration brought on in him because he allowed himself to be a sucker for the "soolers" of the A.L.P. They whispered all sorts of stupid stories in his ear about the things I was supposed to say about him. Then they would try to "sool" me on to old Tom. I think the Speaker of the day, the Chairman of Committees of the day, the "Hansard" staff and I can all take a good deal of credit for the fact that on some of the occasions that Tom Crowley made shocking interjections when I was speaking, we conveniently closed our ears.

I hope the "soolers" of the Australian Labour Party, in their narrow-minded and sadistic little way, are happy and proud of the job they did on unfortunate Tom Crowley and, to a lesser extent, on George Keyatta. If the hon. member for Townsville North is going to genuflect and grovel to the back-room boys of the A.L.P. by lengthy, stupid and personal attacks on me and that sort of thing, I very much regret that I will have to take time off now and again to reply. I hope I do not have to because there is so much to be done for the North and so little time. It will be a tragedy for him and a tragedy for North Queensland; there is so much to do. There are jobs to be done in Townsville. One urgent job is to get rid of the tyrannical, presumptuous and contemptuous aldermen who have run our city

for so long and who remain in office only because of the split Labour vote at council elections. I do not know how we can overcome the problem, but I feel we should be prepared at least temporarily to bury our hatchets—even if we only scratch a little sand over them—so that we may evolve some means to free Townsville from the gross bar to its progress in the shape of these Tory aldermen who have been there far too long. That is one job the hon. member for Townsville North could help me do if he wanted to do something for the city that has sent us both to Parliament.

There is another job. I have been in northern development movements for many years and I would say they have all failed on either one of two rocks.

(Mr. Mann handed a glass of water to Mr. Aikens, who patted him on the head.)

The CHAIRMAN: Order! The hon. member is expected to make an intelligent speech and the hon. member for Brisbane must not think it is funny to take such action as he has taken.

Mr. Mann: I am sorry. I thought he was badly in need of a drink and I handed him a glass of water.

Mr. AIKENS: I thank the hon. gentleman for the water, but not for what he put in it that he collected from the Chamber floor.

Mr. Dewar: It was a disgraceful act for a former Speaker.

Mr. AIKENS: Yes, it was a disgraceful act for a former Speaker, but nevertheless we will forgive him. We know he cannot take his relegation to the cool shades of an ordinary member.

Every development move that has been made in North Queensland, every time we have tried to attack the city slickers, and every time we have tried to do something for the North and get it the fair go it has been denied for many years, we have run up against one of two obstacles, party politics and parochialism or jealousy. If a move is put forward in the interests of Northern Queensland every hon. member of this Chamber who represents a North Queensland constituency, irrespective of his political affiliations, should get together and support it. I think all the northern members of this Parliament, including western members if they like, should hold regular meetings to plan a campaign so that we may put pressure on the Government to get Northern Queensland and Western Queensland the things those parts of Queensland will not otherwise get. Even if it means crossing the floor of the Chamber and voting against their own parties, hon. members who are genuine and sincere should be prepared to do it. I can remember one occasion when the Minister for Public Works and the Minister for Mines crossed the floor of this Chamber and voted with me against their own party in the interests of Northern

Queensland. Unfortunately, we have not had much of that; we should have more. The more of it we have and the sooner we have it, the better North Queensland will be and the more contented the people of the North will be. It is shocking that when a proposal is put forward, say, by a member of the Labour Party, it is almost automatic that it will be opposed by every Liberal and Country Party member, and if something is put forward by the Country-Liberal Party it is almost automatic that it will be opposed by the A.L.P. I really think we should get away from that narrow-minded, vicious line of party-political thinking about North Queensland. We should never ask ourselves from where the proposal emanates; we should just ask ourselves: is this proposal in the interests of North Queensland or is it against the interests of North Queensland? And we should form our judgment accordingly.

I went along to that big meeting of the Tories in Townsville. I knew that they were Tories but I went along because they had proposals for the development of North Queensland and I thought that many of those proposals were worthy of my support. I congratulate them for the job they are trying to do and I give them credit for trying to do something, although I think their efforts are being misdirected in many quarters.

That is the attitude that every North Queenslander who represents a northern constituency in this Parliament should adopt. While some on each side of the Chamber cling to the party hack system we will get nowhere. If we are genuine North Queenslanders we must realise—and I am speaking now to the new hon. members from North Queensland and from Western Queensland—that the backroom party bosses of the Labour Party and the backroom party bosses of the Country-Liberal Party are just as violently opposed to North Queensland development as anyone else. In the interests of North Queensland, hon. members must be prepared to take on their party bosses and to speak, to vote and to act as North Queenslanders at all times.

Another obstacle in the pathway of our progress is parochial or sectional jealousy. If a proposal is put forward, for instance, to establish an industry in Cairns, away go the party-political bosses on both sides and they tell the people of Innisfail and they tell the people of Townsville and they tell the people of Charters Towers and Mackay and Bowen and Proserpine and elsewhere that they want to watch out or Cairns will be getting too much development and the rest of the areas of North Queensland will be neglected. The hon. member for Mackay will know how fast they work. They set Mackay against Townsville; they set Townsville against Mackay. They set Townsville against Cairns and they set Cairns against Townsville. They have played up this parochial angle until it has been almost worn out.

We must always realise, as genuine North Queenslanders, that the development of any one area of North Queensland will ultimately be reflected over the whole of the North and that we should fight to establish industries where it is suitable and economic to establish them. Until we realise that, we will never get anywhere with the development of North Queensland. I am prepared at any time to meet any northern member of Parliament, irrespective of his party affiliations, to discuss with him, to work with him, to collaborate with him, to do anything possible with him, in order to get something for North Queensland that probably we would not get otherwise.

Mr. Davies: Tell us about the Liberal alderman—

Mr. Aikens: Never mind about the hon. member for Maryborough. The kids at the Maryborough school used to call him 'Orrible 'Orace, and it is no wonder.

I have gone to a good deal of trouble to try to find out what has been happening about the development of other countries that were previously backward. I mentioned in my Address-in-Reply speech that I wrote to the Minister for Commerce in the Parliament of Northern Ireland, Lord Glentoran. And I have no doubt that the hon. member for Brisbane, when he wakes up to the fact that I have mentioned Lord Glentoran will accuse me of being not only a Tory but also a member of the hated British aristocracy. I knew that the problems of Northern Ireland were probably just as serious as those of North Queensland. Of course, they have not got the problem there to the extent that we have it here. The Minister for Labour and Industry said the other day in a Press interview that within 10 years Brisbane's population would increase by 171,000. He did not tell us that the person who gave him that information also told him that we should be lucky if the population of North Queensland increased by 17,000 in the same time.

Mr. Mann: Townsville is going ahead.

Mr. Aikens: Townsville is just tottering along with a small increase in population. I will tell the hon. member how much Townsville is going ahead. Does he know that a city the size of Townsville is added to Brisbane every two years? Yet the hon. member has the nerve to say that Townsville is going ahead. Townsville is tottering ahead—it would go ahead much faster without our present aldermen, I will admit—and Brisbane is racing ahead. We want to even up that uneven balance.

I wrote to Lord Glentoran, and I asked him why Ulster was making such rapid strides in industrial development and why we could not do the same thing. He had the courtesy to write to me, and I will now read his letter. It is just signed "Glentoran." Members of the British aristocracy sign their names that way. I mention that fact to the

hon. member for Brisbane in case he becomes a peer and wants to develop the habit. The letter reads—

"Ministry of Commerce,
"Chichester House,
"Belfast, 1.

"14th July, 1960.

"Dear Mr. Aikens,

"Thank you for your letter of June 27 asking about assistance given by the Northern Ireland Government towards the establishment of new industry. I am enclosing with this letter the literature which we hand out to interested industrialists, but I will try to give a brief outline in the following paragraphs of what we are aiming at and how we are trying to do it.

"First of all, the problem of the Northern Ireland economy is an unemployment problem, particularly among males. Although it has a considerable background of manufacturing industry, the province has hitherto depended on the fortunes of three main types of industry—linen, ship-building and aircraft. Our policy, therefore, is to create employment by encouraging existing industry to expand and diversify, and by bringing in new industry, particularly new firms which will employ mainly men and which themselves will add to the diversity of manufactures.

"There are two main ways in which we can help. First, any firm manufacturing or processing in Northern Ireland can claim an outright grant each year equal to one-third of its expenditure on new industrial building and on plant and machinery. Secondly, if the project is attractive enough from our point of view, we can instead offer more generous assistance which can include the provision of a new Government factory at a low rent for up to 10 years, an outright grant towards the cost of plant and machinery installed in the factory and grants towards the training of labour and towards the provision of any special services, such as effluent disposal, which are not already available. We can also help by giving priority to key workers brought in to supervise operations so that they can move into houses or flats in the area.

"Since 1945, with the help of these schemes of assistance, 150 new firms have started production in Northern Ireland bringing great diversity to the industrial structure and creating 38,000 jobs for the people here.

"This is the summary of our programme and I hope you will find it helpful. The literature enclosed will give you further background information on the problem.

"The enclosures are:

(1) 'Northern Ireland—Centre of Growing Industry'. This is the general description of our facilities together with information on other aspects of industrial development here.

(2) 'Capital Grants to Industry Acts'. This leaflet explains in greater detail the first of the two schemes mentioned in the third paragraph of this letter.

(3) 'Freight Services to and from Northern Ireland'. This brochure lists the different routes and the different methods by which raw material and goods may be transported to and from Northern Ireland and gives the names of the shipping companies and forwarding agents.

"Yours sincerely,
"Glentoran."

I would say that the problem of Northern Ireland was almost similar to that of North Queensland, and I would say, too, that the solution of the problem is almost identical. It is very pleasing for me to read that letter from Lord Glentoran, because as I read it I realise that for many years I have been hammering at the Government—first of all at the A.L.P. Government when they occupied the Treasury benches, and for the last three years at this Government—to do something tangible about establishing industries in North Queensland instead of just talking about them. How often have I said that if you leave it to an industrialist, if you go to him and say, "We would like you to go to North Queensland and establish your industry there; but, of course, if you want to establish it in Southern Queensland, where you have the heavily populated areas and numbers of consumers on your doorstep, it is just too bad for North Queensland and we will help you establish it here", the industry will be established in this part of the State.

It is a hard economic fact that no man will establish an industry in one place if he thinks he can establish it at greater benefit and profit to himself somewhere else. So when a man contemplates coming to Queensland to set up an industry he first of all looks at the consumer market. In Brisbane, with its rapidly increasing population, he has a consumer market of 700,000 people, with another 250,000 within a radius of 150 miles. Consequently he says to himself, "I will establish my industry and my factory where I have the consumer market right on my doorstep. If I go to North Queensland I probably will have trouble with raw materials and transport costs, and I will have trouble with many other things." Consequently I have urged the Government for years to go to that man and say, "Look, tell us in plain, simple terms what you want to establish your industries in North Queensland or Central Queensland"—where is the chatterbox from Rockhampton?—"or North-west Queensland or somewhere else." Then let that manufacturer say to the Government what the manufacturer can say to the Government of Northern Ireland, "We want 33½ per cent. of the cost of our capital equipment and machinery. We want other concessions that really amount to something. We don't want honeyed words. We don't want all the blah-blah and flim-flam in the

world. We want some effectual help and we will come to Townsville, Cairns, Mackay, Cloncurry, Boulia, or somewhere else to establish our industry if you will help us financially to do it."

Mr. Morris: You know that in Northern Ireland industry has had grants of many millions of pounds.

Mr. AIKENS: I want the Minister to do the same for North Queensland. That is all I ask.

Mr. Morris: You find the money.

Mr. AIKENS: I am asking for the same financial assistance—the same material and concrete assistance as industry can get if it goes to Northern Ireland. How does the Minister think the Government of Northern Ireland are attracting industries that normally would be established on the Clyde in Scotland, in Glasgow, or perhaps in Liverpool or Manchester? If they were left to themselves they would establish themselves in the densely-populated areas of Scotland and England. But they are getting them in Northern Ireland because they say, "We will give you cash on the line if you agree to come to Northern Ireland and establish your industries here."

Mr. Dewar: What is the good of getting capital assistance if you still have not got a market for your goods?

Mr. AIKENS: As the hon. member knows as well as I do, to retain industries in North Queensland that are established there, with or without Government assistance, our first need is a readjustment of rail freights. He knows as well as I do that the rail freights on the Queensland railways have been deliberately rigged for years in order to strangle North Queensland industry. I marvelled at the temerity of the hon. member for Bundaberg—although knowing him I should not have—when he asked a Government member the other day what he thought of the tapering rail freight on cattle that deliberately incited graziers in the far north-western areas of the State to rail their cattle past the northern meatworks at Townsville and Merinda, and even Rockhampton, right down here to Cannon Hill. We know that over the last 150 miles the cattle are carried virtually free.

Mr. Morris: You do know because I have told you that in the last six months we have assisted 16 important industries in Townsville.

Mr. AIKENS: The Minister for Labour and Industry tells me that I know. If I remember rightly I asked the Minister a straightforward question on that point only last week or the week before and to name and detail any industries that have been established in North Queensland with the assistance of this Government. He shied around it like a piccaninny on a plain. He came back with a general statement about

something or other that was not worth a roasted peanut. When the Minister rises to speak on this debate, or any relevant debate, I invite him to give us the names of those industries and the exact amount of financial or other concrete assistance given to each of them to establish themselves in Townsville or in North Queensland. If he does that it is quite possible that I might believe him after I have checked up on his statement.

Mr. Hughes interjected.

Mr. AIKENS: Will the hon. member tell us how he put the skids under Peter Connolly? We are more interested in that. I said when I first came into this Chamber that I learned to shoot a gun and I became a pretty good shot. My mentor said to me, "Don't waste your shot on tomtits and willy wagtails, always fire at turkeys, geese and ducks." So I speak in this Chamber on behalf of North Queenslanders firing my cartridges at turkeys, geese and ducks on the front bench and I do not want any irrelevant interjections from, metaphorically speaking, tomtits and willy wagtails on the back bench who do not know any more than hon. members on the back bench on the Labour Party side of the Chamber.

Mr. Dewar: Our concessional freights in North Queensland are very fair and the service is excellent.

Mr. AIKENS: Does the hon. member think so?

Mr. Dewar: Yes.

Mr. AIKENS: Then why don't the Government lay Hytten's report on the table? They appointed a man from Tasmania, gave him 7,000 guineas and brought him up here with a great beating of drums and fanfare of trumpets. They said Professor Hytten was going to come up here and solve all our transport problems. He came up and was successful, because he put £7,000 of their money in his pocket, skedaddled back to Tasmania and nothing has been heard of his report since.

I am glad the hon. member for Wavell made that interjection. It reminds me of the election campaign. I do not want to keep harping on it, unless I have to resurrect it. During the last election campaign I was accused at Aitkenvale of helping a Tory to come to Townsville and establish an industry and I said, "That is quite true. I will help anybody to come to Townsville and establish an industry." It is true that I helped, in a small way, the hon. member for Wavell to come to Townsville and establish an industry. I was instrumental in getting him premises in which he could open his business, which, I am glad to say from the last reports I have, is expanding and employing North Queensland workers. I will help anybody to come to Townsville.

I say that to drive home the point that we should not be prompted by sectarian

bigotry, religious bigotry, sectional bigotry or any other bigotry. In dealing with North Queensland I help anybody to go there if they are going to establish an industry that will employ some of our unemployed. I point that out to the hon. member for Brisbane and those sitting behind him. Political bigotry has gone so far as North Queensland is concerned. It has gone so far as I am concerned. I do not ask anyone with the intention of establishing an industry in North Queensland who wants help to get premises or information about power, water or transport—which I have done for scores and scores of people—"Are you a Tory?" "Are you a Roman Catholic, a Methodist, a Calithumpian, a Presbyterian or a Bush Baptist?" I do not even say, "Do you come from Spring Hill?" I just say, "I will get you all the information you desire," and I will turn things inside out to assist him to establish the industry in North Queensland, preferably in Townsville. If it is economically suitable to establish it elsewhere, then I help him to establish it elsewhere in North Queensland.

I am glad the hon. member for Wavell made his interjection because it shows how free from political bigotry, of which I was accused on a public platform, I have been. Incidentally, they plastered all Townsville—every gatepost, every telephone post, and every fence—with big red placards reading "Tory Tom".

Mr. Mann interjected.

Mr. AIKENS: The hon. member for Brisbane went up and addressed a meeting, and I am told that Bill Edmonds may have got 1,000 more votes if he had not gone up. In their speeches they attacked me for assisting the hon. member for Wavell to get premises in Townsville.

Mr. Dewar: You did a very good job.

Mr. AIKENS: And I will do it for anybody. Even if the hon. member for Brisbane wants to go to North Queensland to establish an industry, I will do all I possibly can for him. I do not think he is likely to come up there but, if he gives me an assurance that he wants to establish an industry and if he employs in it only one man, I will help him to the utmost.

Let me sum up what I have said. Let us as North Queensland members of Parliament, when the interests of North Queensland are affected, forget that we are members of the Australian Labour Party, the Liberal Party, the Country Party, and the North Queensland Labour Party, or Independents. Let us forget our political affiliations and say, "I think we can do something for this area or that area of Northern Queensland." We cannot do it if we stick to the party machine. We cannot "buck" our own party bosses. Let us get together and see if we can devise ways and means of putting the screw on the Government in any way at all in order to force the Government to listen

to our demands that they should stop talking and start really acting about the establishment of industries in North Queensland.

As I said before, I am prepared if necessary to convene the meetings. They can have Uncle Tom's Cabin or wherever they like to hold their meetings and we can formulate a plan of campaign for all genuine North Queenslanders—fighting, working, voting against anybody at any time who stands in the way of development of the North. Above all things, if a proposal is put to us, let us not ask ourselves, "From whence does this proposal come?" Let us ask ourselves only one simple question, "Is this proposal in the interests of North Queensland or is it opposed to the interests of North Queensland?" And if it is in the interests of North Queensland, let us have the guts and sincerity as North Queenslanders to fight for it against all comers in any place at all.

Hon. G. F. R. NICKLIN (Landsborough—Premier) (8.28 p.m.): I very much regret the circumstances that compel me to enter this debate tonight. May I say that this is the most reluctant speech I have ever made in this Chamber in the 28 years since I entered it. It is not a very easy task to say the things I am compelled to say about an old colleague whose friendship I have enjoyed, whose good qualities I have admired and who I have been very happy to have on my side in many political fights. May I say it is not of my choosing that this should happen. But I can do nothing else following the intemperate speech of the hon. member for Fassifern this afternoon, and the many incorrect and unfair statements made by him relating to his retirement from the Cabinet. His remarks were totally unworthy of him, especially his attacks on Cabinet colleagues who stuck to him so closely during the time he was a member, and also his reprehensible attack on my colleague, the Deputy Premier. What he said about the Deputy Premier was totally inexcusable after what the Deputy Premier did for him and after the many occasions on which we worked together as a team over the years. May I say that all members of the Cabinet without exception did their utmost to help the hon. member when he was in trouble. As I will demonstrate as I go along, they showed far greater loyalty to him than he showed to them this afternoon.

I should like to refer to the letter that the hon. member addressed to me submitting his resignation from the Cabinet. It reads—

"Following the recent General Elections I was re-elected to Cabinet rank by Country Party Members, but the Deputy Premier and yourself decided that I be removed."

Nothing of the sort occurred and the hon. member knows quite well that is totally untrue. The decision that he should resign from Cabinet was the unanimous decision of the Cabinet.

The letter continues—

"I can only regard this as a reflection on my administration which I consider to be entirely unjustified."

May I say that the hon. member knows full well that the reason for his retirement from the Cabinet was not due to his administration or anything he may have done while he was Minister for Public Lands. He knows full well that he was involved in a serious taxation defalcation and that he consistently and deliberately denied, firstly to myself and then to his Cabinet colleagues, that he was in any way involved. I consider it inexcusable that a hon. member should take that action.

Mr. Duggan: Why didn't you say that at the time you asked for his resignation?

Mr. NICKLIN: I will make my speech in my own way.

Opposition Members interjected.

The CHAIRMAN: Order!

Mr. NICKLIN: May I say that this defalcation that the hon. member referred to as just something trifling, and something that did not matter, is rather a serious offence. I will quote now from the "38th Report of the Commissioner of Taxation," which was issued a few weeks ago. On page 249 appears Schedule No. 5 (1), dealing with questionable returns for the period 1 July, 1957 to 30 June, 1958. That schedule is headed with these words—

"By investigation of taxpayers' books and accounts and by other means, a number of cases in which tax has been avoided because questionable returns have been lodged, or returns have not been lodged as required has been discovered. These include cases of suspected fraud, cases of which there was evidence of evasion which was considered to have been due to unreasonable carelessness in the circumstances, and also cases in which evasion was due to failure to keep proper records from which the taxpayer's income could be readily ascertained.

"Because of the difficulty of proving fraud in accordance with legal rules, the taxpayers in most cases have not been prosecuted, and section 226 of the Income Tax and Social Services Contribution Assessment Act has been applied. Section 226 provides for penalties up to double the amount of the tax avoided. In the majority of cases portion of the statutory penalty has been remitted following upon explanations received from the taxpayers.

"The cases in which penalties under this section have been imposed are stated hereunder in accordance with the direction in section 14 of the Act."

I turn now to that section of the schedule that deals with the cases in which there is evidence of evasion considered to have been due to unreasonable carelessness in the

circumstances. On page 293 we find the name "Muller, Adolf G., farmer," and the financial years in which the questionable returns were involved are shown as 1949-1950 to 1955-1956. The understatement of taxable and/or contributable income is shown as £11,205; the tax and/or contribution evaded is £4,415 14s.; and the additional tax and/or contribution charged as penalty is shown as £1,766 4s. I do not think that could be called a mere trifle; in my opinion it is a very serious matter, and the report justifies the action taken by me and my colleagues in asking for the resignation of the hon. member.

Mr. Bennett: When did you first find this out?

Mr. NICKLIN: If the hon. member will be patient I will tell him. I was not aware of this incident until several days after the election. I was out of town most, or all, of the time the election campaign was on, and it was not till I returned to my office that the incident—the report in the "Telegraph"—was brought to my notice. When it was shown to me, I consulted with my colleague, the Minister for Education and Migration, and asked him if he knew anything about it. He said that he had seen the report—that he had had his attention drawn to the report—and we discussed the matter between ourselves.

Mr. Duggan: If he had seen that same report he should have drawn your attention to it instead of your having to show it to him and invite him to discuss it.

Mr. NICKLIN: It is all very well for the Leader of the Opposition to say what should have been done and what should not have been done. This afternoon he said quite unctuously that I knew all about this before the election and did not disclose it. I ask the Leader of the Opposition: if he had been a member of the Cabinet what would have been his action?

Mr. Duggan: If that had been the case I would not have made the mistake of offering him another portfolio. You did not say anything about the tax. You told him you were going to put him in charge of the Department of Agriculture and Stock.

The CHAIRMAN: Order!

Mr. NICKLIN: I decided to send for the hon. member and ask him if he was the person mentioned in the report, and I had a discussion with him in which he denied that he was. And may I say that when I received that denial from him I was the happiest man in Brisbane, because I believed him. I had no doubts at all that what he told me was correct, because over the years I have found him to be a man who was always a good friend and above-board in anything I had to do with him. I told my colleague, Mr. Pizzey, and may I say that he was just as happy as I was.

Next morning the meeting to select members of Cabinet was held and the hon. member was selected by the Country Party as
1960—Y

one of its Ministers-elect. Following that meeting, further evidence was brought to me which led me to have grave doubts as to whether the information given to me by the hon. member was correct, and as Cabinet had been elected, and as it was very clear that these rumours were very persistent and very widespread through the community and seemed to amount almost to general knowledge, naturally I thought that if they were correct it would be something that would do incalculable harm to the new Government.

I called a meeting of the members of Cabinet-elect and the question was discussed. We discussed the matter very freely with the hon. member, and he denied also to his colleagues in Cabinet that he was the man involved in that part of the report; he denied that he had been called upon by the Commissioner of Taxation to pay any penalty. In fact, he mentioned that he had never had as much money as that in the whole of his life.

Cabinet took the view that as the integrity of the Government was involved, we must be absolutely certain about the report before members of the Cabinet were sworn in—they were not sworn in at that stage—and we asked the hon. member if he would go and see the Commissioner of Taxation and bring back from him a letter to the effect that he was not the person involved, or, alternatively, if he would give a couple of his Cabinet colleagues a letter to the Commissioner of Taxation to enable them to go and seek that information.

The hon. member left the room on that mission, to visit the Commissioner of Taxation. He returned later and told us that he could not get the required information from the Commissioner. Following further discussion, the hon. member said that he was not going to ask any questions, and one of his last remarks before he left the room was that if anything more was said he would issue a writ against the person who said it. That was the way he treated his colleagues—his colleagues who unanimously tried to do something to help him and who were prepared to help clear him of this charge. Following that action by the hon. member, Cabinet unanimously decided that they would ask for his resignation.

The following morning the hon. member for Fassifern rang me and asked to see me, and he asked that Cabinet should be called together. He saw me and he met Cabinet, and he admitted to us that he was the person concerned and the person mentioned in the report. He obviously was under considerable personal distress. May I say that all his colleagues were also very distressed about the whole of the circumstances surrounding the case. If there had been anything that any one of us could have done to help the position, we would have gladly done it because of our high regard for him. Is there anyone here who would say that, in view of all these circumstances, Cabinet could have taken any other action?

Mr. Duggan: I think you should have said it at the time, but you did not.

Mr. Pizzey interjected.

Mr. Duggan: Why didn't you tell the truth two months ago?

Mr. NICKLIN: Cabinet then discussed the method by which the hon. member's resignation should be given. The hon. member did not wish to take advantage of several suggestions that were made, and it was suggested by him that he be offered another portfolio, which he would not accept, and would resign.

Mr. Bennett: Only a guise.

The CHAIRMAN: Order! I have warned the hon. member several times. If I hear further interjections from him he will be asked to leave the Chamber. I would like hon. members to remain silent while the Premier is making his statement. It is a very important statement and should be heard without interjection.

Mr. DUGGAN: I rise to a point of order. I have a tremendous respect for you, Mr. Taylor, and the office you hold, but we are dealing with a tremendously important matter and it is undesirable for you to rule that we must remain completely silent. If we direct a question to the Premier and he elects to ignore it, that is his responsibility, but to say that we should remain silent is completely unfair.

The CHAIRMAN: Order! I must insist that Standing Order No. 114 be obeyed. If the hon. gentleman has a question that he desires to put to the Premier he can ask it through me and the Premier will be given the opportunity to reply to it if he wishes.

Mr. DUGGAN: I object very strongly to your ruling. I have been here 25 years and I have never heard of Standing Order No. 114 being applied in the manner proposed.

The CHAIRMAN: Order!

Mr. NICKLIN: The Leader of the Opposition need not get upset. I will answer any questions.

Opposition Members interjected.

The CHAIRMAN: Order! I ask hon. members to respect the Chair. I am asking them to refrain from making interjections. There have been no rulings on questions other than that if they are persisted in, as they have been, they must be asked according to Standing Order No. 114.

Mr. NICKLIN: May I say that the purpose of this statement of mine is to give the fullest information possible. If hon. members opposite will be patient I will tell

them everything. If they do not get enough information, let them ask questions. I will answer any questions. If what they are getting agitated about is the method adopted, I assure them that I am going to explain it all. I am going to tell it factually in the Chamber.

The suggestion was made that the hon. member should be given an opportunity of getting out of Cabinet in that way. May I say that every member of Cabinet was against that suggestion. But as one who had a tremendous regard for the hon. member as a result of my 25 years' association with him—and perhaps having a bit of a soft heart—I wanted at least to cover up as much as I could for an old friend and an old cobbler.

Government Members: hear, hear!

Mr. NICKLIN: Can anyone blame me for that? That was the reason that that method was adopted.

Mr. Lloyd: If this taxation evasion was so serious, why offer him another portfolio?

Mr. NICKLIN: He was not offered another portfolio.

Mr. Lloyd: You said he was.

Mr. NICKLIN: I said that was suggested by the hon. member to give him an opportunity to get out of the Cabinet. Possibly it may have been the wrong thing to do. If it was a wrong thing to do I personally accept the whole of the responsibility for it. I did it out of friendship for an old colleague.

Government Members: Hear, hear!

Mr. NICKLIN: If I did anything wrong ethically, I think we all would do things that are ethically wrong for an old friend.

Mr. Davies: You gave the impression before—

Government Members interjected.

Mr. DAVIES: I rise to a point of order. I surely have the right to ask for clarification. But I am told by a member of the Government to "shut up." The Premier gave the wrong impression before. It might have been by mistake, but I think he said he offered another portfolio.

Mr. NICKLIN: It was suggested that I should.

Mr. Lloyd: That is the story you issued to the newspapers.

Mr. NICKLIN: And I am not apologising for what I did. The hon. member was quite happy with the arrangement that was made

because, in "The Courier-Mail" the next day—10 June last—there was a statement by him which reads—

"Mr. Muller said yesterday he confirmed entirely the statement made by Mr. Nicklin over his retirement.

"He said that while he was profoundly sorry to sever his association with the Lands Department, he felt he should not allow his disappointment to break his allegiance with the Country Party.

"Having just recently been re-elected with Country Party endorsement he intended to honour the trust reposed in him by the electors of Fassifern.

"My spare time,' he added, 'will now be taken up on my Boonah property, possibly by ringbarking, which has been waiting for years.

"However, my first duty will be to watch the interests of the people who have re-elected me'."

I was indeed very disappointed at receiving the hon. member's letter couched in the language that it was. The hon. member is now trying to cover up his previous incident, unfortunately, at the expense of his colleagues, who were only too willing and ready to help him. That is the history of the reason for the resignation of the hon. member from the Cabinet.

Mr. Hanlon: Did any member of the Cabinet know about it before the election?

Mr. NICKLIN: I just told you I did not know about it until I returned to Brisbane.

Mr. Hanlon: Not yourself—any member of the Cabinet?

Mr. NICKLIN: If any member of the Cabinet knew about it, he did not tell me. The first I heard about it was when I returned to Brisbane.

Mr. Duggan: They knew about it.

Mr. Chalk: Yes, you told me.

Mr. Duggan: You complimented me before certain persons in Toowoomba for not using it.

Mr. Chalk: Yes, because I did not believe you.

Mr. NICKLIN: Now that other hon. members have finished making their speeches, perhaps I can proceed with mine.

During his remarks this afternoon, the hon. member gave a resume of what happened in the Department of Public Lands since we became the Government and one thing in connection with his recounting of what happened during his term as Minister for Public Lands and Irrigation was that everything he mentioned he claimed as having done alone. In every decision the hon. member received the full backing of his Cabinet colleagues. I will be the first to

admit that the hon. member did a good job while he occupied that portfolio. It was a very difficult job to undertake; he was subject to very great pressure.

Mr. Lloyd: From the Country Party Executive?

Mr. NICKLIN: There were pressures imposed on him from many sources, but when he mentioned those pressures to Cabinet we always backed him in his decisions. Naturally, in any portfolio Cabinet does not necessarily endorse every suggestion put forward by any Minister, and there were suggestions put forward by the hon. member when he was Minister with which the Cabinet did not agree. But we always discussed the matter and when a decision was arrived at we backed him to the full. May I add that I also personally backed the hon. member in all the decisions arrived at by Cabinet.

I was rather disturbed at the statement made this afternoon by the hon. member, "On more than one occasion I was brought before the Premier to show cause why I made some of the decisions I did make." From that statement one would think that the hon. member was brought up and carpeted by me—nothing of the sort. Naturally, there were many dissatisfied customers of the Department of Public Lands who came to me as Premier. If I know anything about the department it will always have dissatisfied customers, but when any of these cases were brought to me I discussed them with the hon. member for Fassifern and never once did I overrule any decision by him.

Mr. Duggan: I suppose you were a dissatisfied customer when you invited him to talks two or three times today or yesterday.

Mr. NICKLIN: The hon. member would not understand the meaning of friendship. If he wanted to get rid of any member of his party, he would adopt the Q.C.E. method.

Then the hon. member for Fassifern went on to say, "In several cases I was charged with sabotage." Does the hon. member imply that I charged him with sabotage?

Mr. Baxter: What do you think.

Mr. NICKLIN: I should like to know. That is what he said this afternoon. If it is a charge against me I emphatically deny it, because never have I overridden any decision of the hon. member for Fassifern.

In addition to being unfair to his Cabinet colleagues, the hon. member, in claiming that everything that happened at the Department of Public Lands was done by himself, is being unfair to the back-benchers, because after all they did a tremendous amount of work in framing and implementing Government land policy. Many a meeting was held by the back-benchers and many discussions were made by them. I shall give one instance. The

hon. member referred to the Farm Water Supplies Assistance Act, and said it was entirely the result of his own efforts. Possibly the hon. member may have forgotten that the scheme of which he as Minister in charge of the department had every reason to be proud—it is one of the best Acts ever introduced—was first mooted by the hon. member for Gympie, who raised the matter in a deputation to the hon. member for Fassifern. I was very sorry indeed that he adopted the attitude that everything done in the Lands Department had been done by himself.

I make it perfectly clear right now that no administrative action of the hon. member during the time he was Minister for Public Lands had any effect whatsoever on the decision of Cabinet to ask him to resign from Cabinet. The reason, as I have said, was that he was involved in a taxation defalcation, and I am sure each and every hon. member and each and every citizen of Queensland would admit that is something that could not be hanging over the head of a Minister charged with the responsibility of government of the State.

The hon. member this afternoon made one very true statement, a statement I endorse entirely, that he stood for the correct principles of public policy and administration and that the correct principles of public policy and administration are of the utmost importance. I agree entirely with him. One of the cardinal principles of public administration that my Government hold paramount is that all connected with it should be like Caesar's wife, entirely above suspicion. My Government stand four-square behind that principle. In the case of the hon. member there was a definite instance of taxation evasion and consequently he was asked to tender his resignation. Speaking for myself and my Cabinet colleagues, I say we will not for one moment countenance or condone any act or omission on the part of any member of Cabinet, or of the Government, on which there rests the slightest breath of suspicion. That is the reason for the action we took in regard to the hon. member, and I stand for it and allow our actions to be judged by the electors of this State.

Mr. Duggan: Before you sit down—you said you would invite questions. Will you facilitate the fullest possible inquiry into this matter if we challenge you to?

Mr. NICKLIN: There is no reason for any inquiry.

Mr. Duggan: I will certainly test that statement next Tuesday.

The CHAIRMAN: Order!

Progress reported.

The House adjourned at 9.3 p.m.