Queensland

# Parliamentary Debates
[Hansard]

**Legislative Assembly**

**TUESDAY, 28 AUGUST 1962**

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## WEDNESDAY, 29 AUGUST, 1962

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

### QUESTIONS

#### ADVERTISING OF SITES FOR TOTALISATORS

**Mr. DEAN** (Sandgate) asked the Treasurer and Minister for Housing—

"Will he give consideration to introducing a Regulation under the Racing and Betting Acts to compel the Totalisator Administration Board to advertise by displaying a public notice for a stipulated period of time at the proposed location where an application for a betting totalisator has been made, before any approval is given for a totalisator to operate?"

**Hon. T. A. HILEY** (Chatsworth) replied—

"The control of the use and occupation of land is a function of Local Government. The Totalisator Administration Board, like any other Body, is bound to observe the requirements of any Local Authority town planning scheme and any ordinances or By-laws of the Local Authority. I respect the rights of Local Government to deal with such applications having full regard to the circumstances of the case and the public interest. I feel sure that if any Local Authority felt it necessary to advertise applications in general or any application in particular, it would soon take power to do so, if it did not already have the power."

#### CONTROL OVER HOUSE RENTALS AND MEAT PRICES

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) asked the Minister for Justice—

"As he made a comparison between the rises in the Consumer Price Index for Brisbane for two five-year periods in an answer to a question by the Honourable Member for Kedron on August 23, making the point that under Labour this rise was approximately four points a year while under the present administration it rose only three points a year and as the Commonwealth Statistician's Bulletin No. 46 of 1962 indicates that the increase under Labour with an efficient system of price-fixing was twelve points, not the 20·2 points as quoted by him, which would make the increase an average of 2·4 per year as against an average of 3·06 during the next five years when this control was being lifted, will he state where he derived the figures for the period July, 1952, to June 30, 1957?"



**Hon. A. W. MUNRO** (Toowong) replied—

"I would refer the Honourable Member to Statistical Bulletin No. 93 dated July 20, 1962, issued by the Commonwealth Bureau of Census and Statistics, Canberra, and for his information I table a photostat copy of Table I of this Bulletin. The 20·2 Index points quoted in the question represents the difference between 91·8 for the year ended June, 1952, and 112·0 for the year ended June, 1957, a five-year period. 20·2 Index points divided by 5 equals approximately four Index points, making an average of four Index points per year as stated in my answer."

Whereupon the hon. gentleman laid the document on the table.

#### COMPULSORY RETIREMENT OF SENIOR MEDICAL OFFICERS

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) asked the Minister for Health and Home Affairs—

"(1) Is it true that senior medical officers at the Brisbane General Hospital are being forced to resign after fifteen years of service?"

"(2) If so, does this apply to all senior medical officers in all public hospitals in Queensland?"

"(3) Under what regulation could such a decision be enforced?"

"(4) Does he not think a regulation such as this will mean the loss of the experience and skill gained through many years of long service and will mean the loss to our hospital system of many in the full prime of their professional career, not to their detriment but to the detriment of Queensland as a whole?"

**Hon. H. W. NOBLE** (Yeronga) replied—

"(1) No."

"(2) No."

"(3 and 4) See answer to Question (1)."

#### CLEANING STAFF IN RAILWAY RUNNING SHED, MARYBOROUGH

**Mr. DAVIES** (Maryborough) asked the Minister for Transport—

"(1) (a) How many cleaners are employed in the Railway Running Shed at Maryborough and (b) how many were employed during the month of August in each of the years 1959, 1960 and 1961?"

"(2) Will he arrange for the appointment of additional cleaners to the staff particularly in view of the extra seasonal work?"

**Hon. H. W. NOBLE** (Yeronga—Minister for Health and Home Affairs), for **Hon. G. W. W. CHALK** (Lockyer), replied—

"(1) (a) Twenty-two; (b) August, 1959, 40; August, 1960, 38; August, 1961, 26."

"(2) The matter of the employment of additional Cleaners will be determined according to the requirements of traffic."

THIRD-YEAR SCIENCE COURSE, TOWNSVILLE UNIVERSITY COLLEGE

**Mr. AIKENS** (Townsville South) asked the Minister for Education and Migration—

"(1) Is it a fact that a promise was made that a third year science course would be available at the Townsville University College in 1963 and if so, will the promise be kept?"

"(2) If the promise was not made, are there any real reasons why such a course could not be established, particularly in view of the need to obviate, as far as possible, the expense and inconvenience consequent on the need for students to come to Brisbane to take such third year course?"

**Hon. J. C. A. PIZZEY** (Isis) replied—

"(1) No promise was made, but, during the year, the situation was examined with a view to ascertaining how far courses could be extended."

"(2) In 1963, the University proposes to consolidate the study of sciences in the University College at Townsville by introducing courses in Botany II, Zoology II and Geology II, and, in this way, provide a wider range of science subjects for study in North Queensland. Further consideration will be given in 1963 to the extension of physics and chemistry. It might be pointed out that the provision of equipment and facilities for third year studies in Physics and Chemistry is very costly and, as only a relatively small number of candidates are offering in these studies, it is considered that the expenditure was not warranted at this stage in the development of the College at Townsville."

PRINTING OF FORD, BACON AND DAVIS REPORT

**Mr. AIKENS** (Townsville South) asked the Minister for Transport—

"In view of the fact that, when he laid three copies of the Ford, Bacon and Davies Report on the Table of the House last week, he failed to move that the Report be printed and so make a copy available to every Member as in the custom, will he now recitify this omission?"

**Hon. H. W. NOBLE** (Yeronga—Minister for Health and Home Affairs), for **Hon. G. W. W. CHALK** (Lockyer), replied—

"It is not customary to have printed every document tabled. The reason three copies of the Ford, Bacon and Davis Report were tabled instead of the usual procedure of tabling a single copy was to enable the Report to be perused at ease by all Honourable Members. If the Honourable Member applies to the Clerk of Parliament, I am sure he will be able to arrange to acquire a copy of the Report so that he can fully study it."

PAY-ROLL TAX AND SALES TAX PAYMENTS

**Mr. COBURN** (Burdekin) asked the Treasurer and Minister for Housing—

"What was the total amount paid in (a) pay roll tax and (b) sales tax, by all Government departments in Queensland in the financial year 1961-1962?"

**Hon. T. A. HILEY** (Chatsworth) replied—

"(a) £1,749,444. (b) Goods for official use, and not for sale, by a Department of a State are exempt from Sales Tax. Where goods are purchased for re-sale and attract Sales Tax, such tax is recovered in the sale price. The amount actually paid would not be great but precise figures are not readily ascertainable."

FISHING NETS IN BARRATTAS AREA

**Mr. COBURN** (Burdekin) asked the Treasurer and Minister for Housing—

"Is he in a position to advise what decision has been made in regard to the request by a large number of Ayr anglers that net fishermen be permitted to carry their nets in boats through the area prohibited to net fishermen on the Barrattas so that they may have access to the fishing grounds in Bowling Green Bay?"

**Hon. T. A. HILEY** (Chatsworth) replied—

"Where areas are closed to net fishing the general approach is that no vessels should be allowed in the closed area with nets aboard. The wisdom of such an approach is obvious. However, cases can arise where the only reasonable access to allowable net fishing grounds is through closed waters. In these cases the general approach must, necessarily, be modified. I have had enquiries made in the case to which the Honourable Member refers and I will be in a position to advise him of the results of those enquiries in the near future."

EFFECT OF MECHANISATION ON EMPLOYMENT

**Mr. NEWTON** (Belmont) asked the Premier—

"In view of the statement made by the Premier of Tasmania in relation to the effect mechanisation is having on employment generally, which appeared in the Brisbane 'Telegraph' dated August 27, 1962, and because this effect is also being felt in Queensland, will he consider the call made by the Premier of Tasmania and support the calling of a Federal convention on this matter, consisting of the organisations outlined in the statement?"

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

"The Queensland Government is aware that the advance of mechanisation in industry is already requiring the consideration of governments, employers and employees alike, not only because of the increased productivity which results from such mechanisation but also because of the work force adjustment problems which it raises. However, the information available from the Press Report referred to is not comprehensive enough to enable an assessment to be made as to whether the holding of a convention on the lines indicated would achieve any real purpose. Nevertheless, should the Commonwealth Government, the Governments of the other States and the organisations mentioned feel a convention of this nature could achieve some positive result, the Queensland Government would be prepared to consider being represented at such convention."

DOMESTIC SCIENCE BLOCK, MAREEBA STATE HIGH SCHOOL

**Mr. ADAIR** (Cook) asked the Minister for Education and Migration—

"Why have repeated requests by myself and the members of the Mareeba State High School Parents and Citizens' Association for the building of a domestic science block at that school been refused, while high schools in other areas of less importance have been granted this amenity?"

**Hon. J. C. A. PIZZEY** (Isis) replied—

"Satisfactory facilities for the teaching of Domestic Science are available on the primary school site at Mareeba. The erection of a Domestic Science block on the new site cannot therefore be given a high priority, as only a very limited number of students take the Domestic Science Course. There are eight other High Schools in a similar position. The provision of accommodation for new schools warrants a higher priority than the replacement of satisfactory accommodation within reasonable distance of the High School."

EXTENSION OF WATER MAINS AND CHANNELS TO AERODROME AND PADDY'S GREEN AREAS, MAREEBA DISTRICT

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

"(1) What are the latest developments regarding the extension of water mains and channels to the Aerodrome and Paddy's Green areas?"

"(2) When can it be expected that a permanent water supply will be available to these areas?"

**Hon. A. R. FLETCHER** (Cunningham) replied—

"(1) (a) The Government has approved the extension of the Mareeba-Dimbulah Irrigation system to serve the Aerodrome and Paddy's Green sections, at an estimated cost of £210,000 and £1,690,000 respectively. (b) Work is already in progress on extension of the works to serve the Aerodrome section which is conveniently situated to receive early priority. (c) Although some work has been carried out on extension of the main channel to serve the Paddy's Green section, it has been necessary to cease this work as it would appear that there would be insufficient funds for its continuance in the 1962-1963 year."

"(2) (a) It is expected that some lands in the Aerodrome section will be served during the latter half of 1962-1963, and the balance during 1963-1964. (b) In regard to the Paddy's Green section, the time when permanent supply will be available for the whole area cannot be precisely stated due to uncertainty as to what funds will be available in future years. However, if similar amounts to those available in 1961-1962 for the Mareeba-Dimbulah Project are allotted, it would be possible to provide supply to part of the area for the tobacco crop of 1964, and for the complete area for the tobacco crop of 1966."

ROYALTY ON ANT BED, MAREEBA-DIMBULAH AREA

**Mr. ADAIR** (Cook) asked the Minister for Agriculture and Forestry—

"Is it a fact that tobacco farmers in the Mareeba and Dimbulah areas are charged royalty on ant bed taken off Crown land? If so, what royalty is being charged?"

**Hon. O. O. MADSEN** (Warwick) replied—

"Ant bed has been sold in the Mareeba-Dimbulah area but the occupation of purchasers is not recorded. One thousand, two hundred and ninety-eight cubic yards were sold from Crown Land in the year 1961-1962. Royalty of 6d. per cubic yard is charged."

NEW SUPREME COURT, TOWNSVILLE

**Mr. DAVIES** (Maryborough), for **Mr. TUCKER** (Townsville North), asked the Minister for Justice—

"Further to my representations on November 2, 1961, as recorded in 'Hansard,' Vol. 231, page 1294, with reference to the need for a new Supreme Court in Townsville, is any action contemplated by his Department in this regard and if so, where is it intended to build the new Court?"

**Hon. A. W. MUNRO** (Toowong) replied—

"In view of the limited finance available the request for replacement of the Supreme Court at Townsville is being considered in conjunction with many other claims requiring capital expenditure. No firm decision has yet been made as to where a new Supreme Court will be sited at Townsville or when it will be constructed."

OPENING OF PARLIAMENT IN LATE LEGISLATIVE COUNCIL CHAMBER

**Mr. BROMLEY** (Norman) asked the Premier—

"(1) In view of the decision to hold the opening of the present Session of Parliament in the late Legislative Council Chamber, instead of as is customary in the Legislative Assembly Chamber, and the Speaker's reported statement that apart from other considerations a saving of £400 would ensue possibly because of the elimination of costly floral arrangements, (a) was any financial saving effected by the change and (b) is it not a fact that many men, vehicles and much equipment were used to provide the additional accommodation in the Council Chamber and the facilities for the outside garden arrangements and also that afternoon tea for guests was provided free, instead of being paid for by Members as was the case formerly?"

"(2) Why did the majority of Cabinet Ministers leave the Garden Party before the departure of His Excellency the Governor?"

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

"(1 and 2) Final figures are not yet available on this year's costs, but at the present juncture we have no reason to believe that the anticipated saving will not be realised. However, I think all those present at the Garden Party will agree that notwithstanding the unpleasant weather conditions the function was a great success and thoroughly enjoyed by the vast majority of those present."

USE OF AIRCRAFT FOR FISH-SPOTTING

**Mr. BROMLEY** (Norman) asked the Treasurer and Minister for Housing—

"(1) Is he aware of the fact that in America about seventy aircraft are used by the United States commercial fisheries to locate concentrations of schooling fish and to assist in their capture?"

"(2) In view of the necessity to develop our fishing industry for the export market as well as home consumption, will he investigate the possibility that a similar fish-spotting scheme may be successful in Queensland waters and give serious consideration to assisting this industry here?"

**Hon. T. A. HILEY** (Chatsworth) replied—

"(1 and 2) The method outlined by the Honourable Member obviously relates to pelagic fisheries. These are not exploited to any extent in Queensland waters and the need for aerial spotting does not arise."

CARE OF MENTALLY ILL

**Mr. BROMLEY** (Norman) asked the Minister for Health and Home Affairs—

"(1) In view of his oft reiterated statements that he intends eventually to cater for the needs of the mentally ill, (a) what is the amount of money unspent from the Commonwealth Government grant of 1955 to Queensland for this purpose and (b) why has he refrained from spending this money?"

"(2) Is he aware of the fact that whilst some of the original grant remains outstanding no further moneys will be made available by the Commonwealth Government?"

"(3) If the answer to (2) is in the affirmative, could he give some indication of immediate proposed action in this respect?"

**Hon. H. W. NOBLE** (Yeronga) replied—

"(1 to 3) The money made available to the States under the States Grants (Mental Institutions) Act of 1955 is not paid to the States in the nature of a grant. Each State is required to spend £3 capital expenditure within mental hospitals to rank for £1 from the Commonwealth. The significant point is that to rank for benefit it is not sufficient that money be spent by the State providing facilities, equipment, etc., for the treatment of mental illness, but that that money must be spent within mental hospitals. From 1955 to 1957 major building projects were commenced in our Mental Hospitals. Since that date the policy of integrating psychiatric services into the General Hospital and Health services of the State has been followed. Building for psychiatric services has, in the main, been outside the mental hospitals. Our policy is founded on the modern concept that there

should be no differentiation between the mentally ill and the physically ill, and that it is most desirable that wherever possible psychiatric services be integrated into the general hospitals and other community services. For example, there is at present under construction a 200-bed Neuro Psychiatric Hospital in the hospital grounds at Chermside, at an estimated cost of £750,000. However, because this building is not being built within the confines of a mental hospital, the expenditure thereon does not rank for subsidy under the Commonwealth Scheme. There is now no overcrowding in Queensland's mental hospitals. Since 1957 accommodation for over 1,300 patients from mental hospitals has been provided outside those hospitals, but no subsidy has been received on this expenditure. This State maintains that it has fulfilled the purposes of the States Grants (Mental Institutions) Act of 1955, and that subsidy should be paid on expenditure incurred to provide psychiatric treatment outside mental hospitals. The Commonwealth has accepted this contention in part, but our efforts will continue towards the broadening of the subsidy in accordance with the modern concept."

### CONSTRUCTION OF FOOTBRIDGE OVER BUNDAMBA CREEK

**Mr. DONALD** (Ipswich East) asked the Minister for Development, Mines, Main Roads and Electricity—

"Will he give favourable consideration to the construction of a footbridge on the northern side of the traffic bridge being constructed over Bundamba Creek at Bundamba, to eliminate a very serious traffic hazard as, when the four-lane highway is completed, approximately two hundred and fifty school children will have to cross the four-lane highway at a pedestrian crossing adjacent to the eastern approach to the bridge but the building of a footbridge would enable the children to use the zebra crossing in front of the school under police protection and with safety?"

**Hon. E. EVANS** (Mirani) replied—

"It has been a long standing and well established principle that the Main Roads Department caters for the requirements of vehicular traffic and that the provision of footbridges, footpaths and other facilities for pedestrians is a Local Authority responsibility. In the case of the bridge over Bundamba Creek, following discussions which the Commissioner of Main Roads and his officers had with the Council in March, 1960, the City Administrator advised the Department the Council did not desire provision to be made for a footway on the northern side of this bridge but that it would design a footbridge to replace the existing footbridge on the southern side of the road."

### ESTABLISHMENT OF SECONDARY INDUSTRIES IN MACKAY DISTRICT

**Mr. GRAHAM** (Mackay) asked the Minister for Labour and Industry—

"As it is expected that Mr. F. J. McGuinness is to make a comprehensive survey of North Queensland with regard to the establishment of secondary industry in that portion of the State, can it be expected that Mackay and district will be included in any investigation that may be undertaken?"

**Hon. G. F. R. NICKLIN** (Landsborough—Premier), for **Hon. K. J. MORRIS** (Mt. Coot-tha), replied—

"Members of the Queensland Development Advisory Committee are visiting North Queensland to meet the members of the various Regional Advisory Committees in operation in that part of the State. Mr. McGuinness naturally will accompany them. The Honourable Member has ample proof that Mackay and District is always included in any action taken with a view to assisting in the development of Queensland."

### PLATFORMS USED AT ROCKHAMPTON BY TOWNSVILLE MAIL TRAIN

**Mr. GRAHAM** (Mackay) asked the Minister for Transport—

"As the practice of bringing the mail train No. 266 Up on its journey from Townsville to Brisbane into platform No. 3 at Rockhampton creates inconvenience and hardship to the travelling public by the fact that the passengers have to climb the overhead bridge to partake of the facilities that are available on No. 1 platform and which are not available on No. 3 platform, will he endeavour to have the Railway authorities at Rockhampton arrange to make platform No. 1 available for the reception of this train on its arrival in Rockhampton on all occasions?"

**Hon. H. W. NOBLE** (Yeronga—Minister for Health and Home Affairs), for **Hon. G. W. W. CHALK** (Lockyer), replied—

"Train 266 Up is only brought to No. 3 platform at Rockhampton when there is another passenger train occupying No. 2 platform. The only alternative would be to hold train 266 Up outside of Rockhampton until the passenger train at No. 2 platform had departed. This, it will be appreciated, would only cause further inconvenience to passengers because of the delay which would be involved. The Department is aware of the desirability of dealing with all long distance passenger trains at No. 2 platform, particularly the mail trains operating between Brisbane and Cairns, but this is not always possible. The bringing of train 266 Up to No. 3 platform at Rockhampton is of infrequent occurrence."

## ACTS INTERPRETATION ACTS AMENDMENT BILL

### INITIATION IN COMMITTEE

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

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (11.24 a.m.): I move—

"That it is desirable that a Bill be introduced to amend the Acts Interpretation Acts, 1954 to 1960, in certain particulars, and for another purpose."

The proposed consolidated reprint, as at 2 July, 1962, of the Queensland statutes makes it desirable and convenient to review the methods of numbering, citing, and publishing the Acts of this State.

Numbering is one recognised method of naming or identifying an Act; the other two methods are "long title" and "short title."

The Commonwealth and most of the other States number by reference to the calendar year, with the commencement of a new series of numbers for each year. Victoria numbers in arithmetical progression, without reference to either the calendar or regnal year.

Queensland numbers by reference to the regnal year; that is, the year of Her Majesty's reign, with a new series of numbers for each regnal year.

**Mr. Duggan:** Might I appeal to you, Mr. Taylor, for an opportunity to hear the Minister? It is impossible to hear him at present.

**The CHAIRMAN:** Order! It will be appreciated if hon. members keep their conversation down. I cannot hear the Minister, and I am not surprised that the Leader of the Opposition cannot hear him.

**Mr. Walsh:** I have not gone deaf yet by any means, but all the noise is not on the floor of the Chamber. A little attention might be given upstairs.

**The CHAIRMAN:** Order!

**Mr. MUNRO:** Any means of citation—that is, of naming or identifying—must, to be worth while, convey readily understandable information. While numbering by reference to the calendar year does this, numbering by reference to the regnal year does not.

Calendar and regnal years do not coincide. Every calendar year begins on the same date. The regnal years of different reigns begin on varying dates.

Quite a number of Acts still on our statute books extend over at least three reigns, and quite a few over four. For example, it could be safely said that the number and regnal year 25 G.V. No. 16 would not convey to many people that the Act concerned was passed in 1934. In other words, the information it gives is not readily understandable.

The present method of numbering our Acts by reference to a regnal year also is not consistent with the method of publishing the annual volumes of our statutes. Here the practice is to group in one volume, labelled with the calendar year or years, the Acts of a particular session. Normally, a session extends over two calendar years.

The Commonwealth and most of the other States publish their Acts in an annual volume containing the Acts passed in a particular calendar year.

The Bill that I now propose to introduce makes provision for the public Acts of this State to be numbered by reference to the calendar or, to use the legal term, the "secular" year in which they are passed.

This amendment of the Acts Interpretation Acts will also necessitate the substitution of the words "secular year" for "year of His Majesty's reign" in the last line of the first paragraph of Rule 281 of the Standing Rules and Orders of the Legislative Assembly. I mention that this proposed alteration refers to "public" Acts only. The Standing Rules and Orders of the Legislative Assembly provide separately for private Acts, with no provision for numbering them. To include private Acts in the provision for numbering would involve alterations disproportionate to their importance.

Subject to the Standing Rules and Orders of the Legislative Assembly being amended before the completion of the present session, the new method of numbering will apply to all Acts passed during this session and subsequently.

Following on this proposed change in the method of numbering the Acts, it is contemplated that the annual volumes of the statutes will be published on a calendar year basis so that future publications of the annual volumes will conform with the new method of numbering.

There is also a further minor amendment to ensure that in the interpretation of an Act no note to a section, subsection, or paragraph appearing in and at the beginning of the section, subsection, or paragraph, shall be deemed to be part thereof.

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (11.30 a.m.): The Minister has given us a very short but very lucid explanation of the reason for this proposed alteration. I must confess that it is a very timely amendment, and I am sure it will be welcomed by members on both sides of the Chamber. I believe that any move directed towards simplifying procedures and securing information should be welcomed. As a layman, I have often

expressed regret that some of our terminology and legal requirements are clothed in language that makes it very difficult for people not versed in law to follow developments with the same facility as a trained legal person. If a reconciliation could be effected between the requirements of a purely legal point of view and what the ordinary layman understands to be the normal approach to problems, I think we should encourage that reconciliation at all times.

It seems to me that an amendment of this kind is certainly overdue. As with so many amendments that come before the Chamber, one is prompted to ask why someone else did not do it previously. I suppose that the present Minister has found, as did some of his predecessors, that so much routine work comes his way that some matters that obviously call for amendment are put aside in order to deal with current problems. I believe in giving credit where credit is due, and I think the Minister will admit that I have always supported action that gives results similar to those that will be achieved by the passing of this measure. I am wondering whether any difficulty would be involved in making its operation retrospective, because it would be desirable to do that. Perhaps the necessary alteration can be effected when the time comes for the amendment of the principal Act.

As I have said, I am pleased that steps are being taken in this direction, and unless someone is able to import into the debate reasons that are not known to me at present, I can find no reason for objection at this stage. Rather, the reverse is the case. It is a very timely proposal, and I commend the Minister for introducing the Bill.

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (11.33 a.m.), in reply: I am happy with the spirit in which the Leader of the Opposition has received the introduction of the Bill. It is not in any way a controversial measure, and I agree with him that, in some respects, we must regard this as being something that is overdue. The present is a particularly opportune time to make this change, because we are in the process of bringing out a consolidation of all our statutes as at 2 July, 1962.

We did give some consideration to whether this new method of numbering might be given retrospective application, but we came to the conclusion that it would be more likely to cause a certain amount of confusion. Acts that have been numbered under the old method of numbering are, of course, referred to in many judgments of the courts and in other ways. For that reason, although it would be of great assistance in many ways to have this matter tidied up retrospectively, we decided, having regard to the complexities that would arise from it, not to make it retrospective.

Motion (Mr. Munro) agreed to.

Resolution reported.

FIRST READING

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

## ADMINISTRATION OF COMMERCIAL LAWS BILL

INITIATION IN COMMITTEE

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

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (11.36 a.m.): I move—

"That it is desirable that a Bill be introduced to provide for the appointment of certain officers for the purposes of the administration of the Companies Act of 1961, and certain other commercial Acts, and for purposes incidental thereto."

This is a Bill to give legal sanction to certain administrative arrangements that have been implemented for the more efficient organisation of the administration of the Companies Act and the following Acts, which I will hereinafter refer to as the commercial Acts, namely—

The Registration of Firms Acts,

The Auctioneers, Real Estate Agents, Debt Collectors and Motor Dealers Acts,

The Money Lenders Acts,

The Building Societies Acts,

The Co-operative Societies Acts,

The Co-operative Housing Societies Acts,

The Hire-purchase Act,

The Cash Orders Regulation Acts, and

The Trust Accounts Acts.

The purpose of the reorganisation of the administration of the Companies Act and the commercial Acts is to achieve greater co-ordination, uniformity, and continuity in that administration.

**Mr. Walsh:** Will that help to catch up with the share sharks?

**Mr. MUNRO:** Yes, I think it probably will.

The Bill provides for the appointment of a Registrar of Companies and Commercial Acts, Brisbane, and so many Deputy Registrars of Companies and Commercial Acts as the Governor in Council considers necessary. All such appointments will be made in terms of the Public Service Acts.

The officer holding the appointment of Registrar of Companies and Commercial Acts, Brisbane, will be ex officio the holder of the following offices:—Registrar of Companies, Brisbane; Principal Registrar under the Registration of Firms Acts; Registrar under the Auctioneers, Real Estate Agents, Debt Collectors and Motor Dealers Acts; the Money Lenders Acts; the Building Societies Acts; the Co-operative Societies Acts; and the Co-operative Housing Societies Acts; and Inspector under the Hire-purchase Act. No

legislative action is necessary or desirable in relation to the Cash Orders Regulation Acts, as there is adequate provision administratively for this purpose. Should action be desired under the Trust Accounts Acts it can be done by regulation.

Elasticity is given to the proposal by providing that the Governor in Council may assign any other office under an Act to the Registrar, either in addition to or in substitution for any of the aforementioned offices.

Officers holding the appointment of Deputy Registrar of Companies and Commercial Acts, Brisbane, shall be ex officio the holder of the offices under the Companies and commercial Acts. As in the case of the Registrar, the Governor in Council may assign other offices under an Act to a Deputy Registrar.

The power under certain of the commercial Acts to appoint Deputy Registrars is clarified in respect of the Money Lenders Acts; the Building Societies Acts; the Co-operative Societies Acts; and the Co-operative Housing Societies Acts.

In view of the extensive duties of the Registrar of Companies and Commercial Acts, Brisbane, the powers of his deputies are considerably widened. Under certain of the commercial Acts a Deputy Registrar may presently exercise the powers of a Registrar only in the absence from duty of the Registrar or during a vacancy in the office of Registrar.

It is envisaged that the Registrar will be concerned with matters of policy rather than detailed administration, which will be the province of the Deputy Registrar. Accordingly, it is provided that a Deputy Registrar may exercise the powers, and shall perform all of the duties, of the Registrar during the absence of the Registrar. A Deputy Registrar will also have all such powers under the Companies and commercial Acts, or under any Act specified in an Order in Council, as the Registrar may direct.

The composite registry will be administered as a single unit, thus providing convenience in administration and better facilities for training officers.

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (10.42 a.m.): Last year the Minister introduced the Companies Bill to this Assembly. It was the culmination of a good deal of work by interested parties, including various officers of Justice Departments in the various States of the Commonwealth and was a Bill of such magnitude, with very many technical implications, that I am afraid it overwhelmed most Legislative Assemblies in the Commonwealth. I took the opportunity on the occasion of the introduction of the Bill here to read the "Hansard" reports of the other State Parliaments, and I found that, like us in Queensland, they took the view that it was such a complex measure that they were more or less in the hands of the officers who had framed it. Irrespective of what party was in Opposition, I think they took the view that as the various Governments, comprised of both Labour Party and Liberal Party members, were unanimous on the measure, and because the officers in the various States agreed on it, it would be reasonably safe to leave the legislation as it was. Therefore, most of the discussion that took place was largely academic; in any case, it would have been a rather difficult Bill to amend. I think the Minister would agree that, for a Bill of such magnitude, considering the time involved in its preparation, there was perhaps less discussion on it than on any other in the history of this Government. However, that does not minimise the importance of the Bill because it was obvious that there was need for prompt and energetic action by the legislators of the Commonwealth to deal with the complex problems arising from the development of mercantile operations in Australia. There has been a tremendous development of commercial operations in Australia and, unfortunately, as is the case with so many aspects of business and the conduct of human affairs, events disclosed that there were people with shady reputations, people who employed snide business methods, people who concealed relevant information from shareholders, and people who were taking advantage of a gullible public and influencing them to invest funds in companies without any secure basis. All in all, there was an aspect associated with the Companies Bill that required positive action.

I wish to deal with that matter only in passing, because this measure gives teeth, administratively, to the principles contained in the Companies Act. We of the Opposition welcome the steps that are contemplated to enable its operations to be carried out effectively and quickly. One of the matters we paid attention to on the introduction of the Companies Bill was the apparent slowness with which authority can move to deal with the perpetration of what appeared to us as smart, fraudulent practices. In this era of great industrial development, there has been a marked development in companies and we have seen many people lose their life savings through the workings of snide operators. On a tremendously large scale we have seen companies developed into enterprises of great magnitude and apparent prosperity, whereas in fact they were based on a very insecure financial foundation. Many people have been the victims of share-hawkers and disreputable and dishonest businessmen.

I should like the Minister to give some consideration to the extent to which we can protect the public from snide practices and fraudulent representations without unduly interfering with the liberty of the people. I should be the last to suggest that a person who has been involved in fraudulent operations and is making a genuine attempt to rehabilitate himself in society should be

denied that opportunity. There are many instances on record of people who have been involved in fraudulent operations who, after serving terms of imprisonment, or being removed from the solicitors' roll, or the roll of accountants, or whatever the particular registration may be, have made a very worthwhile attempt to rehabilitate themselves and have gained prestige in the process. Unhappily, recent events have disclosed that people who have been proved to be fraudulent and dishonest, and should be serving terms of imprisonment, have set themselves up again in other companies by registering them, which is apparently in accordance with law, and immediately re-embarked upon similar activities.

To what extent can people of this kind be dealt with? I do not want to particularise by mentioning names but the Minister must know that there are men who have set themselves up in elaborate offices, issued elaborate prospectuses, and received funds. The other day a Supreme Court order was taken out to freeze certain sums of money running into about £30,000. The Minister has often said that it is very difficult to control the actions of the victims. Sometimes those who fall for blandishments of that sort are people apparently in a fairly secure financial position and people who might be expected to have powers of discernment in such matters. Nevertheless they are gullible enough to fall for the blandishments of plausible types.

I have read that the Companies Act passed by the various Parliaments in Australia was based largely on improvements embodied in the English law. The Minister might know that in comparatively recent times the House of Commons set up a further committee. I think from memory it issued the Pilkington Report, although I may be confusing the name. It has been found in England that already there is need for drastic amendments to a law similar to that passed by the Australian Parliaments only a little while ago. Some of the principles in English law on which our legislation was based have been found there to be ineffective. I was wondering to what extent the committee responsible for formulating the Companies Act introduced last year feels the need to continue its operations to see whether, in the light of modern developments and recent happenings, there is any need to strengthen the law still further.

We must have regard to the methods that can be employed today, such as registering one company and then having a transfer of funds and assets to other companies, sometimes without the knowledge of the shareholders. There was a case of misrepresentation the other day which disclosed that one company is able to register many firms ostensibly to carry on work which one would think could be entrusted to the original company. There is evidence of that sort of thing going on.

I realise that the Minister must be careful that he does not unduly hamper the activities of people who are operating honestly in the community. For every case such as I have drawn attention to, perhaps there are 100 cases of business being carried on legitimately and above board.

However, this is an appropriate opportunity for review in view of the decision to appoint administrative officers. I approve of that decision, and the general arrangements being made seem to me to be sound. I am glad the Minister has seen fit to appoint these officers under the provisions of the State Public Service Act. I do not know what status is intended to be conferred on the Registrar. Perhaps it will be equivalent to that of an Under-Secretary. The salary would seem to indicate that the job is of sufficient importance. However, I do not know just how much importance the Minister attaches to the position of the Registrar. I think it would justify the appointment of a person with very high credentials, because he is given extensive powers to deal with matters under a number of Acts. He should be a very senior officer in the Public Service. I hope the Minister will be successful in getting an outstanding man to help him in this direction.

I could take up a great deal more time in a general way discussing what is happening in the hawking of shares, and misrepresentation. I am concerned about the extent to which members of the public have been mulcted of large sums of money and the apparent freedom with which these dishonest people have been able to continue to operate. The matter figures very strongly in my mind. I think that, consistent with a person's right to rehabilitate himself, there should be some way to protect the public. I think there is every justification for having the committee continue its operations and examine company law generally. That should be possible under wise legislation. In that way we might be able to achieve something. It is most reprehensible and regrettable that hundreds and hundreds of people who have worked very hard to accumulate money for their retirement can be mulcted of it by people who are nothing but crooks and thieves—and there are many of them in the community. They drive round in expensive cars, operate on large expense accounts, and generally enjoy opulent living conditions. They are nothing but sharks battening on the credulity of good, honest people who think they are being offered an opportunity to invest wisely for their retirement, and so on. Because there are such dishonest types in the community, those otherwise prudent people lose their life's savings. I know of two or three cases where the early death of a victim has been brought about through the worry and anxiety that followed the loss of his investment in that way. I appreciate what the Minister has said about the difficulty from the legal point of view of stepping in on some of these occasions.

I am not reflecting on the Minister personally, because it seems to me to be common to all Departments of Justice throughout Australia that in their activities they seem to move far too slowly. I should like to see some means whereby more effective action can be taken in matters of this kind. I do not want to take up the time of the Committee because I think that our thoughts have been conveyed to the Minister, but I should like an assurance that this aspect is being examined and that there is the possibility of an amending Bill at some later date to give the Minister further power in this direction.

**Mr. AIKENS** (Townsville South) (11.55 a.m.): It appears to me that in passing the Companies Act and other related Acts of the Parliaments of this State and of Australia we are so far groping in the dark. We had our own Companies Bill introduced and passed some time ago and that did stop up a number of leaks, but the wise guys, the share pushers, the crooks and scoundrels have found that there are loopholes in the law and have decided to take advantage of them.

**Mr. Walsh:** Some of them are treated with a great deal of respect.

**Mr. AIKENS:** I have no doubt that some of them were at the opening of Parliament and were out there guzzling coffee and eating all the tasty things at the garden party. I have no doubt that they will be here on Friday at the welcome to the King and Queen of Thailand.

**Mr. Walsh:** It is remarkable to see some of the people with whom they consort.

**Mr. AIKENS:** That is so. They consort with them because they believe that they may get donations from them for their party-political funds.

**The CHAIRMAN:** Order!

**Mr. AIKENS:** What the Leader of the Opposition said is true. Many unfortunate people have been fleeced of their life's savings by these scoundrels. It is unfortunate that the people themselves were mainly responsible because, having a few pounds put away for a rainy day, along came some smooth-talking scoundrels who convinced them that, if they invested those savings in a particular company, they would become millionaires overnight.

This is very germane to the Bill before the Committee. I write an article for a newspaper in Townsville each week, and one of them I wrote on this particular subject. I pointed out that people were fools to think that they would be offered such shares. If they were so good, they would be snapped up by hard-headed business men. Would the Minister for Justice, or hon. members on the Opposition benches, allow a 20 per cent. sure-fire investment to go begging? Would they allow share-hawkers to take it round from door to door trying to get the little people in?

I think there is some way in which this racket can be stopped. First of all, I blame the legal profession. Possibly the legal profession is taking advantage of loopholes in the law. How often do we read—I am only quoting "The Townsville Daily Bulletin," but I have no doubt it occurs in "The Toowoomba Chronicle" and "The Nanango Bugle"—that a solicitor and his clerk, or sometimes two prominent solicitors, men considered to be eminent and reputable, announce that they have formed a company for, say, the dehydration of peanuts, with Mr. So-and-so, the solicitor, holding one share, and his clerk, Mr. So-and-so, holding one share? The people read that the solicitor and the clerk have formed this particular company, and then the share-pushers go from door to door. They say, often producing a cutting from the newspaper, "Here is a company known as Dehydrated Peanuts Pty. Ltd. You can see where Mr. So-and-so, one of your eminent solicitors, is a shareholder, and Mr. So-and-so, his clerk, who is equally eminent and prominent in Rotary, Apex, the Lions Club, or the A.L.P. or Country Party or what-have-you, is also a shareholder." The people then feel, "If they are forming a company, I will invest my life's savings in it."

What they do not know is that the moment the legal formalities are completed, the solicitor and his clerk immediately hand over to the persons for whom they are acting and transfer all their interest in the company to them.

It may be considered at the outset that I am wandering off the track, but I never do that in this Chamber and I can assure hon. members that this is germane to the Bill. What we really need is an amendment to the law of defamation and libel. I am an expert in this particular law. The moment any reputable newspaper, or anybody at all begins to expose the operations of these share-pushers, these racketeers, crooks, and sucker-sharks, they immediately launch an action for libel or defamation against the person concerned. They have no intention of ever going on with the action; but the moment that they take out the writ for libel or defamation, the person who is seeking to expose their ramifications must remain silent. If he does not, the crooks, acting well within the law, will not take an action out against him themselves but will report him to the Supreme Court. It may be the editor of a newspaper who is reported; it may be a prominent and fearless politician like myself who is reported. But they will report him to the Registrar of the Supreme Court and the court will deal with him for contempt of court because he has discussed a matter that is sub judice. Consequently, the writ sometimes lies in the court for several years. Everyone knows that it will never be proceeded with, but for that period of years the public cannot be informed of the rottenness, the crookedness, and the corruption connected with the particular company, because if the person concerned proceeded with the exposure the court would punish

him for contempt of court. I believe that there should be some means of stopping what we call these stop-gap writs that are issued in these cases and also at election time. I have been threatened with more writs for defamation than any politician in the British Empire, alive or dead. None has been taken out against me yet, but some people have threatened to take out a writ against me merely to stop me from telling the people the truth about them during an election campaign.

Here is something that really should be dealt with. We know that when a company is formed and the prospectus is taken round from door to door, or from office to office, its promoters always seek to have an imposing list of directors. In England it has become such a racket that there is a list—not in Debrett, of course—of what are called shabby and shoddy peers, knights, baronets, and so on, who are prepared, for a consideration, to allow their names to appear on any list of directors that can be used as sucker-bait. Unfortunately, it appears to me that we have people here in Queensland who are in the same category as these shabby and shoddy peers in England. They will allow their names to appear on a list of directors knowing that the company is crooked, knowing that it will go broke, knowing that it has been formed purely and simply to fleece people, in order that the greedy and unscrupulous share-pushers can go round and inveigle the poor people, who are actuated by cupidity in falling for these stories, to buy shares. Human nature being what it is, we cannot legislate to protect the fool from his own folly, but at least we should do all we possibly can to educate the people and make them see that they are fools. They see the imposing list of directors on the prospectus and they believe their money is safe. I think that the first thing we should do is bring down an amendment to the Companies Act, or perhaps an independent Bill, to compel directors in any prospectus issued with regard to any company to also clearly set out the name of any other company with which they have been connected previously. As the hon. member for Bundaberg said, there are notorious crooks still operating in this State. The moment they fleece one group of unfortunate people and go out of business with that company, they form another company and fleece another group of unfortunate people. When a company is formed with the names Hammond, Moffatt, Hanlon—no relation to the hon. member for Baroona, of course—Laidlaw, St. Louis, or any of the others, on the prospectus, people should be told that if they are now selling shares in a company known as Dehydrated Dilberries Ltd., the Hammond and the rest of them, shown on the list of directors were previously connected with such-and-such a company that went broke, that they were connected with another company that finished up in the Bankruptcy Court, and also with this company. Directors should be compelled to disclose on the prospectus the names of all companies with which they have previously been associated. If they are reputable men, that particular provision in the law will hold no fear for them. If someone asked me to be a director of a company—he would have to give me the shares as a gift because I have not the money to buy them; I cannot afford to buy any shares on the miserly pittance I get from this Parliament—I would have no objection to the prospectus disclosing all the organisations with which I have been associated. However, I know that there are many directors of companies in Queensland who are not prepared to have their previous aassociations with companies published to the people. I put that suggestion to the Minister for Justice. I do not know whether he can incorporate it in this Bill, but at least he might give it some consideration.

I make these suggestions to the Minister: first, compel solicitors who advertise in a newspaper that they have formed a particular company to set out clearly the people for whom they have formed it, to set out the purposes of that company, and to set out clearly the business histories of the people for whom they are forming it. Then you would not have the unfortunate position of a person saying, "Well, Mr. So-and-so brought up a question in the House about the Townsville solicitor"—one who appears to make a practice of it—"I can see nothing wrong with him." When his name appears in the news columns of "The Townsville Daily Bulletin" as having formed a particular company, people think that it must be a pretty good company. They think that it must be fairly safe because Mr. So-and-so is forming it. Company promoters and solicitors should be compelled to disclose the names and histories of those behind the scenes. They should be compelled to tell the people that those forming a company with £1 each are doing it purely and simply as a business front, and that as soon as the requirements of the Act are complied with they propose to transfer control of the company to the people who are behind the scenes.

Next I suggest that the Minister amend the law of defamation and libel to make a person disclose the reasons for the issue of a writ and to compel him to give a substantial guarantee that he will proceed with the writ within a reasonable time, so that the whole matter can be exposed to the public. You can bet your life that many of those who issue writs for libel and defamation have no intention of ever going on with them. But let us stop the racket that is fostered by the protection given to them by the present law of defamation and libel.

In every prospectus where a director or any other officer of a company is mentioned by name the Minister should compel those persons to set out clearly the companies with which they have been connected previously, so that at least the public will know with whom they are dealing. If they are still foolish enough to walk in and buy shares

that have been hawked from door to door, I do not suppose we can do much more to help them. I seriously suggest that the Minister for Justice give consideration to the three points I have raised.

**Mr. HANLON** (Baroona) (12.9 p.m.) I do not propose to take up very much time although, as the hon. member for Bundaberg interjected, there is certainly wide scope for debate on this measure because of the number of sections concerned with the administration of the various Acts that are involved in it. As the Leader of the Opposition pointed out, one of the matters we stressed from this side when the uniform Companies Bill was being debated was that there was not much good any Government including a lot of pious principles in a Bill unless they ensured that sufficient staff was available to assist the senior officers to enforce the legislation. It has already been pointed out that one of the bad features of the Government's administration seems to be that they are very slow to make any improvement in that direction. They do not seem to think it is anybody's business to ensure that many of the things that we say should be done are done. Any move such as the Government apparently are making by introducing this measure, which will provide for more efficient organisation and administration of the Companies Act and the other commercial Acts to which the Minister referred, must have our support. I stress that it is not merely a matter of providing sufficient administrative officers and giving them the required status and additional responsibilities. They have to be provided with staff. The same principle applies to the traffic police or any other type of semi-protective Government body. If the men are overworked and there are insufficient of them to do the job, the public will not get the protection to which they are entitled. I hope that the Minister will assure us that he is not merely setting up more or less a charter of administration for the senior officers of the department to whom he is entrusting these responsibilities, but that he is going to ensure that they are given ample staff to do the job. I am not suggesting, of course, that we should encourage any public servant to commence empire building. We already get enough of that in some of the departments. I suggest that there would be every justification for the Government to give the Registrar of Companies and Commercial Acts, and his deputies, scope for increasing their staff to the extent that will be necessary to cope with some of the malpractices mentioned by the Leader of the Opposition and other hon. members.

**Mr. Aikens:** One section of the staff should deal particularly with auditors who issue ambiguous reports.

**Mr. HANLON:** That is another point. Many of the points raised this morning by the hon. member for Townsville South were raised previously on the debate on the Companies Bill. Although many of them will bear repeating, it means that we are going over the same ground as we covered when we discussed that legislation.

I agree that there should be greater supervision of the duties of auditors and the services they provide. The same applies to the use of the names of prominent legal men and accountants in association with the issue of prospectuses. If a person sees the name of a prominent and reputable person, such as an accountant, used in association with the formation of a company, he tends to think that it is more likely to be a sounder venture than one in which an unknown person is listed as the accountant. Many people take a great deal of notice of those things. As the hon. member for Townsville South said, some accountants when going into a company do not know that it is not sound, or that they are associated with people who are running an unsound company, but when they realise it they dissociate themselves from the company. I mentioned that during the debate on the Companies Bill. These people get out of the company as soon as they realise it is not completely above board, but that is not much help to the people who have invested in it because of the names of the people who are associated with it at the inception.

These officers, under this new administrative organisation, could well devote themselves to a system—and this may perhaps need additional legislative power—of providing a scheme whereby more reasons would have to be given for the formation of a company. I realise, as the Leader of the Opposition says, that it would be a very brave Government or officer who would suggest to anyone who wished to register a company that he did not think there was a good reason for registering it, or that it was not going to be successful. We know the difficulty associated with mining companies. It is very difficult for anyone to say that someone's idea is good or bad or that it will be definitely a success or definitely a failure. The whole basis of commercial activities and the profit system is simply whether or not it will be a success. I believe it is impossible for a Government or an officer to say, "You cannot form a company for that because it will not be any good." It is impossible to say, "I don't think that idea is worth two bob", because that would be just the time when the idea turned out well and proved that the Government or the Registrar was wrong. However, I suggest that company-promotors should show some reasonable need for the registration of a company.

There was a case recently in the courts in Brisbane. I do not wish to name the case because I believe that judgment has been reserved. It referred to a dispute between a couple of real estate agents about the sale of land by one to the other. I will not mention the rights or wrongs of the case because the matter is sub judice. However, I should like to refer to them later, on a more appropriate occasion, and also to some of the evidence that was adduced. One piece of evidence, which has no bearing on the

judgment in the case, has some relevance to company law. It is apparent that this is a practice that is wide-spread among land agents. One of the agents wanted to sell some land to the other people, and their legal adviser said that it would be necessary, or preferable, to form a company to purchase the land. The intending purchasers said that would take some time, and for reasons that were outlined in the evidence, they wanted to act quickly. The agent who was selling the land said, "Don't let that worry you, I have several spare companies registered that I am not using"—just as if they were handkerchiefs, or something like that—"and I will give you one of them. You can buy the land from me with one of my spare companies."

That is the point we raised very strongly during the debate on the uniform Companies Bill. The Minister did not seem to take much interest in it at the time. It seems ridiculous that companies can be formed for the purpose of defrauding people outright, as has been suggested by my Leader, or for no purpose at all, but simply to have them there to be used at any time for some purpose or another, legal or illegal.

When the uniform Companies Bill was under discussion we pointed out that it is a privilege to be able to form a company. It is a privilege given to us by the Crown and the people and it should not be made possible for anyone to register a company at the drop of a hat, for no particular reason. I urge the Minister to give some consideration in this measure to giving his officers authority to provide some test for people who want to form or register companies. They should have power to ascertain the purposes for which a company is wanted. Perhaps then we will not have cases similar to the ridiculous one I have just mentioned.

Under this measure we can deal, too, with such matters as the Co-operative Housing Societies Act and the Registration of Firms Act, which have been under the control of the Registrar, Mr. Kehoe. I want to take this opportunity of paying him a compliment for the service he has given the public. I do not say that just to give him a bouquet. I believe he has been very competent and very helpful to nearly all hon. members in their endeavours to assist people who have worries about some of these Acts, as well as to those constituents who have taken the advice to go to him direct and put their case. Many people are appreciative of the way he carries out his duties and responsibilities to the public.

I do not think we could have any complaint about the supervision of those Acts up to the present, but if the Bill will strengthen the hand of men of the calibre of Mr. Kehoe it will be all to the good.

We have heard from the Government of the considerable growth in the co-operative building society movement in recent years. I will not go into the whys and wherefores of that taking place only in recent years and whether it is particularly to the credit of the Government. There is no doubt that there has been that tremendous growth of the movement in Queensland, but associated with it have been a few unfortunate features, which have previously been raised, relating to malpractices by agents who infiltrate into the co-operative building societies for the purpose of more or less cornering finance for particular sales in which they are interested. Fortunately the practice is not very widespread, but I think the Minister knows it has existed in the past and it has concerned the Minister for Housing. An agent is trying to sell a place and along comes somebody without the necessary finance. The agent is more or less able to blackmail the purchaser by saying that he will be able to finance the purchase of a house for him on the particular deposit that he has if he buys the house that the agent offers. The agent claims that by reason of his position in the co-operative building society, he will be able to assure the purchaser of the finance. The Treasurer has spoken very harshly of that and he has issued the warning that any society in which it was found that any person misused his office in that way would very quickly find that it was not getting its share of the finance allocated to the Queensland Housing Commission by the Commonwealth Government and in turn handed out to the society, and would not get the Government guarantee that is given to co-operative building societies. It should also be a matter of concern to the Minister for Justice. Perhaps it is already. He should examine the desirability of reorganising his department to keep a very strict eye on it. It is quite true that the Minister for Housing has given an assurance that he will clamp down on it whenever he sees it, but it may be like the Companies Act in that, unless somebody is actively going out looking for that sort of thing, many people are taken down by others without knowing there is someone like the Registrar to help them and to protect them. If they do not come along to a member of Parliament they have no idea where they can go for assistance. Many of these things go on purely and simply because the offices have not the staff to enforce the Act. They must wait for people to come in and make a complaint.

I could say something about another section of the Minister's departmental control, but it does not come under the Bill so I will leave it at that.

**Mr. BURROWS** (Port Curtis) (12.21 p.m.): This is a very wide measure. It covers many aspects of commercial life as well as the activities of citizens who are sincere in their efforts to do charitable work. Because they handle public money it is necessary to exercise much more care than if they were handling only their own money. I would not claim to have nearly the experience of

the Minister, or perhaps the Treasurer, in these matters, but I have had a little experience, and the more I see of public bodies and people in other vocations covered by the Minister's outline, such as auctioneers and solicitors, the less I think of our educational system. Only a few months ago I had a bank manager looking after a fund that came under the Charitable Collections Act. He brought the books along for me to audit, but no cash book or receipt book was used. Organisations like the Junior Chamber of Commerce, the Apex Club, and Rotary are wanting to do something good, and they are doing good in the community, but they do not know the A.B.C. of bookkeeping. They do not know how to keep a cash book, which is the simplest of all books.

When I have needed a girl in my office I have got one who did commercial training at high school, and my experience has been that in the first six months I have had the job of trying to teach her to forget all that she was taught at high school and to break her in to sounder accountancy methods. The Minister for Education interjected a while ago. It is a pity that he did not have some practical experience in these matters.

**Mr. Munro:** That has all improved since 1957.

**Mr. BURROWS:** If it has, I am not aware of it. I am sure that we have neglected to instil in our young people the responsibility attaching to the handling of public funds. The hon. member for Townsville South wants a better system of auditing. The typical accountant or auditor is expected to be honorary auditor for quite a lot of bodies. I am in business in only a small way and do only a little compared with many others, but this week-end I have to do two fairly big audits of public bodies. As the Minister knows, there are definite deadlines that have to be met in the furnishing of returns under the Charitable Collections Act, and they come along and present you with a jumbled mess. They have worked hard and collected quite a lot of money but, unless everybody is honest, someone could have stolen half of it and they would not know that it had gone, simply because they do not know how to keep proper records. Provision should be made in the Act for the keeping of proper books of account, similar to such provisions in the Bankruptcy and Income Tax Acts.

I have found bank managers to be the worst offenders. I can quote the case of one who handled several hundred pounds of public money and who never had a cash book and never issued a receipt, but who wanted me to sign the audit and say that I found everything in order.

Coming now to trust accounts, I have previously put a suggestion to the Minister but he has not agreed with it. I shall, however, continue to bring it forward in the limited time that I have left in Parliament. I have told him that something should be done about bank deposit books that are used for the trust accounts of auctioneers and commission agents. We have cases of auctioneers who have both trust accounts and private accounts in the local bank. If such an auctioneer wants another bank deposit book, he buys one for 7s., I think, from the bank. It is in blank. He has in the office a girl who has graduated from the high school, and who knows nothing about book-keeping. She does not know the importance of keeping trust moneys separate from the private funds of the proprietor. She will simply write his name in and will not put "Trust account" on it. The unfortunate bank teller, who is usually a junior, credits the ordinary account with those trust moneys.

I have found trust accounts that have been overdrawn hundreds of pounds. The Minister, as an accountant, knows that theoretically a trust account cannot be, or should not be, overdrawn. It should not even be debited with exchange or the bank fee. Those charges should be paid in cash. On at least two occasions I have found trust accounts that have been overdrawn for considerable sums of money. It might be said, "That is all right. If it is only a mistake it can be adjusted." But the auctioneer who owned the business in the particular case that I have in mind went broke. Had he been declared bankrupt at a time when the trust account was in debit and his own account contained money that should have been in the trust account, the beneficiaries in regard to the trust account would have only come in and shared pari passu, as the Bankruptcy Act says, with the ordinary creditors in the distribution of his assets.

**Mr. Houghton:** What is your argument if there is only one bank in a town?

**Mr. BURROWS:** All that is needed is a decree from the Minister. Ninety-nine per cent. of the risk could be eliminated if the Minister said, "Your trust account must be kept at a different bank from the bank at which your ordinary account is kept." Alternatively, he could prohibit them from having that type of bank deposit books. He could require the bank selling the book to differentiate between a trust account deposit book and an ordinary deposit book.

**Mr. Houghton:** If he could not differentiate between his trust account and his private account, keeping the account at another bank would not make any difference.

**Mr. BURROWS:** Nine times out of ten, in my opinion, the fault is caused by the stock form of book that is issued and sold by the banks. They sell only one form of book.

Let us now look at the position of the auditor and the solicitor. The solicitor receives some money on behalf of a client and puts a journal entry through transferring it to his

private account as costs. There is no provision requiring the auditor to satisfy himself that the money has been used legitimately. All that the auditor is required to do in regard to the solicitor's trust account—I maintain that this is a farce—is to satisfy himself that the return made by the solicitor agrees with the bank deposit book, or the cash book, or the ledger. He does not have to satisfy himself that the money has been paid to the proper claimant or beneficiary. There is no provision for that. I am not blaming the present Government for the fact that most of the power to police the actions of solicitors has been delegated to the Law Society. In my opinion it is wrong for any Government to allow any section of the community to police themselves and be their own watch-dogs. It would be just as silly to tell the people generally that they had to obey the law, and then do away with policemen.

**Mr. Houghton:** Don't you think that the auditor would have to take every entry in the trust account, whether it was a credit or a debit, and write to the person concerned about the withdrawal of a cheque or the making of a deposit, inquiring whether he has in fact received the money or made the deposit?

**Mr. BURROWS:** There is no obligation on the auditor to do that. The auditor is not a checker.

**Mr. Houghton:** On your argument, you are suggesting that.

**Mr. BURROWS:** That it would be necessary?

**Mr. Houghton:** That he should have some evidence.

**Mr. BURROWS:** No. In the trust account he gets endorsed cheques as acquittances for payments. I make out a cheque to Jim Jones. The crossed cheque is returned from the bank with the signature "Jim Jones" on it for £1,000. That is sufficient for the auditors. If they are stickybeaks any further than that, it does not come within their jurisdiction. If a Government auditor audits a hospitals board account, he requires two or three signatures on every acquittal to certify that the money has been properly used and that the payment has been made promptly to the person legally entitled to it. If the system of trust account audits is so exact, why are we faced every 12 months with big "shark" tragedies like the ones at Beaudesert and Rockhampton?

**The CHAIRMAN:** Order! The Bill allows for a great deal of latitude in the debate. It provides for the appointment of certain officers for the purpose of administration. I do not want the hon. member to go too far beyond the provisions of the Bill.

**Mr. BURROWS:** I understand that it covers the auditing of trust accounts. I should not like to have been the auditor in the two cases I mentioned. They were tragedies because dozens, possibly hundreds, of people lost their life savings. I am not familiar with all the circumstances of the audits, but no doubt the auditors' jurisdiction was very limited. The accounts were audited every year but nevertheless this roguery had been going on for many years. It had never been discovered for the simple reason that the auditor had not been armed with the necessary authority to carry out a proper investigation. It is all very well to say, "You are always looking for the cloven hoof." Others will repeat what one judge said 100 years ago, that the auditor is a watchdog but he is not a bloodhound.

When an auditor signs a statement he must realise that many people will act on the fact that his signature is there—that it gives the document the hallmark. I do not believe that an auditor should be over-inquisitive, but it is necessary for him to satisfy himself fully. If he is unable to satisfy himself fully because he is given such loose terms of reference, I hope that the Bill will tighten up the system of auditing so that we will not have the annual occurrences of solicitors, auctioneers, and others absconding with or dissipating public money and the life's savings of worthy people.

Co-operative building societies are to be commended, as is the spirit that prompts people to contribute to them. They have to depend on public-minded citizens to perform a great deal of work in an honorary capacity. They cannot afford to pay standard fees. Their administrative expenses would become so high that the houses would be too costly for the members of the society. Consequently, they must have honorary auditors. The auditor may as well offer his services in an honorary capacity because the societies could not afford to pay him any more than a guinea. I prefer to carry out an audit for nothing rather than accept such a paltry fee. I do not want to boast about it but I have never taken a fee from any public body. I hope I never have to. But you sacrifice a lot of your time in that way. I maintain that it is the responsibility of the Government to provide houses through the Queensland Housing Commission rather than to expect public-spirited men to do a lot of work for nothing. They pass their responsibility on by saying, "Let the building society do it and we will guarantee the finance." Every member of that building society is putting in his private finance, and is staking his reputation and personal belongings. He is more or less personally guaranteeing it whereas the Government are guaranteeing it only as agents for the taxpayers.

I shall be very interested to get the Bill and examine it in detail. I am sure from the Minister's outline that it will prove to be very interesting even if it goes only half as far as he has forecast.

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (12.41 p.m.), in reply: We have had the opportunity of hearing a number of very interesting observations on a wide variety of subjects, all of which, to some extent, are connected with this Bill. However, I think it would be quite out of place if I were to fall to the temptation of trying to discuss all the various points that have been raised, because this is a very simple Bill. It is a very short Bill, its purpose being to give legal sanction to certain administrative arrangements for the more efficient administration of the Companies Act and other commerical Acts.

Quite a number of points related to the Companies Bill, which was passed in the latter part of last year. Hon. members will remember that it covered, I think, some 420 pages. Many of the matters raised today, so far as company law is concerned, were dealt with in the discussion of that measure. I think it would be even more out of place for me to succumb to any temptation to enter into a discussion on matters relating to the law of defamation.

Also, the Minister for Education might feel a little hurt if I were to follow up the remarks of my friend, the hon. member for Port Curtis, and try to analyse what might have been the deficiencies of our educational system over the years in an endeavour to discover whether or not it is really necessary for us to appoint a Registrar to carry out particular administrative duties. At the same time, I think I should make some comments on some of the points that have been raised which I regard as being rather basic points, perhaps points that are more directly related to the subject matter of the Bill.

I agree completely with the Leader of the Opposition on the point he raised initially to the effect that it is not very much use having legislation unless you also have good administration. I believe that his remarks under that heading were very directly related to the purposes of this Bill, one of which is to strengthen the administration, particularly of our new company law which came into operation from 1 July last and, incidentally, also by this new organisational set-up, to strengthen the administration of the various other commercial Acts which may be considered in relation to the principles of the company law.

The Leader of the Opposition continued by making some comment on the slowness of our legal processes. That, of course, is something many of us lightly speak about—we speak about the delays of the law—and it is a very trite saying that justice delayed is justice denied. Indeed it is used so often that sometimes some of us become a little bored with hearing it. But if we consider these basic things we must realise that it is very much more important that we have real justice than that we endeavour unduly to hurry either the administrative or the judicial processes of justice.

Some of the remarks that have been made have been related to types of conduct that might be regarded as being in the nature of criminal offences. It has been suggested that action should be taken more quickly. I am sure that every thinking member of this Committee will realise that no administrtive department can afford to take action of this nature promptly unless it is satisfied that there is a case for taking that action. We do not initiate action in relation to criminal proceedings merely on the basis of some rumour or some general statement that has been reported in the Press. Before any action is taken we must have some indication that there is evidence of some wrongdoing and, of course, before action is taken in a superior court we must be reasonably satisfied that there is a prima-facie case.

The Leader of the Opposition went on to indicate as a broad objective in the administration of these matters that we should protect the public without unduly limiting the liberty of the subject. I am completely in accord with that statement, but, as he proceeded and as his arguments were amplified by the hon. member for Townsville South——

**Mr. Aikens:** And clarified.

**Mr. MUNRO:** Possibly clarified. But as those arguments were extended, it seemed to me, particularly in the case of the remarks of the hon. member for Townville South, that there was just a suggestion that we should go to such an extent that we would unduly limit the liberty of the subject. The time available to me today is very limited and I do not propose to extend that argument except to say that these are matters of extraordinary difficulty. One has only to bear in mind the comparatively simple type of law that is involved in the proceedings in a matter that has raised headlines in the Press for the last two or three weeks to know what important issues can be involved in the question of whether a person is guilty or not guilty of some particular offence. Therefore, it will be realised that in all these matters, whether criminal law or commercial law is involved, there is the basic need that we deal justly with each person who may at some time or other be under a degree of suspicion. In that connection I very greatly regret that some rather loose statements have been made in the course of this debate that might be regarded as reflecting on members of a very honourable profession, or even on the controlling body of that profession, and I suggest that, with our due sense of responsibility as members of Parliament, we should not cast reflections on persons outside the House, or on professional bodies, unless we have a sound reason for it.

**Mr. Burrows:** I never cast any more reflections on them than I would on politicians or anyone else because I am never convinced that anybody is 100 per cent.

**Mr. MUNRO:** I was not referring in particular to the hon. member for Port Curtis. Actually, if we view this matter in its proper perspective we will recognise that there are many thousand of incorporated companies in Queensland. The overwhelming majority of them, and the persons associated with them, are doing a very good job for the development of this State. It is very important that we should not build up an organisation that will have the effect of limiting and unduly handicapping the efforts of these people, which, although they may be for their own benefit, are also for the benefit of the community in making available facilities for the production and manufacture of things we need.

**Mr. Burrows:** My idea is that we should try to guide them along the right path. I put in hours and hours with some of these fellows.

**Mr. MUNRO:** Precisely, but I do think it rather important that we should not build up an army of officials and inspectors who would become so active that they would be nothing but a nuisance and a handicap to our commercial and industrial system. Nevertheless, I agree that occasionally some people associated with the flotation of companies are guilty of conduct that is fraudulent, and I say that this is very relevant to this Bill. It is basically the recognition of that need that has caused the introduction of this Bill. Its basic purpose is to strengthen our administration in those matters.

**Mr. Hanlon:** What strikes a lot of people as an anomaly is that if anyone takes £2, the forces of the law are very strong in tracking him down, but, if he takes £20,000, the law seems to move very slowly.

**Mr. MUNRO:** The difference is that if somebody takes £2 out of the till, and we have evidence of it, that is a very simple offence and there is nothing to prevent the processes of the law being put into operation the next morning. If it is an involved matter, with many questions of law and a history of a number of complex transactions and there has been some conduct that may be fraudulent or may be capable of innocent explanation, many weeks, or possibly months, of investigation may be needed before it is known whether or not there is a case.

I should like to conclude by saying that the Companies Act, which is basically the background to this Bill, is quite definitely an advance on any legislation that we have had previously in Queensland or any other part of Australia. Even though there may still be some little weaknesses in our company law, we have made a tremendous advance.

With regard to the future, I have previously indicated that we are keeping our Attorney-Generals' Committee in being. We will consider the results of this new legislation and if, in the light of experience, we find that improvements can be made, we in Queensland will make every endeavour to see that they are made.

Motion (Mr. Munro) agreed to.

Resolution reported.

FIRST READING

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

The House adjourned at 1 p.m.