Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 18 SEPTEMBER 1962

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

QUESTIONS

INVESTIGATION INTO AFFAIRS OF LATEC INVESTMENTS LTD.

Mr. BROMLEY (Norman) asked the Minister for Justice—

"In view of the fact that huge numbers of Queenslanders own shares in Latec Investments Limited and the fact that this firm was reported to have lost almost £3,200,000 in 1962,—

(1) What are the names of the various interests that Latec had or have in Queensland?

(2) How many people in Queensland would be affected by way of depreciation of the shares and losses?

(3) What steps is the Government taking to protect the interests of the people who hold shares in this firm?

(4) If the Government is not taking direct action in this State, will he make an officer from his Department immediately available to promulgate enquiries here and collate evidence relating to the loss so as to assist the Investigation Committee set up by the New South Wales Executive Council?

(5) Under the new uniform Companies Act has the Government the power to investigate firms which may be suspect in their operations in respect to large-scale share issues to the public?"

Hon. A. W. MUNRO (Toowong) replied—

"(1) Latec Investments Limited is registered at the Queensland Companies Office as a foreign company. A foreign company registered as such in Queensland is not required to disclose the names of the various interests it had or has in Queensland."

"(2) Such information is not ascertainable from Departmental records.

"(3 to 5) On September 13, 1962, the Governor in Council of this State declared that Messrs. Ronald Arthur Irish, Kenneth Owens Humphreys and Peter Lancing Crosthwaite, Chartered Accountants of Sydney, the persons appointed inspectors under the Companies Act 1961 of the State of New South Wales to investigate the affairs of Latec Investments Limited, shall have the same powers and duties in the State of Queensland in relation to the investigation as if Latec Investments Limited were a company to which Division 4 of Part VI. of 'The Companies Act of 1961' of the State of Queensland applies and the inspectors had been appointed as such pursuant to 'The Companies Act of 1961' of this State. This action followed on receipt of advice from the Attorney-General of New South Wales that the abovenamed three persons were on September 6, 1962, appointed to be inspectors to investigate the affairs of Latec Investments Limited. The Attorney-General of New South Wales had indicated that it was understood the activities of this company, either directly or through subsidiaries, extend to the State of Queensland. It, therefore, was deemed desirable that the inspectors be given authority to carry out their investigations in respect of this company's activities in Queensland."

LACK OF ACCOMMODATION AT NAMBOUR HOSPITAL

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

"In view of the fact that the Nambour Ambulance Brigade had to transport 134 people to Brisbane last year, mainly because of insufficient bed accommodation or inadequate equipment and medical staff, will he take immediate steps to remedy this position in an area which carries exceptionally heavy and fast-growing holiday traffic?"

Hon. H. W. NOBLE (Yeronga) replied—

"Brisbane General Hospital is the base hospital for Nambour and the same position exists here as in other regional areas throughout the State in that cases requiring specialist treatment are transported to the base hospital. During the year 123 public patients were transported from Nambour Hospital to Brisbane hospitals and the Medical Superintendent has advised that these cases were referred by him for the benefit of specialists' attention and that it was not because of insufficient bed accommodation, lack of equipment or shortage of staff."

PUBLICATION OF "QUEENSLAND ROADS"

Mr. LLOYD (Kedron), for **Mr. DUGGAN** (Toowoomba West—Leader of the Opposition), asked the Minister for Development, Mines, Main Roads and Electricity—

"(1) What was the cost of the first issue of 'Queensland Roads' the new official journal of the Main Roads Department, and how many of these were distributed?"

"(2) Is the publishing of this journal an acknowledgment by him that the drastically curtailed Annual Reports of his Department are inadequate to show the true position of his Department?"

"(3) At a time when in his own words the Department's objective is 'adequate roads at minimum cost,' does he not think that the Premier's directives as to printing economy could be circumvented in a little

less obvious manner than this profusely illustrated thirty-six-paged booklet printed on expensive art paper?"

"(4) What are the reasons for this publication being printed by a printing service other than the Government Printer, whose equipment and workmanship is more than adequate for such a job?"

Hon. E. EVANS (Mirani) replied—

"(1) £428 9s. 8d. 742 distributed, 68 held."

"(2) No."

"(3) The publication of 'Queensland Roads' is not a circumvention, obvious or otherwise, of the Premier's directives as to printing economy. It is and has been for many years the practice of important road construction authorities in different parts of the world to publish at monthly, quarterly or half-yearly intervals, books in which is set out, for the information of those concerned with or engaged in road construction, information as to the latest procedures and techniques in this very important field of public service. In the first issue of 'Queensland Roads', which has been eagerly sought by many organisations, there appeared several articles of considerable value, particularly one setting out performance requirements for bitumen sprayers and an historical survey of highway development in this State. It is proposed to continue to publish these and other useful types of information in future issues. The Honourable Member may rest assured that the Commissioner and myself are fully seized of the importance of getting the greatest possible benefit from every pound expended. The value to be derived from the information in this periodical is far greater than the cost of its publication and this alone will assist materially towards providing 'adequate roads at minimum cost'. The book is designed to be of continuing value and so it is essential that it be durable and presented in a form which will be a credit to the Department."

"(4) Full consideration was given to all aspects and it was decided that the procedure adopted should be followed."

Damage to Northern Bridges by Vehicles Transporting Oil Rigs

Mr. DAVIES (Maryborough), for **Mr. TUCKER** (Townsville North), asked the Minister for Development, Mines, Main Roads and Electricity—

"Further to my question of September 4, 1962, relative to the damage to northern bridges by an oil rig, is it intended to recover the amount of £3,370 from the person or company responsible for such damage?"

Hon. E. EVANS (Mirani) replied—

"The question of launching prosecutions is under investigation."

Employees, Department of Irrigation and Water Supply

Mr. DAVIES (Maryborough), for **Mr. BENNETT** (South Brisbane), asked the Minister for Public Lands and Irrigation—

"What was the numerical strength of the employees of the Department of Irrigation and Water Supply for the years ended June 30, 1957, 1958, 1959, 1960, 1961 and 1962?"

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

"Employment by the Irrigation and Water Supply Commission as at June 30 of the years 1957 to 1962, is detailed in the following table:—

Year	Staff	Direct Wages Employees	Contractors Employees	Total
1957 ..	389	899	116	1,404
1958 ..	381	987	193	1,561
1959 ..	388	835	2	1,225
1960 ..	398	709	113	1,215
1961 ..	353	598	38	989
1962 ..	358	733	296	1,387"

Inadequacy of Prison System

Mr. DAVIES (Maryborough), for **Mr. BENNETT** (South Brisbane), asked the Minister for Justice—

"(1) In view of the claim made by the Deputy Comptroller-General of Prisons that the prison system in Queensland is not adequate because of overcrowding, insufficient rehabilitation, lack of segregation of different types and age groups among prisoners, no workshops or punishment blocks and insufficient training of officers, will he state what remedial measures he is prepared to implement in the immediate future?"

"(2) Has an application been made for approval for a television set and, if so, was it granted or was it donated by a private person?"

Hon. A. W. MUNRO (Toowong) replied—

"(1) So that Honourable Members generally will be aware of the background to this question I would point out that the question is based on information which came to the notice of the Honourable Member while appearing in his professional capacity in a Public Service Appeal Board case. This is evident from the record of the proceedings in which the Honourable Member who now asks this question as a Member of Parliament appeared as Counsel representing a Prison Superintendent appellant. The question purports to be based on a claim made by the Deputy Comptroller-General of Prisons whereas the so-called claim is, in fact, a statement concocted by the Honourable Member from answers to questions asked by him as Counsel in a cross-examination of the present Deputy

Comptroller-General who was required to defend his appointment to that position. I will now deal separately with each of the specific subjects raised—Overcrowding: It is quite true to state that there is overcrowding in our prisons, although the position today is generally much better than it was in 1957 when the present Government took office. Since 1957 Her Majesty's Prison, Wacol, has been developed and the first unit now constructed provides 240 cells. A dormitory block to accommodate eighty prisoners has been planned for Townsville Prison and has a high priority. Finance has been allotted for an extension of 'C' Wing at Townsville to provide thirty cells. A medium security section to accommodate approximately 110 prisoners has been planned for Townsville and is awaiting an allocation of finance for building to proceed. Accommodation at the State Farms has also been increased in recent years. Insufficient rehabilitation: This Government has, since 1957 done much to improve the facilities for prisoner rehabilitation. New machinery has been purchased for Her Majesty's Prison, Brisbane and extensive workshops have been planned for the prisons at Wacol and Townsville. Lack of segregation of different types and age groups among prisoners: This is inevitably associated with overcrowding but is being relieved by the building of additional accommodation as I have already explained. However, it will take quite a number of years to remedy all the deficiencies which accumulated during the term of our predecessors in Government. Workshops and punishment blocks: It is not true to state that there are no workshops at our prisons. Extensive workshops are operating at the Brisbane Prison to provide manual training for prisoners and these workshops have, during the past year, been provided with new, more modern equipment. Punishment blocks have hitherto not existed as separate blocks in Queensland. This was a defect in prison building and is not the responsibility of the present Government. In conjunction with the construction of the new cell block at Wacol Prison provision is now being made for a separate punishment block. Insufficient training of Officers: The Comptroller-General of Prisons, Mr. S. G. Kerr, has implemented staff training by way of lectures and addresses to staff in Brisbane and this scheme has operated for the past four years. An examination system has been introduced which demands study by prison officers to increase efficiency and to qualify for higher ranks. Generally, the inferences in this question do not convey an accurate picture of our prison system. The present Government has given considerable attention to prison administration. We have modernised the Prisons Act and Regulations and plans have been evolved which will effect further improvements in the facilities and administration as further finance becomes available."

"(2) No application has been made to the Department of Justice for the supply at Government expense of a television set. However, a set was donated to Her Majesty's prison, Wacol, in April, 1962, by Right Rev. Monsignor Frawley who is a visiting Chaplain to the prison."

VALUER-GENERAL'S VALUATIONS

Mr. MELLOY (Nudgee) asked the Minister for Public Works and Local Government—

"In view of the widespread and numerous objections lodged against revaluations of property fixed by the Valuer-General, will he consider the introduction of legislation to protect property owners, particularly small private owners, against unreasonable valuations and consequent financial hardship and provide for the laying down of a formula to be used as a basis for new valuations by the Valuer-General, more in keeping with the true unimproved value of land and not influenced by excessive inflationary prices paid for land by oil companies and charged by land speculators?"

Hon. H. RICHTER (Somerset) replied—

"The basis of valuation under the Valuation of Land Acts is being considered by a Committee appointed by Cabinet, and investigation is proceeding. As a temporary measure to afford some relief to ratepayers whose new valuations have increased substantially over the old valuations, the Government applied the principles of the Land Tax Adjustment Act of 1960 and 1961 by the passing of 'The Local Government (Rateable Value Adjustment) Act of 1962'. This Act will apply to new valuations of the City of Brisbane which come into force as from June 30, 1963. I would add for the information of the Honourable Member that unimproved values of residential land are not based on nor influenced by excessive inflationary prices paid for land by oil companies and charged by land speculators as his question would suggest. Unimproved values applied to residential lands are based on the sales of residential lands of which there are some thousands in the City of Brisbane. Unduly high sales of residential land were discarded by the Valuer-General as a basis. Indeed, the sales basis adopted by the Valuer-General for the City of Brisbane is substanially below the current sale prices of land."

DENTAL HYGIENISTS IN SCHOOL DENTAL SERVICES

Mr. MELLOY (Nudgee) asked the Minister for Health and Home Affairs—

"(1) Has he taken any action to implement his proposal to use dental hygienists in the school dental services? If not, when does he propose to do so?"

"(2) As his scheme was based on the New Zealand scheme, does he intend to allow these hygienists to extract teeth and perform filling operations, as is done by the dental assistants in the New Zealand school dental services?"

Hon. H. W. NOBLE (Yeronga) replied—

"(1) Action has not yet been taken to implement the proposal to utilise the services of dental hygienists in the School Health Services organisation, but the practical considerations are being examined, and it is intended to set up training facilities as soon as finances are available."

"(2) The work carried out by dental hygienists in New Zealand is the teaching of oral hygiene, dental examinations, and simple operative procedures (extractions, simple fillings, cleaning of teeth, &c.). It is contemplated that the service to be carried out by dental hygienists in this State will be on similar lines, but, in addition, all treatment planning and diagrams will be carried out by qualified dentists."

FLATS ERECTED BY HOUSING COMMISSION

Mr. MELLOY (Nudgee) asked the Treasurer and Minister for Housing—

"Following on my question relating to the construction of accommodation by the Housing Commission, what is the actual number of flats included in his answer?"

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

"The numbers of flats completed in the metropolitan area were 97 in 1960-1961 and 46 in 1961-1962, while in the rest of the State 20 were completed in 1960-1961 and six in 1961-1962."

SEALING OF BRUCE HIGHWAY

Mr. COBURN (Burdekin) asked the Minister for Development, Mines, Main Roads and Electricity—

"When is it anticipated that the section of the Bruce Highway north of Calen, the section in the Kuttabul area and the section between Gin Gin and the Kolan River, all of which are presently under construction, will be bitumen-sealed and open for traffic?"

Hon. E. EVANS (Mirani) replied—

"It is anticipated that the section of the Bruce Highway north of Calen will be sealed by the end of November but two bridges will not be completed till a later date. The section of the highway in the Kuttabul area should be sealed and ready for traffic by early December. The contractor on the section of the Highway between Gin Gin and the Kolan River is considerably late in completing his work. It is anticipated that all of this section except for two miles will be sealed and open for traffic during November. The balance of the two miles may not be open for traffic till February, 1963, depending on weather conditions."

ACCOMMODATION FOR WIDOWS AND WIDOWERS

Mr. SHERRINGTON (Salisbury) asked the Treasurer and Minister for Housing—

"In view of the distress caused to occupants of Housing Commission homes, who are in receipt of a pension and are required by Commission policy to seek alternative accommodation on becoming widows or widowers, has he considered a conference between himself and the Minister for Health and Home Affairs with a view to developing further the garden cottage scheme which was being instituted by the previous Government, particularly at Maryborough, and which would provide alternative accommodation for these persons?"

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

"With the passage of time it is found that many households reduce below the family complement originally housed so that a husband and wife or, in some cases, widow or widower only, remain in occupation of the dwellings. The Commission has been fairly successful in arranging for many of these cases to accept smaller type houses. Objections to transfer have been encountered on many occasions and many of the occupants still remain in the larger houses, the majority of whom are in receipt of rebates of rental. On occasions occupants have arranged for relatives to reside with them. Compulsion action has not been taken and care is exercised in order to avoid distress. It is incorrect to state that occupants of Housing Commission homes, who are in receipt of a pension, are required by Commission policy to seek alternative accommodation. This problem is common to all States and all handle it in a similar way."

HEAD TEACHER'S RESIDENCE, TOWNSVILLE WEST SCHOOL

Mr. AIKENS (Townsville South) asked the Minister for Public Works and Local Government—

"On what date is it anticipated that the new residence for the headmaster of the Townsville West School will be ready for occupancy and on what site is it being erected?"

Hon. H. RICHTER (Somerset) replied—

"The date on which it is anticipated that the new residence for the headmaster of the Townsville West School will be ready for occupancy cannot be indicated at this stage as plans are not yet complete. The residence will be erected on land in Flinders Street West, Townsville, acquired by the Department of Education as a site for the residence."

TENDER BY THIESS BROS. PTY. LTD. FOR HOTEL LICENSE AT MOUNT ISA

Mr. DAVIES (Maryborough), for **Mr. INCH** (Burke), asked the Minister for Justice—

"Relative to the tender of Thiess Bros. for the fourth hotel license at Mt. Isa which has recently been accepted by the State Licensing Commission,—

(1) Is it a fact that plans for this hotel and tender price for the license were lodged with the Commission only a few minutes before the closing time for tenders?

(2) Is it a fact that the plans submitted by Thiess Bros. and accepted by the Commission designated a site bordered by Sulphide, Oxide, O'Doherty and Urquhart Streets on which it was proposed to construct this hotel?

(3) Was the license granted on the understanding that the hotel would be built on this site? If so, how does the Commission reconcile this with a press report appearing in 'The Mt. Isa Mail' on Wednesday, September 5, 1962, to the effect that this hotel will be 'erected on land bordered by the Barkly Highway, Sulphide and Kentia Streets, that this land had been made available for Thiess Bros. project by Mount Isa Mines, but no statement had been issued as to whether or not the land had been sold to Thiess Bros.', and what method will be employed by Mount Isa Mines to make this land available to Thiess Bros.?

(4) Is it not a fact that up to September 10, 1962, no application had been lodged at the Court House, Mt. Isa, for a transfer of this land from Mount Isa Mines Ltd. to Thiess Bros.?

(5) In view of the fact that the hotel is not to be constructed on the site as submitted in the original tender, why have fresh tenders not been called for this license?

(6) If the Commission has allowed Thiess Bros. to alter their tender after it had been accepted by the Commission, why was the same privilege not extended to a former applicant whose previous tender for a license was rejected on the grounds that he intended to use portion of an existing building in the construction of an hotel?"

Hon. A. W. MUNRO (Toowong) replied—

"(1) Tenders for the removal of a license to the locality of Mount Isa closed at 2.30 p.m. on Monday, August 13, 1962. When the tender box was opened by the Commission at that time there were two tenders in the box. The Commission is not aware of the time at which the tender submitted by Thiess Bros. Pty. Ltd. was placed in the tender box."

"(2) No."

"(3) No. The tender was accepted for the site designated by Thiess Bros. Pty. Ltd. in its tender, namely, a site bounded by the Barkly Highway, Sulphide and Kentia Streets. As indicated in the tender this land forms part of a Special Mineral Lease held by Mount Isa Mines Limited which had stated its willingness to surrender to the Crown the surface rights of this area in order that a lease over the surface area might be granted to the tenderer."

"(4) This is not a matter within the knowledge of the Department of Justice."

"(5) See answers to Questions (2) and (3)."

"(6) The Commission has not allowed Thiess Bros. Pty. Ltd. to alter its tender site."

TRAFFIC-LINE MARKING OF CREEK ROAD, CARINA AND MOUNT GRAVATT EAST

Mr. NEWTON (Belmont) asked the Minister for Labour and Industry—

"When is work expected to commence on the white traffic-line marking of Creek Road between Old Cleveland Road and Logan Road, passing through Carina and Mount Gravatt East areas?"

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

"The Traffic Engineer states the proposed centre line markings in Creek Road are of relatively low priority and must wait until a machine can be made available from more urgent works. Other roads in the electorate of the Honourable Member which are of higher priority, such as Wynnum Road and Wondall Road, have recently been line marked. Whilst no firm date can be presently fixed for this work, the Honourable Member must be aware in view of other excellent active and positive work performed by the Traffic Engineer, that the line markings to which he refers will be attended to promptly, in accordance with its degree of priority in relation to the many other urgent traffic markings requiring attention. The Honourable Member, if he has not already done so, should read my contribution to the Address in Reply Debate on September 6 last and inform himself of the tremendous work which has been done by this Government in regard to traffic facilities as compared with the almost total disregard for such matters by the previous Labour Government."

TRAFFIC-LINE MARKING, BELMONT AND MANLY ROADS INTERSECTION, TINGALPA

Mr. NEWTON (Belmont) asked the Minister for Labour and Industry—

"When is work expected to commence on the white traffic-line marking of the dangerous intersection of Belmont and Manly Roads, Tingalpa?"

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

"The Traffic Engineer states the Brisbane City Council is at present considering truncations and channelisation at the intersection of Belmont and Manly Roads. No line marking at the intersection can be done until the Brisbane City Council has completed its planning."

SPOT-CHECKS OF MOTOR-VEHICLES

Mr. BROMLEY (Norman) asked the Minister for Labour and Industry—

"(1) Is the practice of road spot-checks for motor vehicle road worthiness still in existence?"

"(2) If so, how many checks have been made since the system was inaugurated, how many vehicles have been found defective and what have been the main faults?"

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

"(1) Yes, and in addition snap inspections are being made of cars in used car dealers' premises."

"(2) Up to the end of June, 1962, 3,920 vehicles had been inspected including 842 during 1961-1962. 3,281 had been found defective in some respect. Of these, 930 were unroadworthy. Of the vehicles inspected, 15·8 per cent. had faulty steering, 40·9 per cent. had faulty footbrakes, 64 per cent. faulty handbrakes and 40 per cent. faulty suspension. In regard to inspection of cars in used car dealers' premises, 985 vehicles have been inspected and repair orders issued against 600 of them. The main faults were in regard to steering, brakes and suspension. These inspections also are continuing."

MILITARY TRAINING ARRANGEMENTS FOR SCHOOL TEACHERS

Mr. DAVIES (Maryborough), for **Mr. DEAN** (Sandgate), asked the Minister for Education and Migration—

"As there are many parents concerned with the disruption caused in classes when male teachers take time off from teaching in order to go into Army camps for a fortnight, will he approach the Army authorities to see if a more satisfactory arrangement could be made?"

Hon. H. RICHTER (Somerset—Minister for Public Works and Local Government), for **Hon. J. C. A. PIZZEY** (Isis), replied—

"Following the abolition of compulsory military training, the Government agreed to support voluntary enlistment in the C.M.F., by granting leave to officers to attend military camps. As the training of young men for the defence of Australia is of national importance, it is not proposed to alter the existing practice."

USE OF CROWN LAND, TUGUN-COOLANGATTA

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

"(1) What are the intentions of the Government in respect of the Crown land situated between Tugun and Coolangatta which was previously used for the South Coast railway line to Coolangatta?"

"(2) Is there any foundation for the rumour that the land in question is to be sold by public auction for residential purposes? If not, will the Government give consideration to using the land in order to construct a four-lane highway similar to other portions of the Pacific Highway?"

Hon. G. W. W. CHALK (Lockyer) replied—

"(1 and 2) The land referred to is not being disposed of for the present pending further progress being made with planning of proposals for road construction in this location, which plans may require its utilisation for that purpose. The matter has previously been represented to me by the Honourable Member for South Coast, whose very able and forthright advocacy in all matters relative to his electorate is always appreciated both by the Government and the Honourable Member's constituents."

PAPERS

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

Report of the Queensland Government Tourist Bureau for the year 1961-1962.

Report of the Under Secretary for Development and Mines for the year 1961.

The following papers were laid on the table:—

Proclamation under the State Development and Public Works Organisation Acts, 1938 to 1958.

Regulations under the Traffic Acts, 1949 to 1961.

Order in Council under the Companies Act of 1961.

Regulations under the Main Roads Acts, 1920 to 1962.

Report of the Queensland Coal Board for the year 1961-1962.

Report of the Auditor-General on the Books and Accounts of the Queensland Coal Board for the year 1961-1962.

Order in Council under the University of Queensland Acts, 1909 to 1960.

FORM OF QUESTION

Mr. NEWTON (Belmont) proceeding to give notice of a question—

Mr. SPEAKER: Order! Is the hon. member asking a question or making a statement?

Mr. NEWTON: Asking a question.

Mr. SPEAKER: It seems to be more statement than question. I intend to have a close look at it.

Mr. NEWTON having given notice of the question—

Mr. SPEAKER: Order! It seems to me that the hon. member is entirely out of order. It is a statement, not a question.

EVIDENCE ACTS AMENDMENT BILL

INITIATION

Hon. A. W. MUNRO (Toowong—Minister for Justice): I move—

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider of the desirableness of introducing a Bill to amend the Evidence and Discovery Act of 1867 and the Evidence Further Amendment Act of 1874, each in certain particulars."

Motion agreed to.

PRIMARY PRODUCERS' CO-OPERATIVE ASSOCIATIONS ACTS AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. O. O. MADSEN (Warwick—Minister for Agriculture and Forestry) (11.42 a.m.): I move—

"That it is desirable that a Bill be introduced to amend the Primary Producers' Co-operative Associations Acts, 1923 to 1934, in certain particulars."

The sole object of this very simple Bill is to enable any primary producers' co-operative association to take steps to tighten up its rules in order to guard against an easy take-over of its business by outside interests.

To this end, the Bill will make it possible for an association to incorporate in the rules a provision requiring the consent of a specified majority of its members, voting by postal ballot, before its business or assets, or any part of them exceeding in value an amount specified by the rules, may be sold or disposed of.

The rules may prescribe the necessary provisions for the regulation and control and holding of a postal ballot, and may require the approval of the members to be given by a specified majority, greater than a simple majority, or by not less than a specified number of votes.

If the rules do not specify a particular majority, the decision will be by a simple majority of the members voting.

The Bill makes it clear that the requirement for a postal ballot, if it is incorporated in the rules of an association, will not apply to the sale or disposal of any primary produce, or any other article normally sold or disposed of by the association in the course of its business. It will not apply in the ordinary affairs of the association. I think hon. members will realise that quite a number of shareholders in primary producers' co-operatives have drifted to other parts of the State. Many were formerly producers in the particular area concerned, and many were business men there. This has meant that at general meetings to determine these matters very few shareholders are in the near vicinity and vote in person.

Mr. Duggan: Are there many primary producers' organisations that permit dry shareholders?

Mr. MADSEN: The Act provides that three-fifths of the shareholders must take part in the business as producers and suppliers before the word "co-operative" can be incorporated in the name. The whole point is that a general meeting could be called to determine such a matter as this and be attended by only a small percentage of shareholders. There is nothing to stop the carrying of a special resolution, which would be confirmed later by a simple majority.

Mr. Hilton: They would still have to hold a special meeting.

Mr. MADSEN: They would still have to hold a special meeting.

Mr. Hilton: That would be in addition to this ballot.

Mr. MADSEN: No, that would be determined by postal ballot.

Mr. Hilton: Without a special meeting being held?

Mr. MADSEN: The actual vote will be taken by postal ballot.

Mr. Hilton: Can't they do that by proxy now?

Mr. MADSEN: That depends on the rules of the association. Many do not provide for proxy voting. This is a safeguard that has been sought by some co-operatives because it becomes rather dangerous when a very small percentage of members at an annual meeting can vote for the disposal of the business.

At the present time it is legally possible in the case of most associations for the undertaking of an association to be sold or otherwise disposed of merely by the authority of an ordinary or special resolution of a general meeting of members.

The directors of one of the largest primary producers' co-operatives have expressed to me some concern over the possibility of an attempt by an outside interest to take over the business of the association. The association, like many other of the larger co-operatives, is vulnerable to a take-over. It has some 10,500 shareholder-members scattered over a wide area of the State. Hon. members will realise that an association may get only a small number of shareholders attending a meeting called for a specific purpose.

That being so, it is easy to realise that only a small percentage of the total membership could constitute what might well be regarded as a well-attended general meeting at which a resolution to dispose of the association's business could be passed without the majority of the members having any say in the matter. Many of these associations have no provision for proxy votes, so that if the members do not attend the meeting there is no way in which they can register a vote against a proposal.

It would not be beyond the bounds of possibility for private interests, keen on making a take-over bid, to organise a requisition among a section of shareholders for an extraordinary general meeting and have a resolution carried to agree to such a proposal.

The association to which I have referred sought to take steps to remedy this weakness by amending its rules so as to require the consent of a 75-per cent. majority of its supplying shareholders before the association's business, or a substantial part of it, could be sold or otherwise disposed of. It was found, however, that such an amendment would not be valid under the Primary Producers' Co-operative Associations Acts as they presently operate, as there is no authority under the Acts at present for the making of rules requiring the holding of a postal ballot to decide matters such as this.

There is no need for me to remind hon. members of the vital importance of primary producers' co-operative associations in our rural communities. As a matter of fact, we have been rather proud of them, particularly in the dairying industry, where virtually 100 per cent. of dairy products has been manufactured by co-operatives. They grew from very small beginnings, and they received very worth-while assistance from business people in their particular areas.

Mr. Lloyd: The postal ballot has to be taken of all members of the co-operative including those who are no longer in the industry?

Mr. MADSEN: Yes, if they are still shareholders. As I explained earlier, the use of the word "co-operative" in the name indicates that three-fifths of the business must be done with supplying shareholders.

The turnover of Queensland producer co-operatives approximates £55,000,000 a year. Share capital and loan capital, subscribed mainly by the producers themselves, exceeds £10,000,000. The value of land, buildings, machinery, plant, and other fixed assets is of the order of £17,000,000. This is really big business, and many people have to be trained to work in it.

This measure does not seek to compel every primary producers' co-operative to require the holding of a postal ballot to determine whether or not its business shall be sold or otherwise disposed of. It will be left to each individual association to decide whether this is necessary and desirable in its own particular case and, if so, to take steps to amend its rules accordingly.

The only other provision in the Bill is a machinery provision, which is inserted to make it clear that the power under the existing Act to amend rules includes the power to add any fresh rule or to revoke, amend, alter, or otherwise modify any subsisting rule.

As one who has been associated with many rural co-operatives, I believe that it is very desirable that we should introduce a Bill to provide for the taking of a ballot if the shareholders in any particular company think that is desirable.

Mr. Duggan: Is it mandatory to have a ballot, or is it merely designed to give the shareholders a right to ask for a ballot?

Mr. MADSEN: It is mandatory for them to take a ballot.

Mr. Hilton: That is if they incorporate this in their rules.

Mr. MADSEN: Yes.

Mr. Hilton: But it is a matter for them whether they incorporate it.

Mr. MADSEN: There is no provision for a postal ballot if they do not incorporate it in their rules. There is no provision for a postal ballot at present. The Act only makes provision for those attending a meeting to vote. With a company having 10,500 shareholders, it is easy to imagine what chance there would be of getting any great number of them together. A postal ballot will simplify the taking of a ballot, and I think it will safeguard the interests of co-operatives, which are set up primarily to protect producers.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (11.53 a.m.): Unfortunately, I missed one or two of the details that the Minister outlined when introducing the Bill. Consequently, I should like to have a look at the figures before finally committing the Opposition to support the proposal. I think the general purpose of it is quite a wise one. We are living in an age when, unfortunately, take-overs are the order of the day, and they are not confined

to any one State or any one country. Take-over seem to be the current business practice throughout the world, and in some cases, of course, their implications have far-reaching consequences. Recently we have seen repercussions in our own country from the great battle for control of certain companies. For example, repercussions were felt in Australia recently from the battle between Courtaulds and I.C.I., who were competing in a take-over attempt. That pattern is reflecting itself to some degree in this country, particularly in the food industries. As the Minister probably knows, National Dairies—I think that is the name of the company—which is of American origin, an offshoot of Kraft Foods Ltd., has very extensive business affiliations with groups that are processing products from our rural industries. Then, of course, there is Nestles Ltd., which is an international organisation of some magnitude. The power of these people is very great. The Minister knows what happened to the condensed milk factories at Wyreema and Toogoolawah a few years ago. These people had no compunction at closing those factories down. If they can practice economies by doing so they have no hesitation in implementing such decisions. It is true, of course, that Nestles Ltd. have established a factory at Gympie. It is very modern and represents the investment of a considerable sum of money.

These people operate, of course, purely for business considerations and that is not the purpose of the primary producers' marketing organisations, whose main aim is to safeguard local industries or local products.

We in the Labour Party were responsible years ago for the development of these policies, and therefore it should be and is our aim to safeguard them. For that reason we would be in general accord, on a matter of principle, with the Minister's wishes to retain, as far as possible, control of these industries.

As I pointed out, very great pressures may be exercised by some of these people and the actual cost of a take-over need not necessarily mean very much to the firms concerned because, once they have created a monopoly in the particular industry they propose to dominate, they can quickly inflate prices to recoup the cost of the take-over.

For that reason we commend the principle, although, of course, not that of entirely prohibiting take-overs. After all, I suppose this affects the rights of individuals. If these people have statutory and good business reasons for wishing to effect their rights to the full, in certain circumstances they should be able to do so, but we certainly want to see that the shareholders of these companies are given the fullest opportunity of examining the details and implications of take-over offers.

A great battle is going on in Australia today in the merging of companies. We saw it here with Pauls Ltd. and Peters Ltd., who merged under the name of Queensland United Foods and are now dominating the milk industry. That merger was a purely defensive measure against offers that were being considered for those companies. Edgells, the Heinz group, and others, large food-processing firms, are expanding their range of activities, and as far as possible we must safeguard local interests. In the final analysis, the important point in these take-overs is their developing and acting to the detriment of certain industries. It is often claimed that the profits of these large concerns are left in the State; that dividends are not remitted outside the State but are ploughed back into developmental projects. However true that may be, with these big companies involved in take-over propositions, sooner or later the rewards of the investment must be reflected in the remittance of capital to outside interests and there should be some provision to protect those concerns whose purpose is to distribute profits among the people who create them. That is particularly so when one considers that present Governments have given these people certain taxation advantages, and so on.

I want to be quite fair in this matter and I point out that in some cases these concerns open in opposition to others who do not enjoy taxation privileges. Certain instances have occurred of butter factories entering into competitive activities outside the range that one would think would be associated with butter factories. There have been instances of butter factories running very profitable stores. For example, the butter factory in Toowoomba had a very extensive stores branch at one stage. It is a moot point whether they should be exempted from taxation if they enter into competition with primary enterprises or other co-operative companies that do not extend their operations beyond the field for which they were formed.

We wish also to ensure that these organisations are conscious of their obligations to the consumer. I think the Minister will be aware of the fact that sometimes there is an air of irresponsibility about some organisations. When prices are low they seek governmental protection, but they want to be independent of Governments when prices are high.

We know that many of these take-overs take place with an imperfect examination of the share-registers. I think the Minister will be aware of one case where a company flew people interstate in order to get the requisite numbers present at a meeting that was considering certain proposals. It is quite within the bounds of possibility that a very able and efficient manager receiving, say, £2,000 a year might be attracted by an offer of £3,000 by the people wishing to effect a take-over. If the directors of a company were offered seats on the new board in the event of a take-over, perhaps it would not be difficult for them to canvass a limited number of shareholders in order to secure the results that were sought. Apparently the people who have submitted the matter to the Minister feel that there is some danger in the present situation,

consequently the necessary corrective measures are now being taken. On general grounds I should think that the proposal is reasonable. The Minister pointed out that it would be within the jurisdiction of a company to decide whether it embodied the benefits of this legislation in its articles. I suppose that there would be a loophole there in respect of companies that did not elect to do so. There should be a greater awareness of those companies because shareholders would not enjoy the protection to the extent that the legislation envisages that they should be protected. Shareholders in companies that do not so elect should be particularly wary.

I think I understood clearly the Minister's intention in introducing the Bill. If I did, on general principles the proposal seems to be reasonable and necessary because of the dangers of the huge octopi getting a grip on various essential commodities such as food, including the processed products of the State's rural industries. I hope that the legislation will have a stabilising effect and prevent any encroachment.

Although encroachment may have some desirable features, they are outweighed by bad features. For that reason I think we can say that we approve of the measure.

Hon. P. J. R. HILTON (Carnarvon) (12.3 p.m.): The legislation outlined by the Minister is good as far as it goes. It opens up a subject that gives much food for thought. For one, I should feel very loth to vote for any measure that permitted a primary producers' co-operative association to be taken over by any large concern. There is no gainsaying the fact that the co-operative movement among primary producers has been of immense benefit, not only to the producers themselves but also to Queensland as a whole and to the development of this State.

I presume that the introduction of the measure indicates that take-over moves are being made. What is to be the position of primary producers if a big monopoly concern comes into an area, takes over the co-operative and carries it on as a private enterprise? What about the producers who may be against the take-over? I think the Minister indicated that a simple majority would warrant——

Mr. Madsen: They can lay down any number. They can make it 99 per cent.

Mr. HILTON: There is a weakness in the legislation. The Minister has indicated that a simple majority can authorise the directors to sell to a big monopoly. What about the welfare of the 49 per cent. of the producers who may be against it? Quite obviously once a big monopoly takes over a primary producers' co-operative the minority will not be able to function in the future against that big monopoly. I think there is every warrant for giving serious consideration to the principle of allowing a big monopoly to take over any primary producers' co-operative. As a matter of fact, it is at once the thin end of the wedge driven into the whole structure of the co-operative movement among primary producers throughout the State. We know how, in the olden days, primary producers had to fight to preserve their interests against monopolies and the middlemen. Why now introduce legislation that will enable directors to do this by means of a simple majority? When all is said and done, they are on the scene for only a limited time. Will the Minister state that they can write into the articles of association that a simple majority gathered through a postal ballot will be authority to sell out to a big concern? I I think he made that quite clear.

Mr. Madsen: No, by special resolution approved by three-fourths of those attending the special meeting, but in this provision "ballot" means a postal ballot of all the shareholders, and the majority or number may be fixed by the rule.

Mr. HILTON: I understood the Minister to say the Bill makes it possible for an association to incorporate in its rules a provision to allow consent to be given by the shareholders through a postal ballot. If it allows the shareholders by a simple majority to authorise the sale to a big monopoly interest——

Mr. Madsen: It does not.

Mr. HILTON: I must confess I will have to wait till I read the Bill because the Minister cannot satisfy me on this point. A special meeting can decide by a three-quarters majority to amend the articles of association.

Mr. Madsen: By special resolution.

Mr. HILTON: Having done that and having amended the articles of association to provide that, if they want to sell it, a simple majority will give them warrant for doing so—is not that what the Minister is saying?

Mr. Madsen: After getting the special resolution they then confirm it by a simple majority.

Mr. HILTON: Yes, and the Minister pointed out the weakness in holding special meetings or extraordinary meetings to discuss these matters because it is impossible in many cases to get a substantial body of producers concerned present to exercise their vote.

Mr. Madsen: Under this provision in the Bill they can make it as tough as they like.

Mr. HILTON: But if there are take-overs in the offing and some directors recreant to the principles of the co-operative movement are prepared to sell out to a big concern, there is a big danger.

Again, we know that legislation has been enacted here in the past permitting co-operative companies to resume land, or permitting the Government to resume land, in certain cases. I think land has been resumed from private individuals solely because a co-operative concern has wanted it for a co-operative enterprise. Where that procedure has been followed, the land or property so acquired is being handed over to a big monopoly concern.

While I support the idea of making it as difficult as possible, thus ensuring that the greatest possible care is exercised in the sell-out, the whole idea of a primary producers' co-operative selling out to a big monopoly is repugnant to me and it should be repugnant to any primary producers. At times circumstances may be difficult in a particular primary industry. The Leader of the Opposition referred to the condensed-milk factory that used to operate at Wyreema, on the Downs.

Mr. Duggan: And one at Toogoolawah.

Mr. HILTON: And the one at Toogoolawah. The big monopoly came in there. The Minister knows full well that, in existing circumstances, there is no chance of any dairy-farmers starting a successful co-operative factory for the production of condensed milk, in those areas particularly. So why should we jeopardise the interests of primary producers? I think we should set ourselves strongly against the idea. While in some circumstances at a particular time things may be difficult in a primary-industry district that is carrying on a co-operative enterprise, it may not always be that way. I am concerned with the primary producers who are against a move to sell out—and 49 per cent. of them could be against it. I am concerned, too, with the position of those people who, in the next generation, may want to conduct a co-operative enterprise but, because big monopoly has extended its clutches in that area—which could be a very big part of the State if not the whole State—the co-operative movement among those primary producers in that industry is doomed for all time.

I will examine the Bill very closely indeed. I repeat that, while it is a good idea to ensure that everybody connected with a co-operative is given some say in the matter, we have to treat this very carefully indeed.

Again, if the directors want a ballot taken, is there any provision in the legislation to ensure that a full outline of the proposal with all pros and cons is submitted to all the shareholders? That is all-important. It is very easy to roneo off a statement and send it out saying, "The directors recommend this; it is a good thing." However, all the arguments may not be contained in that document. I think that the Registrar should be given the right to review any documents sent out concerning matters on which ballots are to be taken on selling to big concerns.

I commend those thoughts to the Minister and, as one who believes in the co-operative movement, I hope that he will give them serious consideration before the Bill comes finally before the House.

Mr. MULLER (Fassifern) (12.13 p.m.): There appears to be some confusion in the mind of the hon. member for Carnarvon concerning the explanation given by the Minister. The co-operative movement is something of which I have a considerable amount of knowledge. I served for over 30 years in the dairymen's association, and for 20 years of that time as chairman. I served also on the Butter Marketing Board and Commonwealth boards as well, and I have had much experience of alterations to rules.

Many of the points made by the hon. member for Carnarvon are governed largely by the constitution of the co-operative association, or the rules that provide for its control. There are now very many take-overs, probably wise as well as unwise. I have in mind one recent instance of a take-over of a bacon company that was very unwise, at any rate so far as my pocket is concerned. That, however, is beside the point.

The whole thing hinges largely on the constitutions of co-operative associations. In my time we had about 5,000 shareholders and were very fortunate if, having called and advertised an annual or general meeting in accordance with our rules, we had an attendance of 150. I think that that applies pretty generally. It is not because the shareholders are apathetic, but largely because they take very little interest in the association and leave things largely to the directors.

Our rules provided that, to amend the constitution or rules, the proposal had to be advertised in a general way and the resolution had to be carried by a three-fourths majority. Of course, a simple majority was required to confirm the resolution a fortnight later. It is so difficult to get shareholders together. In the course of time, they cease to take any interest in their association. They leave the State or the country. We found our shareholders all over the world when we wanted to make a distribution.

I take it that this will apply only to special resolutions for which special meetings are called, and will not apply in a general way. I wish that these things were made clear. Like the hon. member for Carnarvon, I should like to see the Bill before I commit myself, because I know how contentious it could be.

I see one difficulty with postal ballots. Most associations conduct them for the election of directors, and it is very rare to get even a 50-per cent. vote. When ballots of this kind are held to determine whether it is wise to do certain things, ballot papers are broadcast to all shareholders, and there is such a thing as canvassing. A resolution could be carried by postal vote that would not be carried if those shareholders appeared in person and heard the case presented before a

properly-constituted meeting. What is intended can then be set out in detail, and arguments for and against can be heard. Many would perhaps be dissuaded from recording votes in a certain direction if the whole facts of the case were heard. Sometimes there are a lot of ifs and buts surrounding proposals, and they are not made clear by the mere sending out of ballot papers.

If shareholders do not attend when called to a meeting, that is their own business. If something happens at a stacked meeting that does not suit them, that is their funeral. On the other hand, if the ballot papers are sent to everybody about the place and some smart Johnny wants to have something put through, he can get a few to join him and they can go around the country collecting the ballot papers. They do not actually collect them, but they can see that they are marked as they want them to be. That could be even worse than stacking a meeting.

I can assure hon. members that I, too, have been very disappointed with the small attendances at meetings of shareholders called to discuss very important questions. Nevertheless, if the shareholders do not attend, that is their lookout. On the other hand, I believe that the Minister may have something in the back of his mind that has induced him to bring down the Bill. Sometimes a co-operative in a particular industry wants to do something for its own purposes that may not meet the needs of many co-operative societies in other industries. Like the hon. member for Carnarvon, I should like to read the Bill and see what it has to offer before committing myself.

Mr. BYRNE (Mourilyan) (12.19 p.m.): When listening to a Minister outlining the provisions of a Bill that he is introducing, it is often very difficult to grasp the full implications of the important features, but I can see many difficulties that could arise from this measure, particularly where a large number of shareholders in a co-operative company do not take very much interest in its affairs and leave it to their administrators and advisers to decide what is the best course to pursue. Let me take as an illustration a sugar company that was originally a co-operative company and that decided to convert to a joint stock company. The result is that although the people in the particular area grow the cane and are members of the company, the profits are distributed to people who, although not canegrowers, are recognised as shareholders in the company.

Mr. Coburn: People who are not living in the district.

Mr. BYRNE: That is true.

I refer to the sugar industry, because I know something about it. It would be unfortunate if the profits of a co-operative sugar mill were distributed not to the growers but to shareholders who, as the hon. member for Burdekin pointed out by interjection, may not be living in the district; in fact, they may live in other parts of the world. This point is particularly important because some of the co-operative undertakings are very profitable. In my opinion, there is nothing to stop the members of a co-operative company from forming themselves into a joint stock company to take over the interests of the co-operative. The shareholders will then be entitled to participate in the distribution of profits, while many members of the co-operative association who actually produce the product will not be entitled to do so because they are not shareholders.

I think it is very important that we should protect growers from themselves at times. Like other hon. members, I shall reserve further comment till I have seen the Bill.

Mr. DAVIES (Maryborough) (12.22 p.m.): I agree with the remarks of the Leader of the Opposition and the hon. member for Mourilyan. I think that the Minister should have taken the Committee more into his confidence and been more explicit about the provisions of the Bill. Obviously there is to be a very serious encroachment on the activities of the farmers of Queensland, and I believe that more particulars should have been given.

The purpose of the Act that was originally approved by Parliament was to safeguard the interests of the farmers and enable them to organise to protect their own interests. Of course, we must remember that the Australian Labour Party, through its Minister for Agriculture at the time, Mr. Gillies, introduced the Primary Producers' Co-operative Associations Act in 1923 only a few months after it had introduced the Primary Products Pools Act. Both Acts were designed to enable the primary producers to protect themselves from exploitation. We realise that it is very difficult to protect the farmers from the exploiting interests that have been active in the State in the past few years. It is worthy of note that the value of primary production in 1960-1961 was £227,000,000 in Queensland, £329,000,000 in Victoria, and £423,000,000 in New South Wales, which is a very poor comparison and emphasises the need for some action. The Minister could have taken the opportunity when bringing down this amendment to take some further action. In presenting the Bill to the House, he could have given us more information about the immediate dangers confronting primary producers' co-operative organisations. We could then possibly suggest further amendments.

On the necessity for the Bill, of course, it is interesting to note that when Mr. W. N. Gillies, as Secretary for Agriculture, first introduced this legislation, the newspapers said that it was left to the Australian Labour Party to produce such a Bill, the Country Party representatives, who were in control of the State till 1915, having done nought.

The Minister said on that occasion that there was no legislation whatever on the Statute Book that encouraged co-operation among farmers and protected them as that Bill sought to do.

We realise that steps were taken to establish co-operative organisations in Booval in 1901 and, of course, we can go back to the recognition of co-operative movements in England, where, in Rochdale, some 12 miles from Manchester, the co-operative movement was very firmly established. If we look at the excellent work that has been done in Denmark and one or two other countries, we can learn much.

Much can be learnt also from the Parliamentary Draftsman of the day, Mr. J. L. Woolcock. When the original Bill was introduced, he said—

> "At the present time bodies of persons are associated together for the carrying on of co-operative operations and some of these are registered under the Companies Acts and some are registered under the Industrial and Provident Societies Acts, but neither of those Acts is sufficiently comprehensive to enable co-operative operation to be carried on under proper control, or afford sufficient elasticity for effective working and management."

Mr. L. R. Macgregor, the Director of the Council of Agriculture, made a memorandum to the Minister at the time the Bill was introduced, which shows the importance of the legislation and the necessity for the Minister to keep a watchful eye on the matter. He evidently claims he is doing that in this case but we will wait and see the contents of the Bill.

Mr. Macgregor said—

> "I can honestly say that I believe this measure to be one which will do your Government and yourself every credit and which will be of exceeding great benefit to the agricultural industry here, and will, I think, be a model which will be availed of by other States."

It was, too. Mr. Macgregor continued—

> "It is, in my opinion, in advance of the South African measure, which has hitherto been regarded as the best in the British Empire."

In the past some people have ridiculed the fact that farmers should have their own co-operative organisations. Such people were mentioned by the then Minister in the debate on the original Bill when he referred to the establishment of the Byron Bay butter factory. He said that the newspaper in the district was full of letters, mostly anonymous, from the friends of proprietary manufacturing companies who said that the farmer's job was in the yard, that he knew nothing about machinery. They also asked what he knew about the manufacturing of butter and what business experience he had. No doubt these people are saying the same thing today, that is that it needs the wise experience of professional business men to come in and take control of these organisations in the interest of the producer. We all know what has happened with vending machines and we hope the Minister will give us further particulars when he sees fit to take us into his confidence on this Bill.

It is as well to take note of the fact that in this Chamber we often hear comment that the Labour Party is not interested in the primary producer. It is well to note the opinions of various Country Party members of the day who, when the original legislation was introduced, were more inspired by Liberal outlook than by the Country Party spirit. To mention the comments of but a few of them, Mr. Swayne said—

> "This Bill goes further than anything that was needed for that purpose. The Bill is drastic and coercive."

Mr. Warren (Murrumba) said—

> "The primary producers do not desire this Bill."

Mr. Barnes (Bulimba) said—

> "The Government, as part of their Russianising scheme, are going to take possession of quite a number of things. It is part and parcel of the Socialistic policy of the Government."

Mr. Corser (Burnett) said—

> "There can be no compulsion brought to bear on the primary producer until he is within the organisation . . ."

That is the organisation being established by the Australian Labour Party. He continued—

> ". . . once he gets there and he desires, because of inefficient management to get out of the organisation—which he will find savours more of Communism than of co-operation—he will find he cannot get out."

That was way back in 1922, and the same cry is caught up today by hon. members like the hon. member for Ashgrove. But we have had wiser voices from those who have taken advantage of organisations such as are mentioned here. The present Minister, in his private capacity, has given valued service to farmers over the years. Some of these wiser gentlemen have publicly recognised the work done under this legislation.

Mr. Plunkett (Albert) in 1933, 10 years afterwards, had this to say—

> "Queensland has always led the way in organising for the benefit of the primary producer . . ."

That means, of course, that the Australian Labour Party has always led the way.

Mr. Walker, then hon. member for Cooroora, said—

> "The dairying industry could not have been in the favourable position it is today had it not been for the various schemes introduced by the Government of the day."

That means the Australian Labour Party Government.

I appeal to the Minister to take the Committee more into his confidence because it may enable hon. members on this side to draw his attention to further subversive activities in the State. We gave valuable advice to the Minister for Justice on the Companies Act—not that all of it was taken notice of. The Australian Labour Party has worked in the interests of the working farmer. It is the farmers' party. It has proved that by its legislation, and it will do so again in the course of this debate by the interest it will take in the Minister's proposed amendments. If the Bill is what we think it is we will give it our full blessing and possibly draw to the Minister's attention the need for further amending legislation to protect the working farmer.

Hon. O. O. MADSEN (Warwick—Minister for Agriculture and Forestry) (12.31 p.m.), in reply: Somehow or other, the line of thought seems to have developed to a much greater degree than I had expected on the introduction of this Bill.

The original Act provided the machinery whereby farmers could establish co-operatives; they were able to run their own business. It went to the extent of providing a model set of rules which, subject to amendment, could be adopted by the various co-operative societies to suit the particular industry in which they were engaged. So it has gone on. The procedure for amending the rules of an association has been laid down. It is considered that the rule that should apply to the disposal of a co-operative's products, manufactures, etc., is vastly different from the rule that should apply to the disposal of hundreds of thousands of pounds worth of assets. That is where the difference lies. The rule covering the disposal of the co-operative's products, manufactures, etc., will remain, but the Bill gives co-operatives throughout the State the extra protection that they may desire, whatever it might be. A co-operative may require 80 per cent. or 90 per cent. approval. That will be a matter for them to incorporate in their rules.

Mr. Hilton: Don't you think they should not be allowed to incorporate a decision by a simple majority? Don't you think it should be at least 75 per cent.?

Mr. MADSEN: What applies in one case does not apply in another.

Mr. Hilton: As a general principle.

Mr. MADSEN: If you want to apply a general principle all you have to do is to amend the general principle in the Act. Dealing with a commodity is far different from dealing with the very assets of a co-operative. That is why the Bill is introduced. It is to provide the machinery whereby a co-operative can take action to protect itself. There is nothing more in it than that. Some have said that there are weaknesses in meetings. I have seen them just as the hon. member for Fassifern has seen them. We have seen how weak they can be when rules are being amended. Even in the ballots there are weaknesses.

Mr. Muller: This will be purely optional on the part of the society?

Mr. MADSEN: Purely optional.

The hon. member for Maryborough said that I was withholding something. I am not withholding anything other than perhaps that I know that there are certain types of co-operative societies that are more vulnerable than others. I know it has been to the advantage of some co-operatives to sell out to a private company. When it reaches the stage that it cannot go any further, is it not wise under those conditions that it should sell? Sometimes a private concern, because its business is spread in different directions, is able to do certain things that a co-operative, dealing with one product only, cannot do. In certain circumstances what it really means is that we are giving co-operatives credit for being able to run their own affairs. If we widen the rules they can take advantage of them. They can alter their rules if they want to, or they can allow them to stand and let the ordinary practice apply.

Mr. Hilton: Would you like to see the Warwick Co-operative Dairy Association taken over by big monoply business?

Mr. MADSEN: No. I should not like to see one of our co-operatives go down. That is how strongly I support co-operatives. The hon. member for Fassifern has been able to make comparisons between what happens in this State and in other States. I know he would agree that we have been particularly fortunate in having co-operatives operating in the dairy industry.

Mr. Aikens: You would agree that some co-operative companies can become as monopolistic as the straight-out monopoly?

Mr. MADSEN: I have yet to see that. After all, the co-operative is there to make the fullest possible payment to the producer and, where possible, to spread the sale of its product.

Mr. Aikens: They have been known to rig the price to the consumer.

Mr. MADSEN: That is a big statement, too. I must say that I am 100 per cent. behind co-operatives.

Mr. Aikens: You are a very good example.

Mr. MADSEN: I am. They have done an excellent job for Queensland. On the other hand, I am not one of those who are blind to instances of mishandling or of doing something that I think they should not do.

Mr. Muller: Would you say that the Bill in effect gives the shareholders of any co-operative the power to write this into their constitution to prevent these wicked take-overs—to protect themselves?

Mr. MADSEN: Yes, that is just what it does—it gives them the right to protect themselves—and it is optional whether they

do it or not. If they do not want to do it, they need not. It may not be necessary with some co-operatives.

Mr. Hilton: I think it should be compulsory for them to write it into their constitution.

Mr. MADSEN: There could be disadvantages. After all, we have to credit them with sufficient nous to be able to run their businesses pretty well. I will not take that away from any farming community, anyhow.

Mr. Hilton: They still run their own business.

Mr. MADSEN: Yes. At the same time, there could be disadvantages and I do not think anyone is in a better position to judge than those making their livelihood.

Mr. Aikens: How will you get on with half-baked co-operatives like the one at the Mulgrave Sugar Mill?

Mr. MADSEN: There is no such thing as a half-baked co-operative, if the name is used correctly.

Mr. Aikens: Have a look at the Mulgrave Sugar Mill co-operative.

Mr. MADSEN: It is either a co-operative or it is not. If the body can be legally termed a co-operative, the conduct of its business must be with shareholders who are actually supplying the product or doing something of that nature.

The Bill is a very simple one. The Committee might think we should have gone a little further with it. What we are doing is giving co-operatives the opportunity to do something for the protection of their property.

Motion (Mr. Madsen) agreed to.

Resolution reported.

FIRST READING

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

CHARITABLE FUNDS ACT AMENDMENT BILL

SECOND READING

Hon. A. W. MUNRO (Toowong—Minister for Justice) (12.40 p.m.): I move—

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

Hon. members will recall that this is a very simple Bill. It merely has the objective of making some small improvements in the legislation, which initially was passed in 1958. As I explained at the introductory stage, there were two problems. The first was that in the case of some of the very small funds the cost of advertising proved to be a very expensive item. To overcome that disability the Bill confers on the certifying officer authority to give notice in a simpler manner than is necessary under the terms of the Act.

The second problem, again in the case of small funds, was that the certifying officer was required himself to examine the scheme and certify, after so satisfying himself, that the scheme was not contrary to law and not against the objects and purposes of the Act. The Bill gives that provision a little additional flexibility in giving the certifying officer an alternative power to submit the scheme to a judge if he thinks the circumstances require it. The provisions are quite simple and do not require any further explanation at this stage.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (12.43 p.m.): I do not wish to say much. I regret that the Minister did not indicate whether he had given consideration to the necessity of engaging an outside barrister as the certifying officer.

Mr. Munro: It is not mandatory under the law that he be an outside barrister, but in practice it is found very desirable that the certifying officer be a legally-trained person.

Mr. DUGGAN: I accept the desirability of the measure, but I feel that the certifying could well be done by an officer of the Crown Law Department or some other legally-trained person available to the Minister. The whole purpose should be to avoid expense. The cost of three advertisements in metropolitan newspapers might be £20, and I do not know whether an opinion of a barrister, as certifying officer, could be obtained for under ten guineas. I do not know what the charge would be, but very often it costs ten guineas to lift your hat to some barristers without receiving any opinion at all. I do feel that that is something that could well be considered by the Minister.

The reasons outlined by the Minister show the measure to be fully justified, and I hope what has come from this side of the House will be accepted by him in the spirit of constructive aid. He might consider that point in view of the need to avoid unnecessary expense.

Over a period of time many funds could be involved, and the money used to meet these expenses would be far better applied to the provision of, say, bursaries for the benefit of some children. An example of what I have in mind is the prize commemorating Corporal John French. In that case there seem to be sufficient funds to continue in perpetuity the making of the award. I suggest that these awards be linked with worthy local campaigns, and some children would receive the benefit of bursaries of, say, 10 guineas or 20 guineas for their efforts associated with causes such as the Heart Campaign and the Cancer Campaign. The money would be much better spent in that way than merely handed over to certifying officers. The whole general purpose should be to promote something worthwhile in the community.

I do not believe in wasting words trying to make mountains out of molehills. I think that generally the Bill is desirable, and it

is now for the Minister to decide whether he will give consideration to what we have suggested. The Bill is desirable, and we will support it.

Mr. AIKENS (Townsville South) (12.47 p.m.): I think that the general provisions of the Bill are quite desirable and worthy of the support of hon. members. I received in my mail today a letter that is just one of hundreds of similar ones that I have received over the years, and that I am sure almost all hon. members have received at some time or other. If they have not been asked this question in letters, they have been asked it in conversation, and I think that it comes within the scope of this Bill as it deals with the administration of charitable funds. I refer to the manner in which art unions are conducted, some by big charitable organisations. I do not want to criticise them in any way; as a matter of fact, I commend them for the manner in which they have run them and for the money they have raised.

Mr. SPEAKER: Order! I remind the hon. member that this Bill deals only with certain aspects; it is not in any way a general discussion on the distribution of funds, or art unions. It deals mainly with the making of provision for the distribution of funds from the original charity to another, not with what the hon. member appears to be going to say.

Mr. AIKENS: As usual, I have read and studied the Bill, and I believe that if we are to deal with the distribution of funds by any charitable organisations, at least we should be allowed to make a few comments on the way in which those funds are gathered before distribution.

Mr. SPEAKER: Order! The Bill deals only with the distribution of funds other than for the purposes for which they were originally raised. It has nothing to do with the funds for any particular cause.

Mr. AIKENS: I do not want to disagree with you, Mr. Speaker, because your rulings are usually sound. But let us suppose that an art union is conducted to raise funds for a specific purpose and that, after they have been raised, they are distributed in such a way that they come within the ambit of the provisions contained in the Bill. That is the point I have in mind. I merely wish to say that I think some action should be taken, and taken promptly, to stop many of the mushroom organisations that are conducting art unions from sending books of tickets to people who neither ask for them nor desire them. This practice has assumed pestiferous proportions, and I think that only a couple of years ago the House passed a Bill making it an offence for any person conducting an art union to send, unsolicited, a book of tickets to any person. When I am consulted by my constituents, I simply tell them that, as they did not ask for the book to be sent to them, they are under no obligation to return it and under no obligation to sell the tickets, and to do as I do—throw it in the waste paper basket or burn it. It is a nuisance to our citizens. Every time the postman blows his whistle they go out and find a book of art-union tickets that has been posted to them by some organisation or other. I am not questioning the worthiness of some of the organisations, but I am questioning the growth of this distasteful and undesirable practice of sending books of tickets to people who neither ask for them nor write for them. If money is raised as a result of that practice, it might conceivably come within the ambit of the Bill.

I thank you for your tolerance, Mr. Speaker. I know you have been studying the Bill while I have been speaking, and I am not going to strain your tolerance any longer. Having said that, I hope that the Minister for Justice will look into the points I have raised.

Hon. A. W. MUNRO (Toowong—Minister for Justice) (12.50 p.m.), in reply: As you quite rightly pointed out, Mr. Speaker, the very interesting point raised by the hon. member for Townsville South does not come within the ambit of the Bill. As a matter of fact, it does not even come within the ambit of the principal Act.

Mr. Aikens: The practice I mentioned has become a public nuisance.

Mr. MUNRO: Yes. As the hon. member pointed out with considerable ingenuity——

Mr. Aikens: I thought I did it with considerable skill.

Mr. MUNRO: As the hon. member pointed out with considerable skill and ingenuity, there might be some very indirect relationship to this Bill. Therefore, as he has raised the point, I feel justified in making some brief comments on it.

I quite agree with the hon. member for Townsville South that the practice to which he referred is one which is very harmful and which, in earlier years particularly, has been the source of very considerable annoyance to many people.

Mr. Aikens: It opens the door to fraud, too. A person could sell the tickets, keep the money, and destroy the butts.

Mr. MUNRO: It is contrary to law, but it is not contrary to the provisions of any Bill passed by the House. It is contrary to regulations framed under the Art Union Regulation Act, and I should say that those regulations are being strictly enforced by the present administration. Although many years ago I had experience similar to that mentioned by the hon. member for Townsville South, I must say that I have not had any similar experience in the last three years.

Mr. Aikens: A man brought two books of tickets into my office this morning and complained that he had received them without asking for them.

Mr. MUNRO: If art-union tickets are sent to the hon. member and he has not asked for them, and he has not established a practice of selling books of tickets for that particular art union, the sending of those books to him is contrary to law. If he cares to bring any particular cases under the notice of the Department of Justice, I will certainly have them investigated.

Motion (Mr. Munro) agreed to.

COMMITTEE

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

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

EVIDENCE ACTS AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. A. W. MUNRO (Toowong—Minister for Justice) (12.55 p.m.): I move—

> "That it is desirable that a Bill be introduced to amend the Evidence and Discovery Act of 1867 and the Evidence Further Amendment Act of 1874, each in certain particulars."

The subject of law reform may fairly be said to be one that reaches into the homes of all the citizens of this State and this Bill provides a further example of the continuing and practical interest held by this Government in the subject.

Briefly, this measure of reform embraces two main principles: firstly, it relaxes the rigour of the law relating to documentary evidence and, secondly, it abrogates the rule of law laid down in the case of Russell v. Russell.

As regards the first principle, the Bill adopts, with certain modifications, legislation which was enacted in England in 1938, and which, during the intervening years, has been also adopted, generally speaking, with some modification, by all the States of the Commonwealth of Australia with the exceptions only of Western Australia and Queensland.

The modifications of the English law are somewhat of a minor nature and flow from more than 20 years' experience gained in the application of the English law by courts in England, as well as from certain suggestions for minor amendments which have been made by the English Committee on Supreme Court Practice and Procedure, known as the Evershed Committee.

Leading up to the first principle of the Bill, a cardinal rule of evidence is that the best evidence procurable must be given of the facts sought to be proved.

The chief illustration of this rule is the rule that demands that the contents of a document must, in the absence of legal excuse, be proved by the production of the document itself and not by oral evidence of its contents. An important example of this rule is that, subject to a number of exceptions, hearsay evidence is not admitted.

Hearsay evidence might, for our present purposes, be defined as evidence of a fact not actually perceived by a witness with one of his own senses but being evidence of a statement made to him by another person of the fact as perceived by the latter. Thus a witness cannot be called, in proof of a fact, to state that he heard someone else state it to be one.

This rule is peculiar to English law and does not obtain on the continent of Europe. It was judge-made law and grew up by slow degrees. It has generally been said that the reasons given for the rule are threefold: one, the irresponsibility of the original declarant whose statements were made neither on oath nor subject to cross-examination; two, the depreciation of truth in the process of repetition; and three, the opportunities for fraud which its admission would open.

Although certain well-defined exceptions from this rule had been over the years recognised by the courts, constant dissatisfaction with the scope of the rule led to the appointment in England, in the year 1931, of a committee of judges, of whom Lord Maugham was one, to consider any possible reforms.

That committee reported that it was of the opinion that the rule excluding verbal hearsay should remain unaltered but was of the opinion that it was not right to exclude documentary evidence in cases where the writer could not be called, whether because of his death or on account of some other sufficient reason. As previously referred to, in England in the year 1938, certain legislation, namely, the Evidence Act of 1938, was based on this report.

The Bill that I now seek to introduce proceeds on conservative lines and contains safeguards intended to preserve the principle that the best evidence should be given in any case of which the nature of the case permits.

The first main principle of the Bill is that in any civil proceedings documentary evidence will be admissible as evidence of the fact therein stated on the following conditions—

> (a) That the maker of the statement had personal knowledge of the facts stated;
>
> (b) That the maker of the statement is called as a witness in the proceedings unless he is dead, or unfit by reason of his bodily or mental condition to attend as a witness, or he is out of the State and it is not reasonably practicable to secure his attendance, or all reasonable efforts to find him have been made without success, or where no party to the proceedings who would have the right to cross-examine him requires him to be called as a witness.

The Bill provides that a statement in a document is not deemed to have been made by a person unless the document or the material part thereof was written, made, or produced by him with his own hand, or was signed or initialled by him or otherwise recognised by him in writing as one for the accuracy of which he is responsible.

Mr. Duggan: Do you say that except under those exempt conditions he "must" attend court or he "may"?

Mr. MUNRO: I think I made that clear. It could be a little confusing if I were to endeavour to go over that.

It is further provided that where the proceedings are with a jury the court may in its discretion reject the statement if for any reason it appears to it to be inexpedient in the interests of justice that the statement should be admitted.

In estimating the weight, if any, to be attached to a statement rendered admissible as evidence by these provisions, regard is to be had to all the circumstances from which any inference can reasonably be drawn as to the accuracy or otherwise of the statement, and in particular to the question whether or not the statement was made contemporaneously with the occurrence or existence of the facts stated, and to the question whether or not the maker of the statement had any incentive to conceal or misrepresent facts.

The second main principle contained in the Bill is the abrogation of the rule of law laid down by the House of Lords in the year 1924 in the case of Russell v. Russell, which was that neither the testimony nor the declarations out of court of the parents are admissible to prove their access or non-access during marriage with the object or possible result of making illegitimate a child born during wedlock.

This rule of law was abolished in England in 1949 and this English legislation has been adopted in all the States of the Commonwealth of Australia with the exception only of Queensland.

It is a rebuttable presumption of law that a child, born during lawful wedlock, is legitimate, and that access occurred between the parents. In English law this presumption may be rebutted by proof of non-access on the part of the husband.

The rule of law that the parents are not to be permitted to say after marriage that they had no connection, and that therefore the offspring is illegitimate, was laid down as far back as the year 1777, and although for many years it was thought that the rule did not apply to proceedings instituted in consequence of adultery, in the year 1924 the House of Lords in Russell v. Russell held that the rule did apply to those proceedings.

In England, demands for relief from the obvious harshness of the rule were not long in forthcoming after 1924, and eventually the abolition of the rule of law was recommended by the Denning Committee, whose report was the prelude to the Law Reform (Miscellaneous Provisions) Act of 1949 of England.

The harshness of the rule of law lies in the fact that its repercussions are felt in all the courts of the various jurisdictions of this State. However, in those courts exercising jurisdiction conferred by the Commonwealth Matrimonial Causes Act 1959, the rule of Russell v. Russell is no longer followed, as that Act adopted, with certain modification, the recent English legislation.

The Bill follows, in substance, Victorian legislation and allows, in State jurisdictions, parents to give evidence of the character previously caught by the rule in Russell v. Russell, notwithstanding that it would make or tend to make illegitimate a child born during wedlock.

A further amendment made by the Bill is the alteration of an old rule of law that all of the subscribing witnesses of an attested document must be called unless they are unavailable. Attestation, for present purposes, may be defined as the signing, by a witness to the execution of a document by another, of a statement that the document was executed in his presence. Honourable members are familiar with the attestation required in the execution of wills.

The rule was partly relaxed in Queensland by the Evidence and Discovery Act of 1867, which provided that instruments to the validity of which attestation is not necessary may be proved as if there had been no attesting witness thereto.

The Bill will provide that in any proceedings, civil or criminal, an instrument to the validity of which attestation is requisite may, instead of being proved by an attesting witness, be proved in the manner in which it might be proved if no attesting witness were alive. Testamentary documents are excepted from the provision.

Lastly, the Bill extends the operation of a certain presumption in law, namely, that a document proved or purporting to be not less than 30 years old and which is produced from proper custody is presumed, in the absence of suspicion, to be and to have been duly signed, sealed, attested, delivered, or published, as the case requires; in other words, such a document is said to prove itself.

This presumption overcomes in the main the practical difficulty arising from the fact that attestation, like handwriting, would not be easily proved in a document of any antiquity.

"Proper custody" is custody which is reasonable and natural under the circumstances of the particular case, so that expired leases may be expected to be in the custody of the lessor or lessee and those claiming

under them. England, and most Australian States, has reduced the period of 30 years to one of 20 years and the Bill proposes to effect a similar reform.

Hon. members will appreciate that this Bill is of a technical nature, but at the same time it will be realised that it aims to obviate certain difficulties and problems continually met with before the courts by litigants and members of the legal profession.

In relation to these subject matters, the enacting of the Bill will bring Queensland into line with the other Australian States.

I commend the Bill to the favourable consideration of all hon. members.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (2.24 p.m.): For two very compelling reasons, I am obliged to say at this stage that I regret the Minister spoke rather too quietly and too indistinctly, which made it rather difficult to follow closely his reasoning for the introduction of the measure. I accept his assurance that the Bill is of a technical nature. I consider, therefore, it should be examined closely before general comments are made.

The Minister's opening remarks to the effect that the Government was in the vanguard in these matters of initiating law reform were hardly borne out by his subsequent statement that we are the second-last State to introduce this measure.

Mr. Munro: I did not say the Government was in the vanguard.

Mr. DUGGAN: I am sorry. If I gained that impression wrongly, I withdraw the remark. Obviously the Government would not be entitled to credit if we are the second-last State to introduce the measure.

Mr. Munro: That is what I said.

Mr. DUGGAN: Obviously, as the Bill is technical, it will be much easier to assimilate it and to follow the reasons for its introduction when we see it. I will therefore leave full comment till a later stage. I understand that the proposal has received the attention of an English committee and that the matter has been the subject of conferences and consultations between the States, culminating in the introduction of legislation in each to give effect to recommendations that have been made.

The Minister used some general phrases twice in the first five minutes of his speech, but I was not able to jot them down completely so I will reserve comment on them. There was some reference to the need for the evidence to be the best available. In the light of recent events, particularly the Plomp case, it is probably a pity that the rule was not in existence then. It might have obviated the need for a good deal of public disquiet about some aspects of that proceeding. However, I shall reserve general comment till the second-reading stage.

Motion (Mr. Munro) agreed to.

Resolution reported.

FIRST READING

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

THIESS PEABODY COAL PTY. LTD. AGREEMENT BILL

INITIATION IN COMMITTEE

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

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (2.29 p.m.): I move—

> "That it is desirable that a Bill be introduced with respect to an Agreement between the State of Queensland and Thiess Peabody Coal Pty. Ltd.; and for purposes incidental thereto and consequent thereon."

The purpose of the Bill is to authorise the Government to enter into an agreement with the company, and this agreement is a schedule to the Bill. The Bill itself is merely the authority for the Government to sign the agreement.

The object of the agreement is that the company will have the exclusive right to carry out prospecting in the Moura-Kianga locality on an area of 350 square miles defined in the agreement as "the coalfield." A proclamation was issued on 14 January, 1960, under the Coal Mining Acts notifying that this area of 350 square miles must not be open for licence or lease under those Acts.

The reason why that was done was that Thiess Bros. Pty. Ltd. had spent approximately £300,000 prospecting that area. People who had not spent 6d. were continually coming in wishing to take up leases under the Coal Mining Acts. Thiess Bros. had proved an enormous body of coking coal in the Kianga-Moura area. I could readily see that if leases were allowed to be taken in that area, economics came into it by reason of railway freight rates to Gladstone, and I immediately recommended to Cabinet the freezing of an area to protect the people who really discovered this coalfield and who had spent that amount of money.

Before that area was frozen, I communicated with the mining company at Mount Morgan, because their area joins at the back of this area, and I gave them the privilege of deciding what area they wanted in the coalfield where they had a coal-mining lease. They took the area that they wanted, and the balance was frozen. Utah Construction Company desired to take up a lease without spending 6d., as did also Bowers Construction Co. and many others. Utah are prospecting for coal in the Blackwater area, and they found a good quantity of coking coal. After they had spent £200,000, I gave them exactly the same as I gave Thiess Bros. We have frozen the area in the Blackwater district, and Utah have asked for a franchise.

I told them—quite wisely, I think—that they should defer discussion on a franchise pending the introduction of this Bill. They will then see the conditions with which they have to contend, because we cannot do one thing for Thiess Peabody and not do the same for Utah.

I personally feel that Utah has not prospected enough to prove sufficient quantities of coal and warrant a franchise at present. It is not much good asking for one unless a company is prepared to do something with it. I am sure that hon. members on this side would not support anyone asking for a franchise and saying, "At the end of seven years we will tell you what we are going to do."

Mr. Aikens: They would want the franchise to exploit it.

Mr. EVANS: That is right. The coal proved will be mined at first by open-cut methods, and later by underground mining. The coal is coking coal, and when obtained is intended for export only, mainly for the Japanese and other export markets. However, there is provision for local supply in special circumstances at the direction of the Minister.

I may be an optimist, but I visualise a steel works at the port to which the railway line runs. I think that we have to fight for that and insist on it. Many people had a wrong impression of Collinsville. I have been asked on many occasions, "Why don't you get a steel works at Bowen?" The reason for that is quite obvious; there is too much sulphur in the coal. We could not sell Collinsville coal anywhere in the world for use in steel works. Even Mount Isa Mines Limited, with its refinery at Townsville, would not buy our coke because there was too much sulphur in it. But this coal is good steaming coal. Shipments of soft coking coal and hard coking coal have been sent to Japan, and they are very satisfied with it over there. During my several visits to Japan I visited the steel mills, and I can tell hon. members that it is not a matter of the amount we are sending to Japan but a matter of what we can supply. One Japanese steel company offered to order 1,000,000 tons of coal this year, but we are limited by transport because the railways can handle only about 500,000 tons a year. The franchise will really tie up the question of Thiess Peabody Coal Pty. Ltd. building a line and increasing the production of the mines to 2,000,000 tons, and, I believe, more than 2,000,000 tons. Provision has also been made for supplies to private industry at Coal Board prices.

Considerable sums have already been spent in prospecting the coalfield, and the company has negotiated orders for 3.4 million tons of coal for Japan over the next seven years.

It will be noted that the agreement is divided into five parts, namely—

Part I—Preliminary.

Part II—Prospecting for coal.

Part III—Special coal-mining leases.

Part IV—Provisions relating to railways and works.

Part V—General.

I propose to deal in some detail with the more salient features of this very important measure, which deals with an export venture that will bring employment and income to Queensland.

Thiess Peabody Coal Pty. Ltd. is a new company specially formed and representing the interests of Thiess Bros. (Q'ld.) Pty. Ltd., a substantial Queensland company, and Peabody Coal Company of Missouri, U.S.A., a giant American producer of some 30,000,000 tons of coal a year. To ensure that the new company has the capacity to carry out the terms of the agreement and will commence and continue prospecting and mining operations, Clause 5 provides that the company shall, on or before a date to be fixed, prove that it has a nominal capital of not less than £8,000,000, an issued capital of not less than £2,000,000, and a further sum of £2,000,000 available for the purposes of the agreement before 31 December, 1962.

Under Clause 8, the company has the right to surrender on 31 December each year such parts of the coalfield as it may designate, provided that it must surrender areas totalling one-quarter of the remaining coalfield at the end of three-yearly periods. If the company neglects or refuses to designate the areas, the Minister may do so. The company may be granted special coal-mining leases over any land surrendered.

Under Clause 11, the company is required to prospect continuously.

Clauses 12 and 13 require the company to furnish to the Minister full detailed reports of all prospecting operations, which shall be treated as confidential.

Under Clause 14, the company is committed to spend on prospecting the coalfield sums amounting to at least £350,000 during the 12 years over which the rights to prospect exist. Prospecting work carried out shall be subject to the provisions of the Coal Mining Acts.

Clause 18 of the agreement provides that the Governor in Council shall grant special coal-mining leases of lands in the coalfield as specified by the company. The leases shall be for 21 years, renewable at the request of the company. The company may surrender a lease or any part of it.

The special coal-mining leases shall be for coal-mining purposes and for associated activities and shall be subject to the Coal Mining Acts except as modified by this agreement. Minerals other than coal are reserved to the Crown.

Under Clause 25 the royalty payable on coal won is—

For the first 1,000,000 tons in each year, 6d. per ton.

For each ton in excess of 1,000,000 in each year, 3d. per ton.

I should mention that these rates of royalty are similar to those provided in Clause 37 of the agreement under the Electric Supply Corporation (Overseas) Limited Agreement Act of 1947, except that in that Act the rate of royalty was further reduced so that after the second million tons in any year this rate became 1d. per ton. In the present Bill, it is 6d. for the first million and 3d. for the second million and onwards.

Clause 27 provides that the coal produced shall be for export only. It can be sold in Queensland only with the approval and at the direction of the Minister to a customer who is unable to obtain from existing mines adequate supplies of the type of coal required by him.

Mr. Davies: Who will decide on the type of coal—the Coal Board?

Mr. EVANS: The Coal Board, and it will not compete with other mines that can supply suitable coal. I think hon. members will agree that this makes that absolutely watertight. One reason for that provision is that there is iron-ore in Cracow, around the locality where this line will be built. During the period that I was in Japan, I got in touch with the Research Department of Mitsui, where I saw them beneficiating low-grade ore. I thought it might be possible to beneficiate this low-grade ore.

Mr. Duggan: Mr. Pearce, the former member for Capricornia, was not impressed with their operations.

Mr. EVANS: They are really beneficiating low-grade iron-ore with steaming coal and they really astounded me with the progress they have made. An American and an Englishman are at the head of their research department. I arranged for one ton of this ore to be sent over but, up to date, they have not been successful in beneficiating it.

We as a Parliament have to consider industry in Queensland. An enormous deposit of iron-ore has been discovered at Constance Range and they are still prospecting. They have spent £400,000. I will tell hon. members the whole story as I know it. I told Broken Hill Pty. Ltd. that things had cooled off very considerably at Constance Range since the railway was built through to Western Australia, almost linking up with the large iron-ore deposits in that State. My own opinion, and that of Cabinet, is that the deposit we have at Constance Range is not to be frozen.

Mr. Aikens: You are not going to let B.H.P. get their claws on it?

Mr. EVANS: Certainly they have it, but they are not going to hold up development. I do not say they intend to. They may go ahead with a steel works, but it is no use talking development unless you get production. It is no good talking potential unless you develop your potential.

Mr. Davies: What action are you going to take to see that they do develop it?

Mr. EVANS: I may not be here then.

Mr. Davies: In the next six months?

Mr. EVANS: It will not happen until the end of next year. When that prospecting lease expires, steps will have to be taken in the interests of Queensland to see that this huge deposit is developed, not frozen. The time is ripe now that we have good soft coking coal, good hard coking coal, and a shortage of steel with orders 18 months behind delivery. On occasions we have had to import steel to keep work going on bridge construction. Our steel is the cheapest in the world. With the construction of the line by Thiess Peabody Coal Pty. Ltd. to the port, which I am sure will be Gladstone, the whole economy of the cost of producing coal will be altered. I go so far as to say that there will be no country in the world that we will not be able to compete with in production costs.

Mr. Davies: Do you think the position might arise where we are producing coal so cheaply that you will close up the rest of the mines because you cannot afford to pay the higher cost of the coal?

Mr. EVANS: I do not think so. Freight enters into it. New South Wales is exporting a lot more to Japan. The New South Wales people are in opposition to us. They are getting very efficient down there; they are getting a lot of assistance. They are reducing costs. I think we will be able to compete with any country in the world when the line is built. Let me give the Committee some idea of why I say that.

Mr. Davies: We cannot rely on the rest of Cabinet backing you.

Mr. EVANS: They will back me. They have backed me in this. They have not altered one clause I put in the agreement.

On the subject of transport, let me recount an experience I had. The last job I did as chairman of Farleigh Mill concerned the approval of the building of 42 miles of tramline. We were losing 1s. 1d. a ton on the cane we were carting, so we had to do something. The line was built and commenced operating last year. It was a bad year but after the line had been operating only five months the cost of transporting the cane fell from 18s. 6d. to 5s. 10d. a ton. I should say that with the big line Thiess Peabody Coal Pty. Ltd. are going to build—I assume they will use diesels because they are the most efficient, although it is a matter for them to decide—they will carry the coal for between 8s. and 10s. a ton. As the Leader of the Opposition would know, the freight at the present time is over 30s. a ton.

It will make the Gladstone Harbour Board's position much better because they are scratching now. They are giving concessions, including some they possibly cannot afford, to try to hold the market. I appreciate what they are doing to try to hold this market with Japan.

The sale shall be at prices fixed by the Coal Board or other price-fixing authority. If the company fails to supply coal as ordered, the Minister may resume a sufficient part of the lease to enable the requirements to be met.

The purpose of clause 27 is to protect coal mines and employees, and at the same time to prevent the company's adopting a dog-in-the-manger attitude.

Clause 28 provides that the company shall without unnecessary delay install on its special coal-mining leases all such machinery and other works as are necessary and adequate to ensure production and despatch of not less than 500,000 tons of coal a year, and after the construction of the railway, not less than 2,000,000 tons of coal a year,

Clause 29 further provides for the provision of adequate plant and works, and construction of necessary works.

Mr. Gilmore: Is that a standard-gauge railway?

Mr. EVANS: I shall deal with that later.

As some of the coal is to be mined by open-cut methods provision has been made in Clause 31 that the company's operations shall not interfere with the natural flow of water. The subject of rehabilitation of land mined is a difficult matter which has been met by adopting the Open Cut Land Reclamation Act of the State of Illinois, U.S.A. This measure was adopted by that American State following protracted litigation and investigation. The scheme broadly is to strike off the tops of any ridges to make a rolling topography, particularly near public roads, and to plant the area with suitable trees to the satisfaction of the Minister.

There has been much talk from both sides of the Chamber about what happened when I was in Japan, and the orders that were received there. Many people have said I was there three times, and that I wasted time and money going there. I do not want to boast about what happened. I went there as a citizen of Queensland, and as a Minister with authority.

I have here a letter which I intend to read, as statements have been made by people outside this Chamber about the part I played during my trip. I did not solicit this letter, but when the controversy was taking place it was written to the Premier. It reads——

"My dear Mr. Premier,

Since my return from a visit to Japan a fortnight or so ago, I have seen newspaper extracts containing statements made during the Federal election campaign, which was conducted while I was in Japan. These statements imply that your Minister for Development and Mines, Mr. Evans, had nothing to do with the winning of coal orders entered into between Japanese Steel Mills and Thiess Bros. (Qld.) Pty. Ltd.

Such implications are, of course, totally untrue.

May I say, at the outset, that it was at my Company's request—backed by the Gladstone Harbour Board—that Mr. Evans undertook his visit to Japan. You will recall that this request was made through your good self.

All of our discussions with the executives of the steel mills were held up pending the arrival of the Minister, who was delayed for two days in Manilla because of intense typhoon activity north of the Philippines. I cannot stress too much the value of the assistance rendered by the Minister after he reached Tokyo.

I am sure you are aware of the unfortunate fact that a shipment of coal was sent to Japan consisting of a considerable quantity of Callide coal. As the quality of this coal was not in accordance with the terms of the agreement, a penalty of £6,000 was imposed on my company by the purchasers as they were entitled to do under the agreement.

When Mr. Evans arrived in Tokyo he was taken immediately to meet the steel mills executives and to discuss with them, firstly, the shipment of bad coal and, secondly—and mainly—the Queensland Government's attitude to the sale of coal from Kianga and Moura to Japan. Mr. Roy Duncan also accompanied me at the talks, along with Mr. Evans and Mr. G. F. Clark, Under Secretary of the Department of Development and Mines.

We had discussions with steel company executives in Tokyo, and a point I want to stress is that your Minister for Mines was the only speaker at each and every one of those discussions. He assured all executives that if orders were placed he would give an undertaking that his Department's Fuel Technologist would test all stockpile coal, thus assuring the mills that the coal was up to the standard required as shown in small tests made previously. This offer was freely accepted by the Japanese.

At the conclusion of the talks a dinner was given in honour of the Minister, and this function was regarded in Japanese circles as one of the largest gatherings of mining men ever held in Tokyo. The Japanese were so impressed during the talks . . ."

and I should like the Committee to listen to this; it is not about me—

". . . that they agreed to reduce the penalty of £6,000 to a sum of £900."

Those are facts, gentlemen; that is not hot air. After that bad shipment of coal the Japanese were reluctant to order. Were they not given Government assurance that we would accept responsibility for the coal that was to be shipped, we should have had difficulty in getting the order.

Mr. Graham: Who shipped the coal?

Mr. EVANS: It was shipped at the wharf and either a mistake was made, or it was deliberate or sabotage.

Mr. Graham: Pin it down to who was responsible for the coal.

Mr. EVANS: It does not matter who shipped the coal away. That is not going to help the hon. member, anyway. He is always looking for something nasty. Well, we will say Thiess Bros. did it.

Mr. Graham: Why don't you say Thiess Bros.?

Mr. EVANS: They are responsible for it. But Thiess Bros. would not be there; it would be their representative. If the hon. member had been the representative there, it would have been worse.

The letter goes on—

> "My company and I appreciate to the fullest extent the wonderful assistance rendered by the Minister in the clearing up of the problems with which we were faced, and it was freely mentioned by the Japanese how they were impressed by his clarity of thought and his forthright attitude. Anyone who suggests that the Minister did not play a leading part in the negotiations has no knowledge of the facts.
>
> Thiess Bros. will be ever grateful to your Government, and particularly to your Minister, for the assistance and advice he gave during his visits to Japan. The linking of the Queensland Government with the coal agreements really made it much easier for us to conduct successfully further negotiations for larger contracts for the supply of coal.
>
> In conclusion may I say again how much we appreciate the assistance so freely given by you, Sir, your Government and your Minister for Mines?
>
> Yours faithfully,
>
> (Sgd.) Les. Thiess."

I wanted to read that to clear up the matter because statements have been made that have not been true.

Mr. Davies: At any rate, it shows that Thiess Bros. hold you in high regard.

Mr. EVANS: Thiess Bros. is a Queensland firm and it is very nice to have Queensland firms rise from small contractors to where they are today. I should like to see many more develop in Queensland with the same integrity and financial standing as Thiess Bros. Because that mistake occurred, no matter who was to blame, we must try to protect the State; we must try to protect our wealth, our potential.

Mr. Thackeray: Did George Pearce get a letter like that?

Mr. EVANS: Yes, I sent him a copy of that letter. I think it only right that it should go on record. I worked hard when I was in Japan. I was not there long—eight days, three days, and then six days. They are pretty hard people to negotiate with. It was not an easy trip but it was successful and I think I should be letting my Cabinet colleagues down if I did not produce this proof that I justified their confidence in me in sending me over there.

Under the provisions of Part IV. of the agreement the company is required to survey and build a railway from the coalfield to the port, that is, from the neighbourhood of Moura a distance of 120 miles to the port, which is defined as Gladstone or such other port where coal is shipped by the company. Under Clause 36, the route and plans of the railway are to be approved by the Minister.

The railway is to be constructed within seven years and the company is required to lodge security of £100,000 for surveying and building it. That is not a bond, but will be in cash or in bank guarantee. The sum of £20,000 is to be returned on completion of the survey, and the balance on completion of construction of the railway.

Mr. Burrows: Do they have to hand over to the Government those plans of the survey if they do not go on with it?

Mr. EVANS: They have to. As a matter of fact, the survey is just about completed. I do not think there is any doubt where the railway will go.

Mr. Burrows: This is not the first one that has been surveyed there.

Mr. EVANS: It may not be, but the hon. member for Port Curtis must admit that this agreement is quite different from anything put up previously. They are up for £100,000 if they do not survey it, and £80,000 if they do not build the railway.

Mr. Graham: That is chicken-feed.

Mr. EVANS: It may be to the hon. member, but they would not throw away £100,000.

Mr. Graham: Are you going to deal with resumptions?

Mr. EVANS: I am going to deal with everything, and I should like the hon. member for Mackay to listen to it all.

Mr. Graham: I am all ears.

Mr. EVANS: I hope the hon. member is.

In the construction and running of the railway the company shall have similar

powers to the Commissioner for Railways under the Railways Acts, 1914 to 1961, subject to the approval of the Governor in Council. The railway shall be inspected by a person appointed by the Minister during construction and before the company may use it. It may be inspected at any other time, and the company is liable to a fine of £1,000 a day for running the railway when it is considered unsafe.

Mr. Thackeray: Will it be 3-ft. 6-in. gauge?

Mr. EVANS: That is all qualified later.

Under Clause 45, the gauge of the railway is to be 4 ft. 8½ in., but that is to be a matter of further agreement. The company advises that it has based its estimates of haulage costs on a 4-ft. 8½-in. gauge.

Mr. Davies: Is that because Peabody have a lot of old engines in the United States?

Mr. EVANS: I do not think so. It is mainly to carry heavier loads. They say that they have had experience of the economics involved in the use of the wider gauge, and it is their line. It is their money, and they are running it. There is no obligation on us to take it over unless we so desire, and we have made provision for that at a future time. If we did take it over and it had to be altered to 3 ft. 6 in., that would be taken into consideration in determining its value at the time of taking over.

Mr. Davies: Walkers Ltd. could have built some of those engines and, in doing so, given employment here.

Mr. EVANS: They could build them as it is. Walkers Ltd. could build 4-ft. 8½-in. gauge engines. The mill of which I was chairman bought from Walkers Ltd. tramtrucks and diesel engines to run on a 2-ft. gauge. When a company is finding the money to build a line, that company has the right to decide the type of line to be built. We did not tell the owners of any of the tramlines in Queensland what gauges to use.

Mr. Davies: One would expect a loyal Queensland company to buy everything here.

Mr. EVANS: We bought a lot from them.

Mr. Davies: This venture is merely a fleabite to these people.

Mr. EVANS: I would not say that Thiess Bros. is not a good Queensland company. It is a splendid company. The hon. member should not knock things; he should have a broad outlook.

Clause 38 provides that the Governor in Council shall have the right to acquire the whole of the railway as a going concern after 42 years. The purchase price must not exceed one and one-tenth the cost of the railway. We put in that clause because we have been faced with a considerable period of inflation, and there must be a stopping point on the value of that line at the end of 42 years. As hon. members know, many people who built a house 15 or 16 years ago for £700 or £800 can now sell it for about £4,000. That is why we have included Clause 38.

Clause 49 stipulates that the Minister may request the Governor in Council to direct the Commissioner for Railways to take possession and work the railway if it is not being used by the company for the purposes of the agreement.

Clause 41 has been drafted with a view to placing the company's railway as far as possible in the same position as the Government railways with respect to exemption from, and liability for, local-authority rating. Any land other than land used directly for railway purposes is therefore rateable land. It would not be fair to rate the land on which the railway line is built, because there is no service rendered to the railways; but for any buildings or land for which services are provided by local authorities, the company will be required to pay rates.

Mr. Burrows: What title are they getting to it? Freehold title?

Mr. EVANS: Right of way, which is similar to what is given elsewhere. The hon. member will recall that a former Labour Government passed a law legalising all railways and tramlines in sugar areas in Queensland. I commend them for that. It was a splendid Act, and we are taking similar action here.

Mr. Burrows: Therefore, they will not be liable for land tax?

Mr. EVANS: No.

Clause 47 stipulates that the railway is to be used for the transport of coal and the company's employees and goods, and that it shall not be used for public transport, nor shall fares or rates be charged except with the approval of the Governor in Council, as provided by Clause 48. The Governor in Council may restrict the carriage of any persons or goods, or class of persons or goods.

Clauses 47 and 48 are designed to protect the existing Government railways, particularly should the company commence to deal in any commodities other than coal, but at the same time to allow the company reasonable use of the railway for its own business. It could form a grain company and do many things to deprive the Government railways of revenue unless this clause was included, and I do not think that hon. members will object to the inclusion of that protection.

The safety of the employees at the mine has received a lot of thought from hon. members on both sides of the Chamber. It is an open-cut mine, and I think we shall have to bring down an amendment of the Act to deal with open-cut mining. It is very necessary, and I am working on it now. There has been talk of open-cut mining not being safe. I have an inspector

who visits this mine constantly—he was there yesterday—and on a number of occasions, because of his desire to ensure the safety of the people working on the open-cut, work has been stopped so that the overburden could be made safe. I approve of that, and I have instructed the inspector, Mr. McPherson, to see that everything possible is done to make the mine safe for the people working in it. I receive reports from him, which I peruse, and he has received those instructions from me. They will remain in force because, where there is a big overburden such as this, there is a danger of loss of life through accidents. Up to date only one life has been lost, and it was not due to the sliding of the overburden. It was caused by a Euclid backing onto a foreman. I believe it is my duty, as Minister, to see that the mine is safe, and I fortify my inspectors by telling them that they have my complete backing in any action that they take to see that the mine is safe for the people working there.

Under Clause 4 the agreement may not be altered or assigned without the consent of the Governor in Council. The Governor in Council may—

(1) Issue special coal-mining leases;

(2) approve of the railway by-laws of the company;

(3) approve of or prohibit the carriage of any class of person or goods on the railway;

(4) approve substitute roads on the building of the railway;

(5) acquire the railway after 42 years;

(6) approve of the use of the Railway Commissioner's land for railway purposes;

(7) direct the Commissioner for Railways to operate the railway should the company be not using it;

(8) determine the agreement under Clause 54 (2).

In general, other matters of decision are settled by the Minister for Development, Mines, Main Roads and Electricity.

In answer to the hon. member for Mackay, who said that £100,000 was not much, it goes further than £100,000. We are giving a franchise and helping the company very considerably by so doing but, if the company does not build this line within the specified time, it not only forfeits the £100,000—after survey it becomes £80,000—but it reverts to a coal-mining lease as well. I have not to tell the hon. member for Ipswich East what that means. It means that certain manpower requirements have to be put on to each lease held under the Coal Mining Acts.

Mr. Burrows: How many men per acre have they to employ under the Mining Act?

Mr. EVANS: One man to 40 acres and, after so long, one man to 20 acres. Actually, it could break them. If they come under the Coal Mining Acts it is a different matter. If Comalco had worked under the Mining Act it would have gone broke paying rent. The same position applies here. Not only will the company forfeit this amount, it will also immediately come under the provisions of the Coal Mining Acts.

Disputes under the agreement between the State or a local authority and the company may be referred to a tribunal constituted under Clause 55. This tribunal shall consist of a Judge of the Supreme Court or a barrister of at least 10 years' standing, recommended by the Chief Justice. The tribunal may be assisted by assessors. I think that it is very necessary. Assessors are necessary in any matter that is referred to arbitration.

Clause 15 applies the Mining on Private Lands Acts, 1909 to 1936, to prospecting. Though no permits are required to enter lands the company shall notify its intention and deposit the sum of £5 per square mile by way of security for compensation.

Mr. Burrows: How much?

Mr. EVANS: £5; that is under the Mining on Private Land Acts. The deposit is dealt with under Section 12 of those Acts whereby the warden fixes compensation. That is as the Act now stands and as it has stood for years.

Special coal-mining leases granted to the company for mining are also subject to the Mining on Private Lands Acts and the company must pay compensation for deprivation of possession of the surface, and for damage to surface and improvements. Compensation is assessed by the warden under those Acts. He may be assisted by assessors.

Mr. Burrows interjected.

Mr. EVANS: The deposit is nothing to a company like Thiess Peabody Coal Pty. Ltd. Their financial stability would not be greatly affected by paying compensation of £5,000, £10,000, £20,000, or £50,000. That is payable under the Act as it now stands. There is more than damage, actually; stock and that sort of thing may be affected. That all comes into it.

I had in mind giving the right of appeal from the warden to a Judge of the Supreme Court or a barrister, but I decided against it. I have had a lot of experience of legal costs and I consider that an aggrieved party would get just as much satisfaction from a warden who possibly knows the area much better than a judge. If an appeal lay from the warden the legal costs of appealing from one body to another would be heavy. If a company appealed against an assessment it could involve the property-holder in heavy legal costs.

Mr. Burrows: You thought differently when you sat over here.

Mr. EVANS: I have given a great deal of thought to this matter. I am looking at it from the point of view of the interests of the people who have the property. I think what I have done by not allowing a right of appeal is in their interests because it applies in mining leases throughout Queensland. It has been said, "You are freezing the land from the people who own it, and that will affect the value of the land." I cannot see that at all; it applies no more than in the case of an oil-prospecting lease. You pay for disturbance or for any damage that may occur. The property-owners have a right to go before the warden, who is very fair. If it is on grain or something like that assessors can be called in to assess the damage. Every protection is being given to the land-holder.

Mr. Burrows: I am not arguing against that. I am merely observing that you have changed your attitude on that matter since you were over here.

Mr. EVANS: I possibly gave a lot more thought to it because I was introducing the Bill. I have been working on it for months. I want to try to be fair to the company and protect the people who own the property. I think that the hon. member for Port Curtis will agree that it will not be very long before it is underground mining. The dip in the seam is pretty sharp and there is hard sandstone overburden. In my humble opinion it will not be very long before it will have to turn into an underground mine. The surface damage is not as great with an underground mine as with an open cut. We know what happens in other places where there are underground mines.

Under Clause 37 the company shall endeavour to acquire rights to land required for the railway, but failing that the land and easements may be acquired by the Co-ordinator-General of Public Works under the State Development and Public Works Organisation Acts, 1938 to 1958, in which case compensation shall be assessed under the Public Works Land Resumption Acts. All moneys payable by way of compensation shall be deposited with the Co-ordinator-General of Public Works by the company before any resumption takes place. The company shall also pay the cost of removing or altering any improvements on Crown lands.

I think that is necessary, because it is a big thing for Queensland. You do get people who are difficult at times. They will say, "You can't go through here." Quite recently, people in my electorate told me that we should not put high-power electricity lines through their properties. I asked the alternative and was told another route should be used. I referred it to the regional board, who investigated the economics of it and came to the conclusion that if the lines did not go through those 10 properties, they would have to go through another 10 properties, so I refused to over-rule the decision.

Mr. Burrows: It is not so much the going through, but the manner that is adopted.

Mr. EVANS: It has to be done properly. The interests of the public should prevail. I think the hon. member will agree with that. Of course, adequate compensation should be paid. This question arises every day in the construction of roads. If I started agreeing with that sort of thing, every area in Queensland would want me to veto decisions made by various boards.

Under Clause 54, if the company—

(a) Within such time as is specified or considered reasonable, fails, neglects or refuses to arrange or undertake any of the borings or other tests specified in Clause 11;

(b) Fails, neglects or refuses to make available to the Minister the reports or results of testing and such other information specified in Clause 12;

(c) Fails, neglects or refuses to expend within the times specified in Clause 14 each of the respective amounts in that clause;

(d) Fails, neglects or refuses to pay to the State any sum of money by way of rent or royalty or otherwise in pursuance of the agreement;

(e) Within such time as the Governor in Council (or the tribunal) shall consider reasonable fails, neglects or refuses to carry out the surveys specified in Clauses 26 and 32;

(f) Fails, neglects or refuses to commence or continue the construction of the works and/or railway without unnecessary delay;

(g) Fails, neglects or refuses without reasonable cause to operate the railway;

the company shall be deemed to be in default under the provisions of the agreement, and if the company fails to make good the default after notice, the agreement may be determined, and the special coal-mining leases forfeited. I think that gives every protection.

Failure to raise capital is not an excuse. Upon forfeiture of the special leases the company shall be granted, if it applies, coal-mining leases under the Coal Mining Acts of the area then held under the special coal-mining leases but may remain entitled to whatever area of surface within such coal-mining leases in respect of which compensation has been paid.

Reversion to the Coal Mining Acts would be a severe penalty because under those Acts each lease is restricted to 640 acres with a maximum surface area of 100 acres. Labour conditions would be severe over extensive areas, being one man for 40 acres for the first two years then one man for each 20 acres for the remainder of the term. There is provision for expenditure of certain sums

in lieu of labour, but such must be approved by the Governor in Council on the recommendation of the Minister. Thus, if it were decided to penalise the company they could be restricted to the labour conditions. That would virtually break them.

Any machinery or plant not removed from the forfeited leases within 12 months becomes the property of the Crown.

In conclusion, I hasten to assure the Committee that a tremendous amount of thought has been applied to the various facets of the Bill. I feel that I can commend it as a measure dispensing justice to the parties and paving the way for a project that will mean the sale of a Queensland commodity on foreign markets; in other words, the creation of that most desirable commodity, a new export business.

It was pleasing to read recently in "Hansard" the approval of the Leader of the Opposition of the Government's attitude to the export of coal. On that occasion Mr. Duggan quite rightly stressed the necessity to win valuable overseas credit and to promote exports over the widest possible range of products. He also mentioned the intense competition in coal-exporting business being encountered from New South Wales and America. I commend him for his attitude because we really have strong competition from New South Wales. When I was in Japan I found that a good deal of lobbying against Queensland had been going on. Unfortunately, some men in New South Wales could not feel very proud of their attitude.

The Bill clears the way for a good export trade. We will be able to compete with any country in the world in the supply of coking coal.

Mr. Davies: Could you give some reasons why the Government is not going to build the railway line?

Mr. EVANS: We have had enough to do with building railway lines. We are losing too much on existing lines. We believe it is much better to leave that to private enterprise. We had Collinsville, and I tried hard, with good support from the hon. member for East Ipswich, to make Collinsville "gee"—and it will "gee" with private enterprise where we could not make it "gee." It was the men; there was no doubt about that. In Ogmore, with a good body of men, we are making a reasonable profit and also at the coke works. Talk about building further railway lines and handling the open-cut, or the mining of coal! I should not have to tell the hon. member how impracticable that would be and how he would criticise me if I introduced a Bill to do that. I commend the Bill to the Committee.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (3.28 p.m.): There is an old saying, "Beware of the Greeks when they come bearing gifts." We could well keep that in mind when we remember that the Minister, after quite a long and interesting introduction, praises me for some comments I made on the export of coal. The purpose of that was to draw any fangs of criticism I might have of the Bill.

This is a very important measure and I am only sorry personally that pressure of events has not enabled me in the last couple of days to devote as much attention to certain aspects of the matter as I should have liked. I hope I will be able to remedy that by the second-reading stage. I feel sure everybody realises that with Parliament in session very heavy demands are made upon some people, including me, and that it is difficult to keep up adequate research on all the Bills that come before us from time to time.

I think it would be desirable for me to reaffirm that I feel that Australia generally is obliged, in this very competitive age with changing economic patterns everywhere, to promote the export of goods to various parts of the world. We cannot view the entry of Britain into the European Economic Community with anything but misgivings, certainly on the short term and perhaps on the long term. All intelligent people and close students of the subject advise us very strongly indeed to look to other countries and places, and to other methods, in order to preserve our balance of payments and to provide a cushion against changing economic trends in various parts of the world. We know that our goods will be shut out of certain traditional markets, and we know that we will be a country with a vigorous industrial programme of expansion, which necessitates the importation of goods that cannot be produced here. It will be necessary to earn overseas balances to pay for this development. I think that that is an elementary economic fact. Consequently, Australia must face up to the problem of exports.

To whom do we export? What types of commodities do we export? To what countries do we send them? These are things that form the subjects of trade negotiations and missions, inquiries by private enterprise, Government departments, and people highly placed in Government departments who advise Governments, particularly at the Federal level, of the steps to be taken to cope with this situation. Coal is one item that causes a good deal of controversy, because coal, once it is mined, is a wasted asset. To take the case of uranium, I understand that if one put a certain quantity as nuclear power into the power unit of a motor-car in Brisbane, the appropriate valve would have to be opened and some let out on reaching Melbourne. It builds up, which is very desirable, but coal, once mined and marketed, is a wasted asset, taking hundreds of years to build up again.

Opinion consequently is divided on whether coal and other similar products are necessarily exportable commodities. We have to consider our known reserves, our

possible requirements for expansion and posterity, and also whether there is any alternative to developing the export of coal. I think that the major body of opinion on coal and the problem of employment is that we should consider, if we have an abundance of coal, whether it is desirable in the national interest to export it. I am on the side of the people who believe that we can support the export of coal, subject to proper safeguards being inserted in the agreement, proper industrial conditions being observed, a reasonable return to the Crown by way of royalty, no disfigurement of the countryside by mounds of earth, and the provision of reasonable civic facilities for the people who extract the wealth in areas large enough to warrant them.

Many hon. members, including many on this side, say, "Why export coal overseas? Why can we not develop steel manufacture here?" No-one is more anxious than I am to see this development, but wishing it and getting it are two different things. I should like to say something on the question of an iron and steel industry later. When I was Deputy Premier, I was perhaps rather keener than some people might be on the promotion of trade from Queensland. I took it on myself to discuss problems associated with the establishment of a steel industry in this State. The then manager of Broken Hill Proprietary Co. Ltd. informed me that any competitor coming in would require not less than £100,000,000, and the interest and redemption on that sum of money would be higher than the actual cost at that time of the production of steel. The competitor coming in would be at a tremendous disadvantage compared with the existing industry that obtained all its facilities in times when costs were lower. I shall say in another speech—not today—in case people think that we are remiss, that I think there should be a concerted effort by this Government and the Commonwealth Government, in association with firms like Comalco, to establish a powerhouse in Central Queensland that would enable refining of alumina to be carried on in that part of the State. If I am able to, I propose to speak on this subject next Thursday. In the national interest, I think that things of that sort should be done. As Leader of the Labour movement in the State, I go so far as saying that if we are returned to office I shall do my best to persuade my Cabinet colleagues and my party that we should be "fair dinkum," to use a good Australian phrase, and see that funds are made available by the State alone by way of subsidy for the establishment of a venture of this kind that would enable the economical refining of alumina in Queensland. The Victorian Government put up £900,000, and I think that the Commonwealth Government has a bounden duty to assist us in this regard.

People talk glibly about the need to establish industries of this type, but the Government could not make available about £100,000,000 for the establishment of an iron and steel works. No State could provide £10,000,000 annually in addition to its present commitments, and nobody will make capital available unless there is a prospect of obtaining some profit on it. If something is produced, it has to be sold. I am not just going to be talked down the drain by industries because they are big. The cold, hard facts are that if you produce something you have to sell it. Somebody might say, "You should build things like the works at Mt. Isa." It is no use building them unless you can sell what they produce. That is true of iron, steel, and everything else.

Although I dislike big cartels, we must face facts. I said during my trip round Queensland, I say now, and I shall say in my policy speech next year, that the A.L.P. in this State will do everything it can to ensure that a powerhouse is built in Central Queensland, even if we have to beg, borrow, and steal to do it. I am going to do whatever I can to bring this about because I think it is the key to the industrial prosperity and progress of Queensland. I make that statement in general terms now, although there could well be a great deal of argument later about the details.

The export of coal is earning £7,500,000 a year for New South Wales. Many people know that Thiess Peabody Coal Pty. Ltd., like other big firms, will be highly mechanised, and I know that in the initial stages there may not be very many men employed because of this dependence on mechanisation. In New South Wales 1,200 men are employed in connection with the export of coal, and that is a fairly large number of men in the mining industry. Last year there was a net loss of over 740 men in the industry in New South Wales and we should not dismiss lightly the employment of 200 or 300 men on this project or that project. I want to say for the record, because I am getting sick to death of hearing people say that Labour is against this proposal or that proposal, that I do not mind someone making a profit. Unless people make a profit, they will not put their capital into it. I do not want to see labour exploited for profit; I do not want to see profits made where the State is dispossessed of valuable assets; I do not want to see profits made at the expense of industrial conditions. As I said, unless people can make a profit, they will not invest capital in a project. It is all very well to talk about people wanting to do this, that, and the other thing. People can invest in Blair Athol collieries or other collieries, but they will not do so because they do not think they are going to get a return on their money. They want to invest their money in a company that has the necessary knowledge, capital, and outlets for its products.

Mr. Gilmore: You sound like a Liberal.

Mr. DUGGAN: It is not a question of talking like a Liberal. I am trying to talk like a good Australian.

Mr. Gilmore: It is the first time you have.

Mr. DUGGAN: The first time anybody gets up and says these things, hon. members opposite say, "You are a socialist." I have not gaoled anybody like the hon. member's party has.

Mr. Gilmore: You would not know the definition of Socialism.

Mr. DUGGAN: I want to say quite definitely here about all this claptrap and nonsence that the Labour Party's strength and support comes from industry that if I wanted to speak selfishly and not as an Australian the more support I gave to the establishment of industry here the better chance we would have of being returned. But I am not speaking from selfish motives. If I could get an extra 200 or 300 people on the coalfields around Moura or somewhere else it would make the Country Party members from that district sit up and take notice. I could strongly support industrial development from purely selfish reasons, but it is not because of that that I speak in this strain.

Mr. Smith interjected.

Mr. DUGGAN: The hon. member for Windsor does not count in his own organisation; he could not get selection for a blue-ribbon seat. Some of his colleagues wielded their influence and he was discarded—not by me, but by his own organisation.

It is expected that something of the order of 22,000,000 tons of coking coal will be required by Japanese interests by 1970 if they are able to maintain their prosperity and if existing assessments of their requirements are realised. I think it is well to put on record that they mine something in the vicinity of 50,000,000 tons a year. It is mainly steaming coal at present. So there is a demand there for it, and provided these conditions are acceptable, I think we have to go along with it.

On this occasion, Mr. Taylor, I hope that we will not be placed in the embarrassing position of approving of the Bill before we deal with the schedule. I hope the Minister will agree that we might give consideration to the schedule before we deal with the clauses of the Bill. It is certainly unfair and wrong to ratify a Bill and then, when we get to the clauses, to be told, "You cannot discuss these clauses because you have already ratified the agreement." I hope some consideration is given to that on this occasion. I intend to move that the clauses be postponed until after consideration of the schedule because it is the agreement itself, contained in the Bill, that we want to take into account.

Now let us examine briefly what the Minister has said. He mentioned Thiess Bros. I realise that a big organisation like Thiess Bros. is apt to come under public criticism for things done from time to time either by themselves or through their officers. I have known the Thiess brothers personally since I was quite a boy in Toowoomba. They were then doing minor roadworks there. Whatever can be said of them, I have seen them in action, and I do not know of any more hard-working people than these fellows. They certainly work beyond eight hours a day and have done so ever since I have known them.

Like all men of courage and determination they have got on. I know Les. and Cec. Thiess and the rest of them pretty well, and, although they may be tough and hard on occasions—and I am not going to back every decision they have made industrially or otherwise, with many of which I disagree—they have come up the hard way and formed a successful company. Now that they are big I hope they do not forget that they were once little fellows themselves. If they do not they will have happy relations with their employees and everybody else.

The Minister said that they had spent £300,000 and were entitled to protection, and that he accordingly froze an area of 350 square miles. What sum is necessary to justify the granting of a freezing order over a large area of land? I am not going to argue that at the moment; I do not know what sum of money would justify it.

Mr. Evans: The reason I did that was to prevent other people coming in.

Mr. DUGGAN: The Minister said that, but what volume of money justifies a freezing order to prevent other people from coming in? In the next breath he said he refused to give one to Utah.

Mr. Evans: I gave one to Utah.

Mr. DUGGAN: At that stage the Minister said he did not think they were entitled to the full protection of the prospecting lease.

Mr. Evans: They proved only about 30,000,000 tons of coal.

Mr. DUGGAN: I am not trying to get ahead of the Minister. Later he expressed some disapproval of B.H.P.'s tardiness and said that they had shied away from developing Constance Range. What volume of money is sufficient to justify the granting of a lease? In the case of Thiess Bros. £300,000 was deemed to be sufficient; in the case of Broken Hill Pty. Ltd. £400,000 was not deemed to be sufficient.

Mr. Evans: I did not say that.

Mr. DUGGAN: I understood the Minister to say it.

Mr. Evans: I didn't. I said that they spent £400,000, but they were cooling off.

Mr. DUGGAN: I thought the Minister said something about their cooling off because they had built a railway to the deposits in Western Australia. If they are cooling off now, all I can say is that if they read the report of Ford, Bacon and Davis, and if it

is to be implemented, they will cool off a lot more because the Government will be pulling up more lines. There is as much hope of selling a refrigerator in the Antarctic as there is of getting this Government to build more lines, despite the fact that they divided the House when they were in Opposition at the time we pulled up a few miserable miles some years ago.

Mr. Evans interjected.

Mr. DUGGAN: I am talking about the psychological atmosphere at the present time. It would not inspire a great deal of confidence.

An interesting situation is developing on the subject of the steel works. The Minister has declared himself quite strongly on the matter. I think it is the first Ministerial statement wherein we have had a declaration by a prominent member of the Ministry that the steel works should be somewhere other than at Bowen. Until now all the talk has been along those lines. When the Treasurer was introducing a measure only the other day he gave a whole list of reasons why Bowen was in the doldrums. He said that the beef was "iffey"; the coal was "iffey"; something else was "iffey". He went through a whole lot of gestures that could not be recorded in "Hansard", all expressing why Bowen needed some form of Government aid. The Minister in charge of this Bill has made the position of Bowen a lot "iffier" than did the Treasurer the other day.

Mr. Evans interjected.

Mr. DUGGAN: The Minister is a member of the Country Party; the Treasurer is a member of the Liberal Party. Members of the two parties simply do not like to face the facts. I get a great deal of enjoyment watching their growing incompatability.

I have not very much time to deal in detail with the many points raised by the Minister. I shall have to leave them until the second-reading stage. The Minister has laid down a lot of conditions about the amount of capital involved. I am glad to see that those things are being tied down to amounts that can be examined in great detail.

In determining the royalty of 6d. a ton, the Minister sheltered behind the agreement under the Electric Supply Corporation (Overseas) Limited Agreement Act of 1947, no doubt feeling that he would get our approval on this side because the amounts were fixed by a Labour Government. I am not going to be dogmatic at this stage about what the figures should be, but money values have changed greatly since 1947. If 6d. a ton was regarded as adequate in 1947 I think it should certainly be a higher amount today.

Mr. Evans: You will admit that Blair Athol is the easiest mine in the world?

Mr. DUGGAN: I am not laying down any amount at the moment. I am merely saying that if the Minister is trying to justify the royalty to be charged in 1962 by a royalty that was charged in 1947, he should take cognisance of the variation in the value of money in the intervening period. I think that is a matter for comment later.

I should truly love to have 10 minutes to speak on the Minister's trip to Japan. He said he was unhappily delayed for two days because of a typhoon in Manilla. That was small compared with the political typhoon he created.

Mr. Evans: I met a tailor in Hong Kong who knew you.

Mr. DUGGAN: The Minister might remember that on previous occasions he told us how busy he was. I mentioned publicly previously that the Minister had admitted that he toyed with tantalising thoughts in Tokyo on that occasion.

Mr. Evans: You did more than toy with them.

Mr. DUGGAN: I do not think further comment would be proper.

THE CHAIRMAN: Order! There is far too much noise in the Chamber. I am having great difficulty in hearing the hon. member.

Mr. DUGGAN: I was rather amused to hear that the Minister could make himself understood, because only about one in 100 could understand English.

Provision is made for £100,000 for a survey of the railway line, and certain other things. I wish to say briefly—and this is an important matter that the Minister did not deal with—that I want from the Minister an assurance that in this agreement, which gives valuable concessions and incentives to people to develop this great enterprise, reasonable industrial conditions will be imposed in the provision of amenities and things like that.

There are many problems associated with the field. At present the water is drawn from the Dawson River, and if it is chemically treated, that is done on the spot. Again, the type of hut constructed so far is not up to standard. There is an obligation on the company to provide proper housing. It can be argued that their job is to mine coal, but they must have regard for local conditions and accept their responsibility in this matter. They will be spending a large amount of money on mechanisation, and I do not think the Queensland Housing Commission should insist on the construction of suitable houses in Bilolea, 35 miles away. I realise it is a long way to travel to work but some people are doing it voluntarily, over rough roads. A first-class bitumen road should be provided, or better transport facilities from Biloela should be provided if housing is to be provided there, which I hope will not be the case as the field itself is the appropriate place.

Mr. Gallagher inspected the field. I do not know what his recommendations are, but I hope the Minister will see that in this agreement reasonable—I think they should be more than reasonable—conditions are imposed. People who live in places like that are entitled to something that is more than reasonable, and something more than the oil companies are providing. They should have better than the crude, rough huts that were good enough in pioneering days.

I think that the Minister should give us those assurances and speak in greater detail during the second-reading stage so that the industrial organisations involved can expect from him, as protector of industrial rights, some minimum standard that will be acceptable to them.

Mr. Evans: I belong to the little people, so I will look after them.

Mr. DUGGAN: That subject was not mentioned today, and I think it is tremendously important that it should be done. Many aspects of this agreement should be examined more fully. I have made only general observations.

I regret that we have to send so much coal out of the country. We have a population of 10,000,000. If black coal is meeting with competition, let us face up to the fact. In about 1959 some 55 per cent. of the total fuel energy required was supplied by coal, and last year the figure declined to about 52 or 53 per cent. Constant inroads have been made into industry by diesel oil and diesel fuels, and that will continue.

I say in general terms that we will examine the Bill with great care and attention.

Mr. PILBEAM (Rockhampton South) (3.56 p.m.): I rise to support without reservation this very sound measure, which I regard as Chapter 2 in the development of Central Queensland's vast coal resources, and I warmly congratulate the Government and the Minister on it.

I say I regard it as Chapter 2. Chapter 1 unfolded itself in the Chamber last week in the Bill presented by the Treasurer for bulk-loading facilities at Gladstone. That Bill called for the export of 500,000 tons of coal a year for seven years with the aid of bulk-loading equipment provided by the Gladstone Harbour Board and subsidised substantially by the State and Commonwealth Governments. That measure had my full support.

Chapter 2 in the development of Central Queensland's vast coal resources is unfolding itself here today, and this will call for the export of 2,000,000 tons of coal through Gladstone annually for seven years. That is a very good piece of news for any true Central Queenslander.

Chapter 3 will unfold itself in due course. I should say it will involve a tremendous increase in the export trade of coal because nobody can tell me that any concern would be prepared to build a railway line costing between £8,000,000 and £10,000,000 unless it had plans to increase its exports substantially beyond 2,000,000 tons a year. I know the extent of the work carried on in my own area by Mt. Morgan Ltd. On the average it treats about 4,000,000 tons of product a year, that is, 1,000,000 tons of ore and 3,000,000 tons of overburden and extraneous matter. So I can envisage in Chapter 3 a tremendous increase in coal exports and, like the Minister and the Leader of the Opposition, I see the possibility of a steel works. It would be no good arguing now where it could be established; the economics of it will determine that.

Chapter 3 will include a far greater use of coal inside Australia, which will be brought about by developments in the metallurgical and chemical fields. I will deal with some of those eventualities later.

The prospect for coal development in Central Queensland is a very exciting one. Once again I join with the Minister in submitting that this is a sound and progressive measure.

I pay tribute to the Leader of the Opposition for most of his remarks, particularly when he gave recognition to Central Queensland development. I could not agree with him more about the desirability of establishing a Callide power station. That is in the process of being established at the present time. I have been fair enough to give the Leader of the Opposition credit for his remarks on the development of Central Queensland. He should, however, be fair enough to admit that his party had its chance for many years to develop these coal resources and power, and all the other things that go to industrialise a region. We should now be given our chance. If we fail, it will be at the option of the Opposition to step in. I am quite definite that this Government will not fail in endeavours such as this one, which will do so much to popularise the area, provide industries, help with the unemployment problem, and give the extra money obtained from an increase in our export trade.

It is necessary to look at the background of the Bill. We should consider the extent of the coal that we have in Central Queensland and look at the market that we are tapping in Japan. In recent years it has become apparent in Australia that our future is closely tied with that of Asia. Many of the countries of Asia have embarked on ambitious schemes for economic development, and Australian policy at the governmental level has been to share and help, in as many ways as possible, to increase Asian living standards. Trade with Asian countries has been encouraged as a relief from the possible repercussions that could follow Britain's joining the European Economic Community.

When we look at the non-Communist countries of Asia, it is most important that we separate Japan from the others. Japan is somewhat like the United Kingdom in that, with a small area, agricultural production is not sufficient to feed the population.

Both countries—the United Kingdom and Japan—depend upon exports of manufactured goods to pay for their import requirements, which are largely raw materials and foodstuffs.

Japan is one of the major steel-producing countries of the world. I think that it is at present the major ship-building country of the world, replacing Great Britain last year. Its ship-building yards and steel works employ many hundreds of thousands. It could well be that Japan will provide a market for the proportion of Australian trade affected by Britain's entering the European Economic Community. I heard the Leader of the Opposition, in his recent speech, agree with me on that argument.

In a recent survey of Australian trade with Asia, Mr. Ian Shannon, writing for the Committee for Economic Development of Australia, described conditions in Japan. He said that with a population of over 90,000,000 the expansion which has taken place, and is taking place, in Japan is remarkable. She has embarked on a plan to double national income by 1970. This requires an annual growth rate of 7.8 per cent., which is far in excess of any other nation in the world. By 1970 she plans to purchase abroad no less than five times the quantity of coal imported in 1959. One can therefore see the extent of the market that the Government is tapping with this and the other Bill that I have referred to. Imports will run at about 11,500,000 tons in 1962, increasing to about 20,000,000 in 1965. Over half of these coal imports at present are from North America—the United States and Canada.

There is a tremendous market in Japan for our raw materials, and it is gratifying that our State has been in the forefront in acquiring contracts for coal won in the Kianga-Moura district of Central Queensland. This is an encouraging step forward in the further development of the mineral resources of the area. At present, the major industry in Central Queensland is the production of beef cattle. But the Rockhampton area is a province with a great potential for the development of metallurgical and chemical industries based on pyrites, limestone, salt, and coal. Metalliferous mining enterprises are established at Mt. Morgan (gold and copper) and Cracow (gold), and these contribute considerably to the wealth of our State. Reserves of basic-mineral materials in Central Queensland are immense—7,000,000 tons of pyrites at Mt. Morgan; 100,000,000 tons of limestone at The Caves and Mt. Etna alone; unlimited brine occurring over an area in excess of 50 square miles; and hundreds of millions of tons of coal in a basin stretching from Collinsville in the north through Blair Athol, Bluff, Blackwater and Baralaba to Moura and Kianga in the south, as well as in deposits at Callide.

Figures showing our reserves of coal in the major producing centres have been supplied to me today by the Queensland Coal Board in its 11th Annual Report. They make interesting reading, and I will give hon. members the name of the coalfield and the coal in millions of tons that has been measured and indicated. These are by no means the whole of Central Queensland's coal reserves. They are simply the quantities that have been measured or indicated. There are unlimited quantities of coal in Central Queensland that have not been measured or tested because they are a long way from a railway line, or for some other reason. The figures are—

Coalfield	Millions of tons
Bundamba	184
North Ipswich	31½
Rosewood	14
Darling Downs	12
Burrum	4½
Selene	6
Callide	70
Kianga-Moura	79
Styx	2
Blair Athol	266
Collinsville (coking)	112½
(non-coking)	37½
(undifferentiated)	5½ + 24½
Total	849

You can see, Mr. Taylor, that we have a tremendous amount of coal to sell, and we are well justified, as the Leader of the Opposition has indicated, in taking action to export the coal because we know that we have sufficient to satisfy all our own industrial requirements and to export in large quantities to the Japanese market. Coal produced at these centres is used for the generation of power and by the Queensland Government railways, while the coals from Baralaba and Kianga-Moura possess special characteristics that make them attractive to overseas markets.

Further development of the metallurgical and chemical industries—for example, production of sulphuric acid from pyrites, soda ash from salt and limestone, calcium carbide from coal and limestone—depends on the availability of cheap power. There are adequate reserves of coal in the area for this purpose, and I think the Minister will agree with me when I say that the first stage of the Calcap power station at Callide will be in operation in 1965.

Mr. Evans: An expenditure of £23,000,000 has been approved already.

Mr. PILBEAM: That is right. The first contracts have been let.

To give hon. members a further idea of the markets available in Japan, the quantities of coal imported by the main importing companies in 1961 were—

	Tons
Yawata	2,436,500
Fuji Iron and Steel	2,511,500
Nippon Kokan	1,206,000
Kawasaki	894,000
Sumitomo	638,000
Kobe/A.M.A.	678,000
Nakayama	283,000
Osaka	80,000
Nissin	60,000
Total	8,787,000

As I said previously, the Japanese may increase that quantity to 20,000,000 tons within a few years, so the market is there and, with the reserves of coal we have in Queensland, we would be very foolish to ignore it. This Government, by tapping that market, has shown that it is at least alive to the possibility of making more money for the State.

Reference has been made to the exporting of coal from New South Wales. We agree; they are exporting to Japan at the present time a very much greater amount of coal than we are. They exported 3,200,000 tons of coal in 1961-1962, an increase of 1,355,000 tons over 1960-1961. Make no mistake, they are making every effort to increase their coal exports. They have introduced improved mechanisation into the coal mines and it is only the fact——

Mr. Evans: They have improved their ports.

Mr. PILBEAM: Yes, they have improved their ports, and it is only the fact that we have the advantage of open-cut coal mining that will give us the edge over New South Wales. So, if we continue to do no worse than introduce measures such as this we will be ahead of New South Wales in the export of coal.

In the United States and Canada, which supply over 50 per cent. of Japanese coal requirements, ships of 45,000 tons capacity are loaded at the rate of 1,000 tons an hour. That is what we have to achieve and what we are commencing to do, first, as a result of the Bill that was introduced by the Treasurer last week and, second, by this Bill, which is Chapter 2 in the major development of our coal resources.

Japan must have hard metallurgical coking coal for her steel industries, but the Japanese are also masters in the art of blending coal, which is not done here. By blending coals, they are able to lift the standard of coal to their own requirements and to use much coal that otherwise could not be used.

Now let me deal with some of the arguments that have been advanced in this Chamber in favour of and against the export of coal. Two arguments were advanced by members of the Opposition. One was that we should not export coal at all.

Mr. Lloyd: Who said that?

Mr. PILBEAM: It has been said on that side of the Chamber.

Mr. Lloyd: Name the member who said it.

Mr. PILBEAM: It has been said that we should save all our coal for our own steel works. I think I have conclusively proved that we have plenty of coal to supply our own requirements and to export as well. New South Wales is doing it. There are two famous steel works in New South Wales, but that State is still exporting at a greater rate than we are so that argument is definitely disposed of.

I have heard the argument advanced that we are not exporting enough coal. Whose fault is that? These coal deposits have been known for at least half a century and this is the first Government that has commenced to export coal in a major way. Whenever in the history of Queensland has there been an extension of a railway to export 2,000,000 tons a year?

Mr. Davies interjected.

Mr. PILBEAM: Where has there been a proposition put forward similar to that in this Bill, for the building of a railway line and the export of 2,000,000 tons a year? I am strongly in favour of the Bill because it will provide more employment on this side of the ocean and also in Japan—a tremendous amount of increased employment. It will help to populate the area. That is what we want. We want extra population. Until we get the extra population we cannot industrialise the country as we should. This could well be the first step to a steel works in Queensland. It could earn us the money and give us the population that will enable us to go ahead.

There have already been remarkable developments under this Bill. The prospecting by Thiess Bros. in that defined area has been of great value to the State. As the Minister has indicated, already they have spent £300,000 on prospecting in that field. I was one who made representations to him on behalf of another company. Having heard the arguments advanced against it I bear no resentment because I was refused on that occasion. I understand that two other companies have tried to enter that field, one of which, the Utah Development Company has since entered another field outside the area.

Mr. Evans: I have given them the same consideration.

Mr. PILBEAM: A proclamation has been issued in much the same manner, and they have the same rights.

I see nothing wrong with an Australian company such as Thiess Bros. amalgamating with the Peabody Coal Company, a highly successful and skilled organisation which, as the Minister has said, produces 30,000,000 tons of coal annually. We have suffered too long in Queensland from unsuccessful enterprises. We want successful ones. The unsuccessful ones do not create any employment; they only cause misery.

I have heard too much argument from the other side of the Chamber against successful enterprise. I am all on the side of the successful enterprise. I can see no prospect that this one will not be successful.

I cannot see anything wrong with any of the provisions of the Bill. I have listened very closely to the arguments advanced by the Minister, particularly the one dealing with the capitalisation of the venture. It could be said that the Government may have been unduly harsh by asking that the company have a nominal capital of £8,000,000 of which £2,000,000 is to be issued capital, and in addition that it should be asked to provide another £2,000,000 before 31 December. That is what I mean when I say we are catering for a successful company.

Mr. Evans: They have agreed to it.

Mr. PILBEAM: They have agreed to it. I have previously dealt with the exclusive rights to prospect for coal in the area. I see nothing wrong with the clause that gives a continuation of that right on their undertaking to spend £350,000 in the next 12 years.

Mr. Evans: In prospecting.

Mr. PILBEAM: In prospecting alone. In the first three years they are required to spend £150,000; in the second three years, £100,000; in the third three years, £75,000; and in the fourth three years, £25,000. In addition the agreement calls on them to surrender a quarter of their holdings every three years, so that they have only 12 years to ascertain where the coal is and develop their lease. I think that is a very sound proposal. They are allowed 12 years, during which time they have to spend £350,000 on prospecting. I can see nothing wrong with that provision.

Much has been said about these people getting the proposition on a cheap basis. But they have to pay a rental of £2 13s. 4d. a square mile a year for prospecting rights. They have to pay a rental for their special coal leases at the rate of £10 a square mile for the first five years, £20 a square mile for the second five years, and thereafter £32 a square mile. The special coal leases are subject to review every 21 years. They have not got what I consider to be a proposition that favours them; I would say it favours the Government.

(Time expired.)

Mr. LLOYD (Kedron) (4.20 p.m.): One of the most remarkable statements made by the hon. member for Rockhampton South was that the opening up of these coal resources in Central Queensland would employ more men in Japan than in Australia.

Mr. PILBEAM: I rise to a point of order. I said it would employ men in Australia and men in Japan. I did not make any comparison.

Mr. LLOYD: I accept the hon. member's explanation. Over the last few years, I have become accustomed to hearing the hon. member for Rockhampton South reading speeches of no real substance, prepared possibly by Cabinet Ministers, or by the Public Relations Bureau of the Government.

He has attacked what Labour Governments have done in the past. I point out that much of the development of the coal industry in Queensland has been as a result of the Powell-Duffryn Report, which was produced at the request of a Labour Government many years ago, and was under severe attack by members of the Government, who were then in Opposition. As a Labour Government, we realised that we had in Queensland unlimited potenial in types of coal. The then Premier, the Hon. E. M. Hanlon, arranged for an analysis of all the coal resources of this State. I see the Minister making notes, and I can see that he will use his usual political bugbear——

Mr. Evans: Why don't you get out West and see what the Government are doing?

Mr. LLOYD: Never mind about that. The Minister should make his speech in his own time. We realised at that time that we had unlimited coal resources, and that it was necessary to analyse and survey the whole of the coal resources. The Powell-Duffryn Report has been available to this Government for a long time. I will admit that the Minister has done his best, and sometimes it has been a good best.

Over the years, we have become used to being the primary-producing State. We have everything essential for wool, sheep, cattle, sugar, and wheat, many of the primary products which earn the national income. We also have unlimited resources in minerals. The Labour Party has realised that only since about 1946 or 1947—never before—have we had an opportunity to exploit that potential.

No doubt it will be claimed by the Government that this would never have been done under a Labour Government. I think I can say, in good faith, that in 1946, 1947, 1948, and 1949, Japan was a defeated country—a defeated nation—following the war. It took millions of dollars of American capital to revitalise Japan as an industrialised nation. It was completely destroyed industrially in the war. Now we have the opportunity, and I think the Minister and all the magpies at the back——

THE CHAIRMAN: Order! The hon. member will not refer to members of this Chamber as magpies. I ask him to withdraw the remark.

Mr. LLOYD: Yes. I wish to be permitted to make my speech in my own time.

I think the Minister realises there are opportunities in Asiatic countries at present, particularly when Australia is on the fringe of a great emergency. With Great Britain's proposed entry into the European Economic Community, we may have to search for new markets. As Japan has become industrialised once more, naturally she demands the raw materials she does not possess in order to enable her industry to survive. We have those raw materials to supply.

A Government Member interjected.

Mr. LLOYD: Mr. Taylor, would you mind stopping that gentleman?

The CHAIRMAN: Order! The hon. gentleman is not obliged to take any notice of remarks.

Mr. LLOYD: You pulled me into gear. What about pulling him into line?

The CHAIRMAN: Order! The hon. gentleman is not allowed to reflect on the Chair. The Chairman will conduct the Committee as he thinks proper. I repeat that the hon. gentleman is not obliged to take notice of any remarks.

Mr. LLOYD: Yes, Mr. Taylor.

We have to understand the position. World markets exist for the raw materials we have for the production of secondary industries. We have the minerals and the primary products. For the last 13 years Queensland has unfortunately been purely and simply a producer of raw materials, which have been sent away for processing in the other States. Particularly in the last five years we have had growing unemployment. We have been producing all the raw materials—minerals, primary products——

Mr. Evans: Wool, meat, sugar.

Mr. LLOYD: Yes, particularly sugar. Because we have been content to remain producers only, we have this growing incidence of unemployment. The workers are fully employed during the season, but when the season ends there is a lag because we have no secondary industries to follow. It should be a feature of our economy that we do as some other States have done and insist in all our agreements, whether with international monopolies or with other overseas or interstate capital, that we have secondary industries established in the State to use our primary products. In the past we have not done that. I do not absolve any Governments from blame. Certainly in the sugar industry the Labour Government did its best. We introduced the Sugar Acquisition Act and we guaranteed the growers a prosperity, which they are enjoying at the present time. If we had only had the money then, we could have done a lot more. We could have made sure that all the by-products of sugar produced secondary industries in the State.

In this case we cannot sacrifice the opportunity to make money for Queensland. We cannot afford to refuse Japanese orders. Following the war Japan has been re-created into a large industrial nation. It demands raw materials that we can provide, so we cannot refuse to supply them, whether coal or bauxite.

I believe that we can never hope to have development and full employment in this State unless we have development of secondary industries as the result of what we, the people of this State, own. Many things have been said about developing and freeholding land. We have dealt with a Bill today concerning primary producers' co-operative associations that aimed at protecting primary producers against take-overs and mergers. These things mean that the export wealth of this State is taken over by overseas companies or those that provide southern capital. We have developed a State here where, to the greatest possible extent, profits from the soil and our mineral wealth have been circulated within the State.

That is something that we have to try to maintain. I believe that the Liberal Party in particular in the present coalition Government worships at the shrine of overseas capital. When we reach the stage where capital is being brought here from overseas, regardless of the remittance there of profits from our own efforts, we must give a great deal of time and thought to it. We have over the years developed the most decentralised State in the Commonwealth. We have large prosperous country towns in the sugar areas of the North, and in the sheep and cattle-raising areas of the West. All the people who occupy that land and develop that part of the country spend their profits in their own localities.

The CHAIRMAN: Order! I have allowed the hon. member considerable latitude, but I remind him that the Bill deals with an agreement with Thiess Peabody Coal Pty. Ltd. I ask him to confine his remarks to that particular agreement.

Mr. LLOYD: I was dealing with an analogy. Last year our mineral exports from Queensland amounted to £36,000,000. I think that that was the figure. Of that amount, I believe that overseas ownership was approximately two-thirds, leaving only one-third owned by this country. I do not criticise overseas capital coming to this country. What I was coming back to, Mr. Chairman, is that I should like to see the development not only of coal from the Kianga-Moura coalfield, which I appreciate and which I think is very necessary, but also of whatever by-products come from coal production.

One thing that I appreciate—is that certain coalfields in this State must be reserved as a right for the Queensland railways and other industries. As I understand it, the production of coal from Kianga-Moura will be purely for export.

Mr. Evans: Not purely. If there is an industry for which other coal is not available, there is a clause providing that the company must provide it with coal at Coal Board prices.

Mr. LLOYD: There is one point at which we have to look closely when examining the Bill. As I understood it, the production of Kianga-Moura coal would be purely and simply for export.

Mr. Evans: Mainly for export. You would not suggest that we should not use it in a steel works?

Mr. LLOYD: No, but the terms that the Minister used were rather loose. As he knows, there is a distance of about 8 miles between Kianga and Moura. The coal seams waver—one goes underneath the other—and it is not exactly a good open-cut mine.

Mr. Evans: It is a bad open-cut mine. It is a dipping seam.

Mr. LLOYD: Yes. It would be a very good underground mine, but it cannot compare with Callide and Blair Athol as an open-cut field.

Mr. Evans: No. I said that. It is a costly open-cut venture.

Mr. LLOYD: We must think of the industrial conditions when considering the venture. Am I correct in saying that, under the present circumstances, we must export as much of that coal as we can before we start any secondary industries?

Mr. Evans: Yes. My point is that it is the only coal we have that is suitable for use in a steel works, and provision is made that it must be supplied to a steel works, if there is one, not to compete with other mines.

Mr. LLOYD: Not to compete with other mines?

Mr. Evans: No.

Mr. LLOYD: That is the assurance that I wanted from the Minister—that it would not compete with existing mines. At the same time, we must consider the question in the light of a recent statement by the Minister that the position of bauxite on world markets has been upset, and that the International Bank rejected an application by the New Zealand Government——

Mr. Evans: I read that in a financial newspaper. I have since been informed that it is not correct, that it has been denied.

Mr. LLOYD: We have Callide coal and Kianga coal, and the people employed on the coalfields are——

Mr. Evans: I made it very clear that they will not be affected.

Mr. LLOYD: I wish to clarify something that I said in Rockhampton when I came back from the Kianga-Moura field. It will show that I am big enough to admit that I made an error. I criticised the Minister for having communicated with the Chairman of the Banana Shire Council by telephone and told him that he had been attempting, as far as possible, to promote the production of coal in these fields and that if the shire council continued to enforce its wishes upon Thiess Bros. things would become very difficult. I understood at the time that the industrial conditions of employees of Thiess Bros. at Kianga were very bad. I knew nothing about the stock route; I was not informed about it.

Mr. Evans: That is quite correct.

Mr. LLOYD: Unions from the Trades Hall had approached the Minister and asked him to ask the chairman of the shire to delay the enforcement of certain conditions in regard to people employed by Thiess Bros. who were living on the stock route.

Mr. Evans: And to arrange a conference with the unions.

Mr. LLOYD: I accept that. If I made a statement that embarrassed the Minister, I am very sorry.

Mr. Evans: That is very good of you.

Mr. LLOYD: The conditions of employment, the sanitary conditions, and the conditions under which the people were living at the Kianga mine were most undesirable. Wherever Thiess Bros. have gone, whatever contracts they have received, there have always been some complaints that the conditions of employment are bad. I understand that the Minister and the Department of Development and Mines have had a number of complaints in relation to the open-cut mine at Kianga, and I completely agree with them. Three instructions have already been sent to Thiess Bros. Conditions under which men work at Kianga at present are bad. There is an overhang of sandstone right through that mine that is a serious hazard.

Mr. Rae: I do not think you are serious about that.

Mr. LLOYD: I wish the hon. member for Gregory would go back to his station at Isisford and look after it. The conditions at the mine are not good. They have improved since Peabody came into the arrangement.

Mr. Evans: We have taken steps to improve safety precautions.

Mr. LLOYD: I think the Minister will admit that industrial conditions have not been completely right in Thiess Bros. operations at both mines.

In all these agreements with large mining companies, industrial potential, conditions of employment, and the wealth of this State should be safeguarded as far as possible for the people of Queensland. It has been found in the past—I am certain the Minister will

agree—that Comalco did not take him completely into their confidence when arrangements were originally made for their agreement. It appeared to be a good agreement but it was later hawked round the world until all the international monopolies, such as Rio Tinto and others, came into it. I hope that, to the greatest possible extent, the development of that field will be to the benefit of this State.

Mr. Evans: It will be.

Mr. LLOYD: I am hoping so. What this State needs is not only the development of its potential——

Mr. Evans: You will admit that, first of all, you must have the finance.

Mr. LLOYD: Yes, you must have that. You will not have industrial development until, first of all, you have the potential and the finance to develop that potential. You must have that. In Western Australia and in Anglesea in Victoria known brown-coal deposits are to be developed. There is no way in the world, if there is trouble in New Zealand, that Callide cannot be utilised. The deposits there are cheaper to work than the brown-coal resources in Victoria, and there is no reason why we cannot have a refinery if they can have one in Victoria. There is no reason why we should not have an iron and steel works in this State. It is much better than developing the brigalow belt and things like that for attracting ancillary development.

Mr. Evans: You will admit that with an alumina plant a processing plant is the first step.

Mr. LLOYD: That is so. What amuses and amazes me is that people like the hon. member for Rockhampton South, who have small minds and who do not understand land development, come here and demonstrate that they do not understand that before we can build a country that will withstand any challenge, internally or externally, we must have real industrial development.

(Time expired.)

Mr. BJELKE-PETERSEN (Barambah) (4.45 p.m.): All hon. members will agree that the Bill is a very important measure as it deals with a great new export venture that will provide an ever-increasing amount of employment, and increased income that can be spent in many ways throughout the industry. The measure before us gives us the opportunity to take advantage of a market for something like 22,000,000 tons of coal a year. As hon. members contemplate that, I am sure they are appreciative that at this initial stage through the provisions of the Bill and the efforts of the company undertaking this great project we have an opportunity to enter upon a new era in the production and export of coal.

I am sure that very few people would not support the Bill. I was pleased to hear the Leader of the Opposition agree with it. I think the Deputy Leader was also in agreement with it, although it was rather hard to decide what was the purpose of his arguments or what he was trying to explain to the Committee. However, I take it that he and other hon. members on that side are in full agreement with the Bill.

This development is one of the great things that has happened in Queensland in recent years. The most important of all, of course, is the discovery of oil and what it means to Queensland. We have had great development at Weipa, which will give tremendous impetus to that part of the State. As a result of the reconstruction of the railway line from Townsville, Mount Isa Mines Limited will continue to expand with ever-increasing speed. As a result of all these things, Queensland has at last started on the road to industrial development. This measure will help the central portion of Queensland to commence its industrial development. Once towns get to a certain size, development seems to snowball and they expand rapidly. So with secondary industry. As it grows in Queensland with ever greater speed, industrialisation will expand and develop rapidly within the boundaries of the State.

Because of the fertility of the soil, agriculture for many years has been the main basis of the development of this State. However, as a farmer I know that because of ever-increasing mechanisation fewer and fewer men are being employed in rural industries. Therefore we desperately need industries such as the Bill covers to provide additional employment. It is all very well to talk about the potential or the assets of our State. But let us develop the potential and use the assets. I have always said that we cannot live to ourselves as a country; we cannot live to ourselves as a State. We have to develop, expand, and progress; we must develop assets such as this great coal deposit. A business-like approach has been made to this measure. Many of us cannot help thinking of the measure that was introduced years ago by the previous Government in regard to the Electric Supply Corporation (Overseas) Limited Agreement. I do not intend to elaborate on that Bill, or the reasons why it failed; I merely mention the sound practical business-like basis adopted in regard to this Bill. The company has to invest £8,000,000 capital, and has to show that it has an issued capital of £2,000,000.

I compliment the Minister and his officers, who have spent much time in an effort to bring about this agreement. In many ways it could be thought how difficult it would be to get an organisation to agree to the conditions contained in the Bill, so I join with others and compliment the Minister on his success. I also compliment him on the part he played in obtaining the order which makes the Bill practicable. We know of the efficient and practical manner in which the Minister dealt with the Weipa project, and other projects in this State.

I feel that the Deputy Leader of the Opposition during his speech agreed that Thiess Bros. is one of our truly great companies, and we are pleased to be able to say it is a Queensland company. They have undertaken preliminary projects where working conditions may not have been what they should have been, but we have to remember the type of work they undertake is in the remote and difficult areas of Queensland and does not warrant immediately the ideal conditions——

Mr. Evans: Almost impossible.

Mr. BJELKE-PETERSEN: It is almost impossible to get ideal conditions which so many of us would like to see them have in the initial stages, but I am sure the Minister will indicate that those conditions will be enforced, and I can visualise a high standard of accommodation being provided.

We have brought into this State a world-famous company, Peabodys, and they will play a most important part in this project. They will bring with them tremendous capital and knowledge, and equipment that we have never seen or heard of before. They have a shovel capable of shifting 35 cubic yards. Their modern machinery will mean much in efficiency, and the carrying out of this project on a satisfactory basis. I believe that these two companies will make a sound business venture of this undertaking and as a result they will be spending large sums of money, and providing employment, in Queensland.

The Leader of the Opposition said the 6d. royalty on the first 1,000,000 tons and 3d. thereafter was insufficient.

Mr. Burrows: He did not say it was insufficient.

Mr. BJELKE-PETERSEN: He did not say it was insufficient, but he queried it. He said it might be insufficient because money has not the value now that it had previously. We must recognise that, while that may be true, costs today are very much more than when that 6d. was included in the Electric Supply Corporation (Overseas) Limited Agreement Act. Moreover, we had to compete on a very competitive world market to gain this contract.

Mr. Evans: And a costly mine, too.

Mr. BJELKE-PETERSEN: Yes, a mine that will be very costly to operate. I think the Government is sound and wise in not overloading a company that is trying to develop a project of this nature by the imposition of an excessive royalty, which anything beyond 6d. and 3d. a ton would be.

I said earlier that the Bill is based on a very sound and business-like approach to the problem, and when hon. members study the Bill I am sure they will all agree with that. There are very many aspects of it that make it seem that the project must continue and must succeed and must benefit the State. They have to produce 500,000 tons the first year, and after the railway is completed they have to supply 2,000,000 tons a year. Those are some of the conditions, which indicate that the undertaking means much to Queensland. They have to construct the railway of 120 miles inland from the coast. The Minister told us of the £100,000 guarantee and the conditions attaching. The line is to cost £8,000,000. All this means that we will have considerable employment and money spent in the State. So we cannot be other than pleased and thankful that we have been able to accomplish so much. This huge project is opening up before our eyes. Unquestionably a great deal of negotiation has taken place between the Minister and the company and today we have the culmination of all that effort in a project that will be truly one of the great industries in the State. Together with the other huge industries that loom before us, it will, I am sure, build up into something really worth while.

The Bill means the beginning of a truly great export industry and I should like to compliment the Minister and his officers on the part they played in it. I compliment Thiess Peabody Coal Pty. Ltd., too, and say how pleased I am that they have entered into this great undertaking in a spirit of adventure and with enthusiasm and a desire to succeed. I am sure they will succeed.

Mr. BURROWS (Port Curtis) (4.59 p.m.): The Bill gives me a great deal of satisfaction. Fifteen years ago or a little more, when I first entered Parliament, I perhaps made a nuisance of myself in advocating a move such as this. If the inside story is ever told, it will probably be found that the Chifley Government originated the idea of the construction of this line some 15 years ago. I remember about the time of the Federal election of 1948 the late Ben Chifley spoke to me. I had taken a trip to Canberra prior to that and had a personal interview with him on the possibilities of doing something about building a railway line from Gladstone to Callide. When I got there I was amazed at his intimate knowledge of the project. He had been a railway engine-driver, and I well remember what he said: "When they build the line, see that they build a heavy-duty one that will carry big loads." He said, "Do not build tramlines like you have in Queensland at present that go round corners almost at right angles and up and down hills. It might cost a lot more to eliminate curves and grades, but it will pay dividends." When he came here during the campaign prior to the 1948 election, at which his Government was defeated, he gave me a personal assurance that, if his Government was returned, he would give great attention to this railway. The present Prime Minister also made a promise in his policy speech, but it was ambiguous and he took advantage of its ambiguity to avoid the Federal Government's responsibility.

I am not going to tire the Committee with a repetition of the history of this subject. I commend to members interested in the Gladstone-Callide railway project a reading of "Hansard" of the 1900s. It will be seen that the then Government passed an Act, almost identical in principle with the present Bill, for the building of a railway, and gave a franchise to a group to build it.

There were a couple of amusing incidents in the debate on that occasion. One was the strong opposition from the member for Rockhampton to the building of the line, and another was the rising by one member to a point of order and objecting to the member for Port Curtis speaking in the debate because he had a pecuniary interest in the building of the line. He claimed that the member for Port Curtis, at that time a man named Jason Boles, owned some property in Gladstone and its value would be enhanced by the building of the line. On that ground, he objected to the member's advocating its construction. Needless to say, the Speaker ruled his objection out of order.

A lot of spadework has been done in this matter. It is not a new project; it actually dates back to the 1900s. It was revived in 1947 and 1948, and has been contemplated and spoken of ever since. If there is one man in Queensland that I would have liked to live to see this come to pass, it is the late Mr. George Clark, who was Under Secretary for Mines at the time of his death some six or eight months ago. He was one of Queensland's great public servants. I am not exaggerating in any way when I say that he would have been alive today had he not been so devoted to his job and to trying to develop the mining industry in Queensland. He was a man who had a background of mining, and he sacrificed his life at an early age because of the work that he did trying to see that full advantage was taken of the mineral and coal resources of this State.

We have not actually read the Bill, but I do not doubt that the Minister has made as good a bargain as was possible. I sincerely trust that the rights of the landholders who own the land will be protected. It is appreciated that one does not, on selecting land, obtain mineral or coal rights to it, but we can understand the feelings of these men, living in that area of some hundreds of square miles, who have the shadow of what could happen always hanging over them and their homes. They have nothing to fear immediately, but a threat of disturbance will discount the value of their homes. I hope that the greatest respect will be shown for the rights of these citizens, and I am prepared to accept the Minister's assurance on that point.

The Gladstone Harbour Board has played a very important part in the development of the coal industry over the last 15 years. I think I am entitled to claim that not one ton of coal would have been exported from Queensland had it not been for the enterprise of the Gladstone Harbour Board in building the conveyor belt. Almost 2,000,000 tons of coal have been exported in the last 15 years, and prospects are improving. The hon. member for Rockhampton South is trying to jump on the band-wagon and get a bit of reflected glory for the Government. I do not wish to discredit the Government for its attitude to coal exports, but I am not going to neglect to pay tribute to former Governments.

If a former Labour Government had not granted a subsidy to the Gladstone Harbour Board for the provision of coal-loading facilities, which cost about £200,000 in round figures, the board would never have been able to finance the scheme and the Callide coalfield would not have been developed. Apart from that, the coal-loading plant at Gladstone has relieved the Government of a great deal of embarrassment in regard to grain shipments. It has handled large quantities of grain and has been a great boon to exports from Central Queensland. When the railway line is built and the project is developed, I hope that the Minister and his Government will take into consideration that the Gladstone Harbour Board has to pay its way. Although a neighbouring board has not done so, I know that the members of the Gladstone Harbour Board would prefer not to work if the board did not pay its way.

Mr. Evans: The Treasurer will see that the Gladstone Harbour Board is protected. It has been very good.

Mr. BURROWS: I am pleased to hear the Minister say that it will be protected.

Dealing with the export of coal, I was closely associated with the order that was sent to Victoria. The Gladstone Harbour Board had to handle it, and I can remember a conference that was held between Thiess Brothers, the coal hauliers who were carting the coal by truck from Callide to Gladstone, and the Gladstone Harbour Board. I was invited to attend, and ultimately it was agreed that I should look after the interests of the coal hauliers and also, to a lesser degree, keep an eye on the interests of the board. All parties at the conference realised that the price had to be cut to get orders. The people who were selling the coal had to compete with African coal, which was being subsidised by the Menzies-Fadden Government to the extent of £7 10s. a ton. We had to compete with that coal for the Victorian market and the price had to be cut. It meant sacrifices by all concerned and, in order to ensure that the sacrifices were fair and reasonable and not being made by just one or two of the interested bodies—I was particularly watching the interests of the coal hauliers—all those associated with the matter—Thiess Brothers,

the harbour board and the coal hauliers—made substantial and unselfish contributions and sacrifices in order to secure the last order that went to Victoria. As a consequence, the Gladstone Harbour Board agreed to pick the coal up off the stockpile and load it into the ships at 2s. 8d. a ton. Hon. members with any practical knowledge—the hon. member for Barambah and others have practical experience—will realise that that is no mean effort.

At the present time, that is all the Gladstone Harbour Board gets. That coal comes by rail now. It comes in, it is unloaded and put on the stockpile, and when a ship comes in it is transferred onto the ship. The whole of that process is carried out by the Gladstone Harbour Board at a cost of 2s. 8d. a ton. The board do not want to make a profit out of it. They are a public concern and a non-profit-making concern but they at least want to break even. They gained some assistance from the fact that they had a big oil trade into Gladstone and the harbour dues on the receipt of oil were sufficiently large to offset the loss that occurred on the coal-loading plant and, as I said, that plant has been used extensively for loading grain. When the Government decided that it would transfer a big proportion of that oil trade to Rockhampton, the Gladstone Harbour Board were placed in such a position that they had to review the whole of their finances.

The CHAIRMAN: Order! I shall be glad if the hon. member will confine his remarks to the agreement with Thiess Peabody Coal Pty. Ltd.

Mr. BURROWS: I shall.

It has to be recognised that, if we have a point of export and that point of export is to be carried on efficiently, as it is at present, it cannot be done with the present charge of 2s. 8d. a ton. That charge by the Gladstone Harbour Board was set in about 1948 or 1949. If I remember rightly, it was previously 3s. 6d. or 4s. 6d. a ton and was reduced to get orders, but it was reduced because of the existence of profitable revenue that has since been considerably reduced by this Government.

The CHAIRMAN: Order! I think the hon. member has now established that point.

Mr. BURROWS: That is right. I am quite happy about that point.

The CHAIRMAN: Order! Let us hear about coal.

Mr. BURROWS: Mention has been made that there is use for the coal in secondary industries such as steel works. The Minister mentioned Constance Range. I have here a booklet published in 1904 by the Geological Survey of Queensland containing an article by Lionel C. Ball, Government Geologist. It refers to iron-ore deposits in the Gladstone district. I have been trying to interest people in this, but so far I have not been very successful. I think the Minister for Development, Mines, Main Roads and Electricity, in view of the large deposits of coal there and with a view to establishing secondary industry in Queensland, will appreciate that although we may have no alternative but to export, we do not want to become a colony of Japan as we were a colony of England 50 years ago. We were exporting our raw materials at a price the English merchants set and buying back the manufactured products again at the price they set. I commend a perusal of this booklet to the Minister. It is available in the Parliamentary Library. It deals with more or less the whole of Queensland. Speaking of the Gladstone district, it refers to the various assays and shows iron at 64.9 per cent. On the next page it deals with Portion 406, Riverston, with an assay of 59.3 per cent. iron; Portion 22V, Pemberton, with an assay of 64.9 per cent. iron. These are places within 20 miles of Gladstone.

Mr. Evans: Do they estimate the quantity?

Mr. BURROWS: There are no proved quantities there, but you will see an outcrop on every ridge. I have taken men to those places who I thought would know more than I did about mining. What intrigues me is that despite the amount of money that has been spent by private enterprise, there is no evidence of any drilling at these places. Away back in 1904 the Government of the day considered it necessary to appoint Mr. Ball to carry out this survey. It must have been expensive because he covered a large area of Queensland. The Government should employ a geologist, as was evidently done in the case of Ball, to explore the possibilities. Imagine if we discovered an iron-ore deposit——

THE CHAIRMAN: Order! I must remind the hon. member that we are speaking about an agreement dealing with coal, not with iron-ore deposits.

Mr. BURROWS: It is very much associated. We might be satisfied that we have to export coal, but in our hearts none of us is really happy or contented about the matter because we believe that the ideal would be to export the pig-iron.

Mr. Sullivan interjected.

Mr. BURROWS: The hon. member may know something about cows but——

Mr. Sullivan: I merely said that your Leader seemed to be quite happy about the whole Bill.

Mr. BURROWS: Nobody is criticising the necessity for it but we do know that the Minister is getting impatient. He made no secret of it. B.H.P. seem to have gone cool on the rights they have been granted at Constance Range. The Minister mentioned iron-ore deposists close to Moura, but that is low-grade ore. Anybody who knows anything at all about mining knows that anything

round about 60 per cent. or over in iron is very interesting. The only way to prove quantities is by diamond-drilling.

In going through "Hansard" of the early 1900's I was interested to read about the construction of a railway line to a place called Glassford Creek. A franchise was given to a company on that occasion. There are huge deposits of iron there. The company worked the area, not for the iron, but for the copper and gold. It is recognised that these opportunities should be made available to overseas companies if we cannot interest local capital. I doubt whether many people in Queensland are aware of this publication. It would be valuable if anybody contemplated prospecting in those areas, because he could then have the advantage and benefit of the work done by men such as Mr. Ball, and could either confirm or refute his theories.

We are not trying to throw cold water on the Bill. We would not be entitled to be in the Chamber, as members of the Opposition, if we did not closely examine and criticise the Bill if we thought it did not protect the rights of the people of Queensland. We trust it will turn out better than similar Bills in the past, particularly the one I mentioned, when in 1900 the syndicate forfeited to the Crown the deposit of £2,500, because it had not fulfilled the conditions.

We should, to the best of our ability, protect the rights of the individual, while recognising at the same time that if we cannot use the coal ourselves and create steel works, we must send it somewhere else. I am sure I am expressing the sentiments of every member of the A.L.P. when I say that, instead of exporting our raw materials, we will never despair of the possibility of establishing a steel and iron works in Queensland.

Dr. DELAMOTHE (Bowen) (5.23 p.m.): I should like to join with the Leader of the Opposition and other speakers on both sides of the Chamber in congratulating the Minister on the introduction of this Bill. After listening closely to speakers on both sides of the Chamber it has become obvious to me that the Bill has been acclaimed as something that meets the wishes of us all. As a fellow North Queenslander, I congratulate the Minister for turning what was a Cinderella department, Mines, into a shining example of what a department should be. I also congratulate him on the amount of work and interest he has displayed as Minister for Development, something completely new in the Government of Queensland.

One can admire the Minister and members of his department for the great detail that has been required to reach this agreement, which protects the interests of the people and also protects the vital interests of our State. I sympathise with members of the Opposition. It is always very hard to swallow one's pride and admit that one's actions over a long period of years have been completely wrong. I congratulate them, too, for being honest enough to say to the Minister that he has done something that for many years has been anathema to them. In particular, this question of the export of coal has been a sort of holy cow to previous Labour Governments. The very idea of exporting large quantities of coal made them shudder with apprehension. Their whole history over 40 or 50 years has shown that they would rather leave coal and the like lie in the ground than exploit their value for the benefit of the State by finding private money to do so. It is only now, with the fright that has been given them by the imminence of Britain's entry into the European Economic Community, that they have started to think about the possibility of finding new markets. But our Minister and our Government long ago prepared for this eventuality, and this agreement is just the last link in a very long chain of preparation.

I know, Mr. Taylor, that if I do not specifically deal with the agreement you will interrupt me; I can see you preparing for it. I should like to refer specifically to some of the important things the Minister has told us. He has told us that the agreement covers an area of 350 square miles and that from this area during the next seven years will necessarily be produced 3.4 million tons of coal. He has told us that the prospecting of this rather large area will be over a gradually-diminishing area in accordance with the conditions laid down in the agreement but, in order that adequate prospecting will go on and that this land will not just be frozen by Thiess Peabody, an amount of £350,000 has to be spent in prospecting over the next 12 years. That, I think, ensures that this company will be doing something to add very greatly to the knowledge of the resources of the area, and that is very important.

Further, in order to ensure that the company is capable of carrying out its undertakings as laid down in the agreement, it has been prescribed that it shall have a nominal capital of £8,000,000, with a subscribed or issued capital of £2,000,000, and that a further £2,000,000 in cash shall be available before 31 December next year. That ensures that we are dealing with strength, that we are dealing with a company that we know in advance is capable of conforming with the clauses in the agreement. I may be pardoned by the Opposition if I remind them of the only time they attempted a similar excursion in the development of our coal deposits.

It has been mentioned that an agreement was entered into with the Electric Supply Corporation (Overseas) Limited. I do not know whose fault it was, and I am sure that members of the Opposition cannot be blamed for the fault of their predecessors, although they are constantly quoting what some hon. member on this side of the Chamber said in 1944, 1943, or 1939. I am not holding hon. members opposite responsible. I am reminding them by way of comparison of what happens in the Chamber today compared with what happened then. It will

be recalled that this particular company was found to be not the principal at all, but purely a subsidiary.

The Government of the day entered into an agreement with that company, without investigating it thoroughly, and it was found later that it had no asset capital and had hawked the franchise all round the world until, failing to secure the necessary capital, it folded its tents like the Arabs and slipped silently away. We have heard no more about it.

Whilst speaking of this particular agreement, I remind hon. members also of the comparison between the royalties prescribed in it and those in the other agreement. Under this agreement, royalties are 6d. a ton for the first million tons and 3d. a ton for all the millions of tons after that. In the prior agreement, it was 6d. a ton for the first million, 3d. a ton for the next million, and 1d. a ton thereafter. I am not criticising that because I think we could very well afford not to insist on any royalties because the amount of money so obtained, whatever is charged, is "peanuts" compared with the great advantages that the development of this field will bring to Queensland. Employment is the thing that I, and the Government, never cease to try to encourage. Employment, direct and indirect, will result. The amount of external credit that will be provided far outweighs the amount of small change that the royalties will return.

I share with the hon. member for Port Curtis his delight in the fact that, after so many years, there is to be a railway from the interior to the coast in his area. I congratulate him, and I am happy for him and for the people of that area. The conditions of the agreement ensure that the railway will materialise. It has to be built within seven years, and the company has to lodge a security of £100,000, £20,000 of which is to be refunded when the survey is finished and the remaining £80,000 when the railway is completed. At the end of 42 years, the Governor in Council may ensure that it passes to the ownership of the Queensland Government of the day.

We hear today, and have heard over the past few years, from some hon. members, mostly from the Opposition side, not really a moan but expressions of dissatisfaction and despair that this coal, together with other products, is to be exported. I remind them that for many years raw materials from Queensland have gone to countries overseas. I mention particularly greasy wool, wheat, sugar, lead, zinc, and, until recently, copper concentrate. As far as I know, no objection was raised to the export of those commodities over the years. Why the mere mention of the export of coal always raises such an outcry I do not know and cannot understand.

The Deputy Leader of the Opposition apologised for a lack of development of coal resources in Queensland and said that in 1946, 1947, 1948, and 1949, Japan was recovering from defeat and was not a market for the export of our coal. I am sorry he is not here. I remind him that prior to 1939 Japan was a highly-industrialised country, a country that had been friendly to us for many years. The market for the export of our coal was there prior to 1939, and as far back as 1880, but nothing was done about it.

While I am talking about the coal at Kianga-Moura, I remind the Committee of what the Minister has done for other coalfields. By arranging to provide a powerhouse in the Ipswich district he has ensured continuity of coal production there. The powerhouse at Callide will use coal from the Callide field, and I hope that there will soon be a powerhouse in my district to make use of the coal deposits there.

The CHAIRMAN: Order! I do not want the hon. member to go beyond the agreement.

Dr. DELAMOTHE: No, I will not go beyond that. I think it is relevant to have a look at the possibility of success of this agreement. If we look at the results of other agreements made by the Minister, we should be able to deduce from them the possibility of success of this agreement. I mention specifically the agreement with Comalco, which has already resulted in the expenditure of almost £4,000,000 and will result in the expenditure of £40,000,000 or £50,000,000 in a few years. The same applies to the oil agreement——

The CHAIRMAN: Order!

Dr. DELAMOTHE: I bow to your ruling, Mr. Taylor. I might say very shortly that the success of agreements in other fields indicates that this agreement will be successful also. The Minister has used a business-like approach, he has paid great attention to detail and to the benefits to Queensland, and I believe, as I think every other hon. member believes, that the agreement must bring new fields of employment, great prosperity to the particular area, and a considerable sum of new money into circulation.

Mr. AIKENS (Townsville South) (5.40 p.m.): Since I have been in Parliament, this is the second occasion on which I have had the opportunity of speaking and voting on a Bill to provide for a railway line to a coalfield and the development of that coalfield. The previous occasion, of course, was when what we knew as the Blair Athol Bill was being debated. During the passage of that Bill I was suspended from the services of this Parliament for trying to tell the Government of the day and the people of Queensland just what was behind it and to point out the faults and failing of the Bill. I hope the same fate is not going to befall me during the passage of this Bill.

I propose on this measure, as I try to do on every measure, to speak as a good Queenslander, and particularly as a good North Queenslander. I join with the Leader

of the Opposition in saying that although the Minister may not have driven as hard a bargain as some people think he should have driven, at least he has driven the hardest bargain possible.

I suppose it was what one might term poetic justice that, while the Leader of the Opposition was making a particularly splendid speech from the viewpoint of a "big Queenslander", as he termed himself, one of the members of the Opposition facetiously interjected and said, "You are talking like a Liberal."

Mr. Davies: It was a member of the Government who said that.

Mr. AIKENS: I am sorry, it was a member on the Government benches who facetiously interjected and said, "You are talking like a Liberal." The Leader of the Opposition got quite riled about it and denied that he was a Liberal simply because he was talking as a big Queenslander. I remind hon. members of the Opposition that every time I try to talk as a big Queenslander someone over there yells out in a stentorian basso or a squeaky falsetto, "Tory Tom!"

Mr. Davies: How true.

Mr. AIKENS: The hon. member for Maryborough says, "How true." That is an amazing interjection coming from the hon. member for Maryborough. I should like to draw your attention, Mr. Taylor, to an incident that occurred during the introductory stage of the Liquor Bill, against which many members of the Labour Party spoke. When I called for a division the hon. member for Maryborough turned to one of the members sitting behind him and said, "How are we going to vote on this?" and the member replied, "I don't know, ask Johnno." The hon. member for Brisbane stood up and said, "We are going to vote with the Tories. Get going, mugs."

THE CHAIRMAN: Order! Will the hon. member please return to the subject of the Bill?

Mr. AIKENS: I do not want to embarrass you, Mr. Taylor, but the hon. member for Maryborough, and all the rest of the "mugs", walked over and voted with the Tories.

THE CHAIRMAN: Order! If the hon. member does not return to the subject of the Bill I shall ask him to resume his seat.

Mr. AIKENS: There was so much noise in the Chamber, Mr. Taylor, that I could not clearly hear what you were saying. However, as usual, I shall abide rigidly by your ruling.

What happened with the Blair Athol Bill was that although the Government had agreed to push ahead with the development of the State, they did not make the investigations into the background of the company that on this occasion the Minister for Development, Mines, Main Roads and Electricity has made into the background of Thiess Peabody Coal Pty. Ltd. The result was that when the Bill went through the House I tried to point out there was no benefit in having a Bill passed to develop Blair Athol merely to give a certain individual authority to hawk the concession through many countries of the world. When he could not raise the money, Blair Athol development collapsed.

THE CHAIRMAN: Order! I think members of the Committee know the history of Blair Athol. I hope now that the hon. member will deal with this agreement.

Mr. AIKENS: I was merely going to ask——

THE CHAIRMAN: Order! If the hon. member repeats what he has been saying I shall ask him to resume his seat. Will he now proceed? This is my last warning.

Mr. AIKENS: Far be it for me to invite you to ask me to resume my seat, Mr. Taylor, but surely I can ask the Minister if he is going to sign this agreement with a gold pen and have his photograph taken while doing it? The Minister has seen to it, in the interests of this Parliament and this State, that there is actual financial backing behind the company that is to develop this coalfield. For his insistence on that particular point, for his investigation, and for the manner in which he has protected Queensland and its assets, he deserves the commendation of every member of this Chamber and every citizen of Queensland.

It has been said quite truthfully that coal is a disappearing asset once you take it out of the ground; so also is any other mineral. Unfortunately, once you dig any mineral from the ground you cannot replace it. We have had the experience of big mining fields that have waxed and waned, and have then died. In about 200 or 300 years' time the Kianga-Moura field will wane and die but we will not be here to see it.

At least we will have done our job in providing for the development of the field, in providing employment, in providing prosperity, and in providing for the advancement of the State while we were alive and for many years to come. In addition, we know from experience that once we establish a primary industry there is always the possibility of establishing a secondary industry side by side with it.

Mr. Evans: It snowballs.

Mr. AIKENS: Yes. I cannot say that it follows on inexorably, but it usually does. If I may digress for a moment, the establishment of Mt. Isa as a copper-producing centre has been responsible for the establishment at Townsville of a copper refinery employing 200 or 300 men. It may be that the establishment of this particular coalfield, the taking of coal from it, and

the transporting of the coal from it, in addition to providing all the labour employed on the field, all the labour employed on the railway line, all the labour employed at Gladstone, and all the labour employed in the ancillary services, will enable us to establish a secondary industry in conjunction with it.

I listened very carefully to most of the Minister's introductory remarks, which were very clear, but I was called out to make a telephone call to a departmental head and missed about five or ten minutes of his speech. Possibly he dealt with this matter while I was away, but I want to be particularly careful when I see the Bill to read the terms under which the company will be permitted to build the railway line. I am not going to flout your ruling, Mr. Taylor, but I can remember that there was a very bitter debate on the Blair Athol Bill over the terms and conditions under which that company was to be permitted to build its railway line. As a matter of fact, one of the most monstrous provisions was that no matter what happened in its operation of that railway line the company's liability for negligence causing death, injury, or damage was limited to a paltry £1,000. I hope that under this Bill the amount of liability for negligence resulting in death, injury, or damage will be unlimited, to be assessed only by the Supreme Court as in any other action for death, injury, or damage. Can the Minister advise me on that particular point?

Mr. Evans: The same conditions apply as with the railways.

Mr. AIKENS: Then I am quite happy about it because, as we know, this Government amended the Railway Act, which previously limited damages for negligence to £2,000, so that today there is no limit to the amount of damages that can be awarded against the Commissioner for Railways for negligence if that negligence results in death or injury, or damage to property. As long as the company will have no concessions over and above the Queensland railways as to damages that may be awarded against it for negligence, I am very happy. We can commend the Minister again for writing that provision into the Bill.

Some of the Ministers have done an excellent job. The other day I paid a very fine tribute, which was well warranted, to the Minister for Education and Migration. If I may be permitted to, I should like to pay a tribute to the work that has been done in Queensland since the Minister who is piloting this Bill through the Chamber became Minister for Development, Mines, Main Roads and Electricity.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (5.49 p.m.), in reply: There is really nothing to reply to. I have listened very carefully to everything that has been said. Looking back on the debate I can see nothing to reply to. Possibly a few small points raised by the Leader of the Opposition may call for a reply. He said that my attitude to the Utah Company was different from my attitude to Thiess Bros., that I was giving a franchise to Thiess Bros. but not to Utah. That is not so. I told the Utah Company that I was prepared to consider a franchise, but that they would have to stand up to the same conditions as Thiess Peabody Coal Pty. Ltd. I thought it was wise for Utah to wait until this Bill came before Parliament, because I could not divulge its provisions till then. I have made an appointment to see Utah's representatives immediately the Bill is printed. I will discuss the matter with them, and put their case before Cabinet. We will ascertain if there is sufficient coal to warrant giving them a franchise, and if they are prepared to commit themselves as did Thiess Peabody, we will give it to them.

I thank the Committee for the way it has accepted the Bill. I would be remiss if I did not mention the enormous amount of work done by the late George Clark. I have never met anybody with his capacity to work. He is a loss not only to Queensland, but to Australia as well. My Under Secretary and his staff co-operated with me, and did splendid work searching for information so that the Bill would protect not only Queensland, but also the company concerned.

The Leader of the Opposition criticised the royalties. There is no analogy there. Blair Athol is the biggest seam of black coal in the world. I saw a shot put in, and 6,000 tons brought down with the one shot. It is the easiest of mines to work. However, because of dieselisation it is very difficult to sell steaming coal. We know that orders are falling off, but we have not an idle mine in Queensland. There is not a miner out of work. We look to a great future for this area.

I believe steel works will follow. The hon. member for Port Curtis said that there is iron ore close to Gladstone. We thought there was at Iron Range, but when B.H.P. bored—and spent £200,000 to £300,000—they discovered that nearly all iron-ore deposits on the coast were only crusts, and they walked out of Iron Range and did not take a ton away. On the surface it looked to be an enormous field with a whole lot of manganese in it.

Mr. Davies: Did you get a final report on Constance Range?

Mr. EVANS: I was speaking of Iron Range. Constance Range is quite different.

Motion (Mr. Evans) agreed to.

Resolution reported.

FIRST READING

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

The House adjourned at 5.55 p.m.