Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 10 OCTOBER 1962

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

VACANCY IN SENATE OF COMMONWEALTH OF AUSTRALIA

Mr. SPEAKER: I have to announce that I informed His Excellency the Governor that Mr. George Irvine Whiteside had on 9 October been chosen to hold the place in the Senate of the Parliament of the Commonwealth rendered vacant through the death of Senator Maxwell William Poulter and the following letter has been received from His Excellency the Governor—

"Government House,
Brisbane.
10 October, 1962.

Sir,

I have the honour to acknowledge the receipt of your letter dated 9th October, 1962, informing me that on the 9th instant, Mr. George Irvine Whiteside had been chosen to hold the place in the Senate of the Parliament of the Commonwealth rendered vacant through the death of Senator Maxwell William Poulter.

I have the honour to be, Sir,

Your most obedient Servant,
Henry Abel Smith,
Governor."

QUESTIONS

COMMONWEALTH FINANCIAL AID FOR EDUCATION

Mr. DUGGAN (Toowoomba West—Leader of the Opposition), for **Mr. LLOYD** (Kedron), asked the Premier—

"In view of the statement by the Coadjutor Bishop of Sydney, Bishop M. L. Loane, as reported in 'The Courier-Mail' of October 9, 1962, that he had been reliably informed that the Federal Government proposed to reduce its allocation for State education purposes because the expenditure on education by the States is out of proportion, will he make an immediate approach to the Commonwealth authorities pointing out that, in this State at least, the allocation by the Education Department on State Schools has increased by a little over five per centum on last year's expenditure and that this is quite inadequate for Queensland's requirements?"

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

"I draw the Honourable Member's attention to the Prime Minister's strong denial of Bishop Loane's statement, which appears in 'The Courier-Mail' this morning."

PRIMARY SCHOOL SITE, WISHART ROAD

Mr. NEWTON (Belmont) asked the Minister for Education and Migration—

"(1) Has the clearing been completed on the new primary school site adjacent to Wishart Road and opposite to the Broadwater Road Queensland Housing Commission estate?"

"(2) If the answer is in the affirmative, (a) has a foundation test been made, (b) have the plans for the new primary school been completed, and (c) when is it anticipated that work will commence on the building of the school?"

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

"(1) Yes."

"(2) (a) Yes. (b) Working plans for this project are nearing completion. (c) No definite indication can be given at this juncture as to when work is likely to commence on the construction of the building for this proposed new school."

SUPERANNUATION SCHEME, METROPOLITAN FIRE BRIGADES BOARD

Mr. DEWAR (Wavell) asked the Minister for Health and Home Affairs—

"(1) What progress has been made regarding the superannuation scheme for the Metropolitan Fire Brigades Board?"

"(2) Is he in a position to indicate when the scheme may commence?"

Hon. H. W. NOBLE (Yeronga) replied—

"(1) The considerations involved in the establishment of a Superannuation Scheme for Fire Brigade employees generally, have been exhaustively examined, and I hope to be in a position to submit the matter to Cabinet for approval on Monday next."

"(2) The date from which the Scheme can operate is contingent on the amount of time required to set up the necessary machinery. It is not posible to estimate this with any degree of accuracy, but the matter will be expedited as much as possible."

DEATHS AND INJURIES IN ROAD ACCIDENTS

Mr. DEWAR (Wavell) asked the Minister for Education and Migration—

"(1) How many people have been killed and injured in Queensland road accidents since September 4, 1962?"

"(2) Of these, how many were in the seventeen to twenty-four years group, and of this group how many were under twenty-one years?"

"(3) Of those under twenty-one years, how many drivers had committed traffic breaches prior to the accidents in which they were involved?"

"(4) Has he considered the suggestion made by me on September 4, 1962, regarding the issue of provisional licenses only to the under twenty-one years of age group?"

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

"(1 to 4) I have requested the Deputy-Commissioner of Police to furnish a report with relevant statistical details on road accidents in the State. On receipt of this report a copy will be made available to the Honourable Member."

Carriage of Sugar to Bulk Terminal at Cairns

Mr. WALLACE (Cairns) asked the Minister for Transport—

"In view of the apprehension felt by all sections of the citizens of Cairns and district as to the economic future of that city, can he give an assurance that the economy of the area will not be further jeopardised and that the medium of delivery to the proposed Bulk Sugar Terminal from mills other than Mossman will continue to be the Queensland Railways?"

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

"This matter has formed the basis of approaches to me by the Sugar Industry, the Cairns Branch of the Australian Country Party, the Members for the Tableland (Mr. Gilmore) and Mulgrave (Mr. Armstrong) and the Combined Railway Unions, and, as a result, it was raised by me at Cabinet level. Because of the far-reaching progressive effect that bulk handling of raw sugar will have on the operations of the Port of Cairns, and its subsequent benefit to the Sugar Industry, Cabinet approved of the establishment of a bulk sugar terminal at that that centre. However, Cabinet has also been mindful that mechanical operation can create employment difficulties, which, in turn, can reflect themselves within a city's economy. Consequently, arrangements were made for a full investigation to be conducted by the Treasury into the economics of the operation of the bulk handling proposal; by the Main Roads Department into the effects of the road transport of raw sugar from Mulgrave, Hambledon and Babinda Mills, to Cairns, on the future condition of roads and the safety generally of the travelling public; and by the Railway Department into the future of railway activities, the possible loss of employment to railway men and the effect of the loss of their payroll to Cairns should the raw sugar go by road. As an outcome, Cabinet decided, in its sincere desire to do all within its power to further develop North Queensland, that the new bulk terminal would be so constructed that raw sugar from the three mills mentioned would be received at the terminal by rail. At present a top ranking Railway Engineer is at Cairns collaborating with the Sugar Industry to ensure that final plans for the terminal and the necessary railway extension can proceed as quickly as possible."

Use of Breakdown Crane, Redbank Railway Workshops

Mr. DONALD (Ipswich East) asked the Minister for Transport—

"Why was the breakdown crane at the Redbank Railway Workshops not used to place the diesel locomotive on the rails after a derailment on the suburban line recently?"

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

"The ash formation of the embankment at Oxley where the derailment occurred was considered not strong enough to withhold the stabilising supports of the heavy crane."

School-crossing Patrols

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

"In view of the 1961 amendments to the Traffic Acts, which provide for voluntary adult school-crossing patrols—

(1) Will he consider authorising the immediate use of such patrols so as to relieve uniformed police for other duties? If so, will he have immediate steps taken to ensure that more motor-cycle road-patrol officers could then be provided to help minimise road accidents?

(2) If this is impracticable, will he, in any case, provide more motor-cycle road-patrol officers for duty?"

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

"(1) The amendment to the Traffic Acts referred to by the Honourable Member authorises the introduction of schemes as and when considered desirable to facilitate children crossing streets. However, with the recent progressive decision of the Government to install actuated lights where considered necessary at twenty school crossings, and which will be done this financial year, consideration of the desirability or otherwise of implementing any such scheme must await a survey of the position after these lights have been in operation for a time."

"(2) The availability of police for mobile patrols is constantly under review, having regard to the overall responsibilities and duties of the Police Force generally."

FREE TRANSPORT FOR LIFESAVERS

Mr. BROMLEY (Norman) asked the Premier—

"In view of the fact that there will be a shortage of approximately 300 lifesavers this season, is he prepared to encourage more to join the clubs by providing through the agency of the Government (a) free transport for members from city termini to beaches and back or (b) a nominal charge per trip?"

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

"There are no grounds for the Honourable Member's contention, which is apparently based on newspaper reports, that there will be a shortage of approximately 300 lifesavers this season. It is not unusual at the commencement of each surfing season for club membership figures to be down and this is due principally to the fact that numbers of of the younger members are fully occupied in preparing for end of year educational examinations. Surf lifesavers have a reputation for initiative and drive which, I am confident, will result in club memberships being brought to full strength as the season progresses. What is important is, and the Honourable Member has my assurance in this respect, that all beaches will be adequately patrolled this season as they were in fact last week-end at the opening of such season. Despite a similar position this time last year, the season finished with more than 100 members over that of the 1960-1961 season. Free or reduced transport costs do not provide the answer to increased club memberships. Members can only come from those with the necessary swimming qualifications and a desire to serve the public. It is interesting to note that for many years the Government has made available concessional rail fares to surf lifesavers travelling to the beaches to undertake patrol duties. Patronage by the lifesavers themselves, however, has been rather poor. As a further concession, Section 45 (7) of the State Transport Act of 1960 prescribes that any vehicle carrying those members of a recognized surf lifesaving association or club who actively engage in patrolling beaches for the purpose of lifesaving to or from a beach, where such members have been or will be so engaged, shall operate free of transport tax. The Government subsidies Surf Club collections at the rate of 7s. 6d. for each £1 collected and for the five years 1956-1961 the total amount of subsidy was £72,950. Furthermore, in past years, the Government has made cash grants towards the cost of erection of Surf Life Saving Club houses. For the five years 1956 to 1961, this amounted to £15,217. As Honourable Members well know, this season the Government is making a great contribution to the cause of safety on the beaches through the shark-meshing scheme. It is not possible to say what the outlay will be in this connection at the present time, but it will be quite substantial. The Surf Life Saving Movement is a grand organisation doing a wonderful public duty. There has always been the utmost co-operation between the movement and the Government and I have no doubt that such will continue to the benefit of the community in general."

ALUMINA PLANT AT WEIPA

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

"In view of recent press statements concerning the selection of a site for the construction of an alumina plant, will he assure the House that the original agreement between the Government and the company concerned will be adhered to and that the alumina plant will be constructed on the field at Weipa?"

Hon. E. EVANS (Mirani) replied—

"The Honourable Member obviously has not studied the agreement to which he refers. There is no obligation on the company to site an alumina plant either at Weipa or on the field. I direct his attention to clause 7 of the Commonwealth Aluminium Corporation Pty. Limited Agreement Act of 1957, which I quote hereunder:—'7. (a) As soon as it considers it practicable to do so after completion of the investigations and surveys referred to in clause 4 hereof, the company shall proceed to establish within the State and whether within the bauxite field or elsewhere a plant for the production of alumina in commercial quantities. (b) If it decides to establish the said plant elsewhere within the State than within the bauxite field the Company shall inform the Minister its reasons for that decision.' "

REMOVAL OF HOLLOWAY'S BEACH STATE SCHOOL

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

"What are the latest developments regarding the removal of the State school at Holloway's Beach to the new site?"

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

"A new site with an area of almost five acres has been secured. In view of the decreased enrolment at this school, action to move the school to the new site has been deferred."

BALLOTS FOR TOBACCO BLOCKS, MAREEBA-DIMBULAH AREA

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

"As numerous requests have been received from persons interested in tobacco farming in Mareeba and district, will he advise if the Lands Department intends throwing open tobacco blocks for ballot in these areas in the near future?"

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

"It is expected that eight to ten new farms suitable for tobacco production will be made available in the Mareeba-Dimbulah area during 1962-1963."

PREPARATIONS CONTAINING PHENACETIN

Mr. DEAN (Sandgate) asked the Minister for Health and Home Affairs—

"Has his attention been drawn to the warning '"Prescription only" urged on fear drug,' which appeared in 'The Sunday Mail' of October 7 by Doctor Paul Ross of Melbourne, who urged that there should be no advertising of preparations containing phenacetin and that they should be sold only by chemists? If so, does he intend to give consideration to that medical opinion by allowing phenacetin preparations to be sold only on a doctor's prescription in Queensland?"

Hon. H. W. NOBLE (Yeronga) replied—

"The question of the prescribing of phenacetin will be discussed at the next meeting of the National Health and Medical Research Council to be held on Thursday, October 25, and I shall be guided by any decision reached by that authoritative body."

RETAIL PETROL PRICE AT ROCKHAMPTON

Mr. THACKERAY (Rockhampton North) asked the Minister for Justice—

"Has Mr. Fullagar, Prices Commissioner, after three months completed his investigation into the retail price of petrol at Rockhampton and is he now in a position to inform me of the decision of the Prices Commissioner?"

Hon. A. W. MUNRO (Toowong) replied—

"I am informed by the Commissioner of Prices that an announcement in this regard will be made next week."

RETAIL BEER PRICE AT ROCKHAMPTON

Mr. THACKERAY (Rockhampton North) asked the Minister for Justice—

"In view of a statement made by Mr. Kelly, Chairman of the Licensing Commission, in 'The Courier-Mail' of Thursday, September 13, that he was investigating allegations made by me on the retail price of canned and bottled beer in Rockhampton, is he in a position to say whether an investigation took place? If so, what was the result?"

Hon. A. W. MUNRO (Toowong) replied—

"The Licensing Commission is presently investigating the retail price of canned and bottled beer and other types of liquor in Rockhampton. This investigation has not yet been completed."

PAPERS

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

Report of the Parole Board for the year 1961-1962.

Report of the Registrar of Co-operative Societies for the year 1961-1962.

Report of the State Government Insurance Office (Queensland) for the year 1961-1962.

Report upon the operations of Sub-Departments of Native Affairs, "Eventide" (Sandgate), "Eventide" (Charters Towers), "Eventide" (Rockhampton), Institution for Inebriates (Marburg), and Queensland Industrial Institution for the Blind (South Brisbane), for the year 1961-1962.

Report of the Department of Public Lands for the year 1961-1962.

The following papers were laid on the table:—

Report of Queensland Trustees Limited for the year 1961-1962.

Regulation under the Apprentices and Minors Acts, 1929 to 1959.

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

INITIATION

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity): 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 Coal and Oil Shale Mine Workers (Pensions) Acts, 1941 to 1960, in a certain particular."

Motion agreed to.

DAYS ALLOTTED TO SUPPLY; PRECEDENCE OF GOVERNMENT BUSINESS ON THURSDAY

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

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

(1) The House may, on the days allotted for Supply, continue to sit until 10 o'clock p.m. Each of the periods

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

(2) Government business to take precedence on Thursday in each week."

Motion agreed to.

THIESS PEABODY COAL PTY. LTD. AGREEMENT BILL

COMMITTEE

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

Clauses 1 to 5, both inclusive, as read, agreed to.

The Schedule—

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (12.28 a.m.): I move the following amendment—

"On page 5, lines 1 and 2, omit the words—

'"Crown Land" shall have the same meaning as is given to that term by the Coal Mining Acts;'

and insert in lieu thereof the words—

'"Crown Land" means all land in Queensland except land which is for the time being—

(a) lawfully granted or contracted to be granted in fee-simple by the Crown; or

(b) subject to any leave or license lawfully granted by the Crown provided that land held under an occupation license shall be deemed to be Crown Land:

The term includes land reserved for or dedicated to public purposes (including specifically all timber and camping reserves or reserves for aboriginals) other than land in fee-simple;'."

I dealt with this matter very fully during the second-reading stage and gave my reasons for the amendment. I said that it was necessary to give protection to all landholders.

Mr. BURROWS (Port Curtis) (11.31 a.m.): I should like an assurance from the Minister that this provision will not include any land under the control of the Gladstone Harbour Board. I am not clear on what is intended by the amendment. I should like it to be stated specifically that it does not include any land such as I have mentioned. For example, it is contemplated that the terminal of the railway will be on what is known in Gladstone as South Trees Island, where there is deep water. The Gladstone Harbour Board has resumed this land, or it took steps some time back to resume it. The resumption was not for this specific purpose, but the harbour board has found, as have other public bodies in Gladstone and other towns, that when there is a prospect of a new industry in a town, some people try to anticipate the industry by buying land and then trying to sell it at a handsome profit to the people who require it. It is not disputed that that is legitimate. However, in its plans to develop the port and to assist the development of trade and industry, the harbour board has found that in certain cases a company may be interested in a site and the owner of the land becomes aware of it and places an impossible price on it. It has happened in Gladstone that people have not been sufficiently interested to pay the impossible price asked for the land and have gone elsewhere. In an attempt to avoid that in the future the harbour board took steps some years ago to acquire certain land along the foreshores that would be suitable for industries such as this. This was not the particular industry in mind. They were thinking more of Comalco. No-one could say that the harbour board would try to make a large profit out of the land because its members want to encourage development. However, they want to protect their rights. They are quite within their rights in seeking some protection from the Government to ensure that this land is not taken from the board and given to the company without receiving full consideration for it.

Mr. Evans: I can assure the hon. member that that is the position; they are fully protected.

Mr. BURROWS: I thank the Minister for his assurance.

Amendment (Mr. Evans) agreed to.

Mr. DAVIES (Maryborough) (11.35 a.m.): I have some questions to ask on the Schedule.

Mr. Duggan: Mr. Taylor, I should like to ask what your procedure is to be.

The CHAIRMAN: Order! Will the hon. gentleman explain exactly what he wants? The next amendment before me is to Clause 54 of the Schedule.

Mr. Duggan: I want to know your procedure in the matter. Are you going to deal with the Schedule clause by clause or as a whole?

The CHAIRMAN: The Schedule is dealt with as a whole.

Mr. DAVIES (Maryborough) (11.36 a.m.): In the Schedule on page 3 of the Bill it is said—

> "Whereas extensive prospecting work has been carried out on the land described in such Proclamation and considerable sums of money expended thereon."

I ask the Minister: when was this work done and when was permission given to start on this prospecting work in the area of 350 square miles? Have prospecting fees been paid over the area prospected since the date of commencement of the work or since permission to commence the work was given? Clause 17 on page 8 of the Bill stipulates the rate of £2 13s. 4d. a square mile per annum for that area of 350 square miles. How much has been paid to date? Will the Minister inform the Committee whether any prospecting fee has been paid?

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (11.37 a.m.): The Bill, of course, has not yet come into operation, but the company is paying its rental and it has paid it right up to date.

Mr. DAVIES (Maryborough) (11.37 a.m.): On page 3 of the Bill it is said that extensive prospecting work has been carried out on the land described in the Proclamation. Provision is made for the payment of a fee for prospecting work. Certain rights are given to the company and, if the work has been done, the fees should have been paid.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (11.38 a.m.): The fees have been paid. Let me explain that the area was frozen. Until the Bill becomes law the operations of the company come under the Coal Mining Act, but that aspect does not come within the Coal Mining Act. They have been allowed to prospect on the area they are allowed to hold under the Coal Mining Act, to relinquish a certain amount of it, and to add more. But all fees for prospecting on the lease have been paid.

Mr. Davies: I was wondering just what fees had been paid.

Mr. EVANS: They have been paid.

Mr. Davies: Will the Minister tell us how much?

Mr. EVANS: I have not the amount.

Mr. DAVIES (Maryborough) (11.39 a.m.): I think the Committee should be advised. The Minister has made the statement that extensive prospecting work has been carried out. We do not know when permission was given for prospecting work to start. The prospecting fees should have started on that date. If so, how much is due and how much has been paid. Clause 17 on page 8 clearly sets out that the rate is £2 13s. 4d. a square mile per annum. The conditions include the provision that prospecting work be done at the one rate and not at another.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (11.40 a.m.): I cannot give the hon. member the exact figure, but let me explain the position. The company holds so much land under the Coal Mining Act. The area is frozen, as we have done with the Utah company as well. That protects the company from go-getters coming in and taking leases and blackmailing them. They did prospecting on certain other parts of the area as well as on what they hold as leases under the Coal Mining Act. The Bill is legalising what they are doing. All dues under the proclamation—the Order in Council—and all dues under the Coal Mining Act have been paid, but I cannot tell the hon. member the amount.

Mr. DAVIES (Maryborough) (11.40 a.m.): I thank the Minister for the information he has given us. He has given us an assurance that all prospecting fees have been paid not merely from the date when the company started to prospect but from the date when it was given the right to prospect. I take it that later in the debate the Minister will be able to state exactly what sum has been paid. His officers should be able to supply that information during the course of the debate.

The CHAIRMAN: I understand that there is a further amendment. I have not a copy of it.

Mr. Evans: I have an amendment to Clause 54.

Mr. DONALD (Ipswich East) (11.41 a.m.): Two amendments are being moved prior to that one.

The CHAIRMAN: Will hon. members please quote the pages and paragraphs of their amendments?

Mr. DONALD: I do not want to be deprived of the opportunity of speaking on anything in the Schedule if the Minister moves the amendment to Clause 54 on page 32.

The CHAIRMAN: I want to know what is the next amendment.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (11.42 a.m.): There seem to me to be many things that do not necessitate amendments, but some clarification by the Minister would be appreciated. For instance, we have three amendments, one relating to Clause 27, another to Clause 25, and, if they are carried, a consequential one in the Second Schedule. There are many matters in Clause 8 of the Schedule, which refers to the surrender of portion of the lands described in the First Schedule. Clause 13 provides that reports are to be confidential. Clause 18 concerns the granting of special coal-mining leases,

and Clause 19 deals with the purposes of a special coal-mining lease. They are some of the special clauses that Opposition members have marked off and on which particular speakers wish to make a few observations in the hope of receiving some clarification.

The CHAIRMAN: They will have to be taken in sequence.

Mr. DUGGAN: Until I move the first amendment to Clause 25 on page 11, I take it that any member of the Opposition will be able to deal with preceding clauses?

The CHAIRMAN: That is right. Let me make it clear that if hon. members wish to speak to this Schedule, I shall allow discussion on the whole Schedule before submitting detailed amendments. If any hon. member wishes to discuss any particular part of the Schedule not requiring amendment, he may do so. Is there any general discussion on the Schedule?

Mr. DAVIES (Maryborough) (11.43 a.m.): Following the point that I raised, I expected that the Committee would go through the Schedule item by item. I am sorry for the delay, but I wish to refer to Clause 18 on page 9, portion of which reads—

> "Any Special Coal Mining Lease granted may include all or any portion of the area of any Coal Mining Leases or Applications for Coal Mining Leases now held by the Company."

The prospecting rights have changed in certain parts. Instead of having a prospecting lease, the company now holds a mining lease, which is at a different rate. Will the Minister advise details of the lease that has now been granted to the company? Instead of having prospecting rights over the whole area, the company asked for a mining lease, which it now holds. What area is held, and what rent is being paid on that mining lease?

On page 10, Clause 22—Rent of Special Coal Mining Lease—is linked with what I have asked the Minister. I assume that the company is paying at the annual rate of £10 a square mile, which works out at 3¾d. an acre. Although we do not intend to move an amendment, we believe that these rates have operated for many years and that economic conditions and costs and prices generally have changed. In this instance, I think it is 3¾d. an acre for the first five years, 7½d. an acre for the next five years, and after 10 years it rises to 1s. an acre. Perhaps the Minister will tell us whether, although they are the prescribed rates, he considers that they should be increased. We are not dealing with a pioneering company. If Peabody is not the largest company in the United States engaged in this type of work, it is probably the second largest, and Thiess Bros., although not comparable in size with Peabody, is an established firm in this particular field.

Let us take the establishment of oil industries in various countries. We know that even where there is a 50-50 arrangement, that does not apply to companies in their early years of development. But here we have a powerful and wealthy company, and we are very happy indeed that the money will be invested in this area and that the company will operate there. Companies of this type are hard bargainers and take advantage of any weakness that they see. They have no respect for weakness. Where we have goods to sell and a company has the know-how, it expects hard bargaining and respects people who bargain hard. I think the Minister should give hon. members reasons why these rates are so low and let us know whether the rates that were in existence for many years have been increased under this particular agreement. We think that they are in line with the royalties laid down years ago and, without moving an amendment, we ask the Minister to give us some information on this point. The rates seem ridiculously low. I know that a contract must be respected; but if any new contracts are entered into, special consideration should be given to the economic conditions existing at the particular time.

We have an amendment to move to Clause 25 of the Schedule. Do you wish me to pause at this point so that other hon. members can speak up to that stage?

The CHAIRMAN: The hon. member can discuss any part of the Schedule at this stage. When we begin to deal with the amendments, we will deal only with the amendments.

Mr. DAVIES: This is a most unexpected method of dealing with the Schedule, but I have no doubt that when the amendments are moved we will be able to speak particularly to them. I shall not deal with any of those matters now because they will be mentioned by other hon. members. Clause 30 on page 13 will be discussed by other speakers.

The CHAIRMAN: Evidently the hon. member has no more to say.

Mr. DAVIES: It is not that, Mr. Taylor, but I did not anticipate your particular ruling. I respect your suggestion and I shall leave any further remarks until we are discussing amendments.

I should like to speak on the subject of royalty when the amendment to Clause 27 is moved. Whilst there are certain understandings in this document, we have not much confidence in the Minister or the Government on matters that are simply understood as verbal arrangements or promises. We had evidence this morning that there are many points on which the Minister has not made provision to supply the necessary information. He has taken the Opposition a good deal for granted on this Bill. In his usual manner he feels it is perfect and that the Opposition should accept it. But

we have in mind the Blair Athol happenings and how at one stage the Minister made very rash promises that have not been fulfilled. We know that Ministers in this Government change rather dramatically and suddenly, and therefore we regard with suspicion anything that is not written very plainly into the Bill.

I ask the Minister to give us some information also on the rent of special coal-mining lease, which is dealt with in Clause 22 on page 10. The rates mentioned therein appear to be particularly cheap. This company must regard the Government as very easy in making such an agreement. As I say, it is a very hard company used to hard bargaining, and it expects the same from the Government.

We have a quality coal to sell and the company has the know-how; therefore, it is only right that we should demand our share. The prospecting rates, for instance, work out at 1d. per acre, which I consider too cheap. I ask the Minister to comment on that also. I should like to know what new coal-mining areas are actually held, what rent is being paid, and on what date payment for this lease started.

Mr. DONALD (Ipswich East) (11.52 a.m.): I think every hon. member in this Chamber felt that, as in the past, we would have discussed this Schedule clause by clause. We have followed that practice previously and by not doing so this morning we are placed at a disadvantage.

The first matter to which I should like to refer is royalty on coal won, Clause 25, on page 11. Actually, there is to be an amendment to that clause, but it will deal with the royalties paid and may not give me an opportunity to deal with the matter that I wish to raise. The clause provides that for the purpose of ascertaining the royalty payable all coal will be weighed, with the exception that if coal is shipped without being weighed royalty shall be paid on weights ascertained on ship draught surveys.

There is a substantial difference between railway weights and pit weights, that is, the weight of coal as weighed per skip that has been filled by the contract miner at the pithead and the weights as shown by railway weighbridges. There can be a tremendous difference between the two, and I do not wish to see the Government and the people of Queensland robbed of anything to which they are justly entitled.

The royalty should be paid on every ton of coal produced by this company, whether it is used for its own purposes or not. If it is going to use a considerable amount of coal in its own operations, it should not get that coal royalty free. Nor should we take a guess at the weight of coal that is going overseas.

The clause provides further on that the amount of coal sold by the company and the amount of coal used by the company shall be recorded, and that the Minister may ask for such other particulars as he may require. What I am asking in relation to those three provisions could be done by check. We will know the amount of coal sold by the company but we will not know whether it is the correct weight. We should not be guessing in this very important matter. Surely they could weigh the coal before it goes on to the ship. That is what I want done. We will then be paid for every ton of coal produced. I emphasise that the company should pay royalty on every ton of coal it uses. If there is any means by which it might evade paying just and moral dues, the Minister should ask for any other particulars that may be required to ensure that this State and its people will be paid royalty on all the coal that is taken from this very valuable seam. It should be remembered that every ton of coal that we send out of Queensland is one ton of coal less in Queensland to give our own industries a chance.

Clause 30, on page 13, provides—

"Coal Mining Acts to apply to Special Coal Mining Leases

30. The provisions of the Coal Mining Acts except as far as they are varied or modified by this Agreement shall apply to any Special Coal Mining Lease granted hereunder:"

Again I see something that is feared by the people who are working in the open-cut. Under the Coal Mining Act rules have been drawn up for the operation of open-cut mines. My information is that at the present open-cut being operated by this company at Moura-Kianga the Act is not as rigidly enforced as it is at Blair Athol. From time to time the Act has been amended to ensure that workers in open-cut mines are given a reasonable degree of safety. If it has been found necessary to amend the Act over the years so that safety will be afforded to workers at Blair Athol, there is no reason, whether a provision is contained in the agreement or not, why the Coal Mining Act should be varied or modified so that the conditions of work at Moura-Kianga are made more dangerous than at Blair Athol. The nature of the earth on that field makes it more necessary than ever that we should tighten up at Moura-Kianga. The overburden is ever so much thicker than at Blair Athol. It consists of hard sandstone and tremendous quantities of explosives will have to be used to get rid of it. In my second-reading speech I mentioned that I had been speaking to two men with long histories in the coal-mining industry. Those mine-workers said without any hesitation that they would rather work in an open-cut than underground, but they would rather work underground than in the open-cut that is being worked at the present time at Moura because it is so dangerous. Coal-mine proprietors have told me that they are not allowed to mine open-cut at Blair Athol under the same conditions as they are allowed to mine open-cut at Moura.

I do not think the Minister would agree to any privilege being granted to this company that would make it more dangerous for the workers to win coal from the field.

The clause goes on to say—

"Provided that should the Company have carried out the terms of this Agreement the sections of the Coal Mining Acts relating to labour and expenditure shall not apply to any Special Coal Mining Lease granted hereunder:"

That proviso, too, appears to have been included to save these people from operating under the Coal Mining Act. If that is its purpose we should object to it. Not only should we object to it, but Parliament should reject it. We cannot be parties to any legislation that makes the work of winning coal, or anything else, more dangerous. Anyone could be forgiven for interpreting that clause to mean that a special effort is being made to exempt this company from compliance with the Coal Mining Act. If not, why would we have in the agreement the words that I have just quoted? That proviso gives the company the right to work this field as they like, not as the mining authorities of the State would like.

Mr. Graham: They might bring in Japanese labour.

Mr. DONALD: That may be a possibility.

The clause continues—

"Provided further that notwithstanding the provisions of section twenty-one (1) of the Coal Mining Acts the Company shall be deemed to be in possession of whatever area of the surface of the land it may require from time to time for purposes connected with mining operations or any Special Coal Mining Lease granted hereunder as the Company shall describe and notify to the Minister."

Mr. Houghton: Wouldn't the company have to abide by the Mining Regulations?

Mr. DONALD: Not under these provisions of the clause—

"Provided that should the Company have carried out the terms of this Agreement the sections of the Coal Mining Acts relating to labour and expenditure shall not apply to any Special Coal Mining Lease granted hereunder:"

or—

"The provisions of the Coal Mining Acts except as far as they are varied or modified by this Agreement shall apply to any Special Coal Mining Lease granted hereunder:"

That is the trouble. The Act shall apply, but under this provision any agreement can get around it. That is what I am afraid of, what the Opposition is afraid of, and what the people working in the mining industry are afraid of. I believe that very serious consideration should be given to that provision.

I turn now to page 14 of the Schedule. I do not want the conditions on this field to resemble in the slightest those on the rivers and creeks in North Queensland when tin-dredging operations were under way. The dredges were described in this Chamber some years ago by Mr. Turner, who was then the member for Kelvin Grove, as great beasts wallowing in their own mud. Good pastures and good creek-banks were ruined by the tin-dredging. Great boulders were put up onto the banks, and, as I say, good pastures were ruined. I have a little knowledge of the method of disposal of overburden from some open-cuts. I have been to Blair Athol on more than one occasion and once to Scottville. If we are not firm with these people on the disposal of overburden they will destroy the land and cause much inconvenience.

On page 14 of the Schedule, Clause 31 (a) reads—

"Grading shall be carried out to reduce peaks and ridges to rolling topography where adjacent to or within 300 feet from any dedicated or declared roads in general public use. On such areas the Company shall work any ridges by striking off the same to a width of at least 10 feet at the top and any peaks shall be graded at the top to a minimum of 15 feet;"

From that we have a picture of what the company intends to do. It should be compelled, as nearly as possible, to leave the land in its original condition. Twenty feet of sandstone has to be removed before the coal can be worked. How will it dispose of all that overburden without leaving an ugly scar and causing inconvenience to the graziers and others?

The hon. member for Maryborough said that an amendment will be moved to Clause 27 and also to Clause 15, which deals with royalties. I will reserve comment on those clauses until the amendments are moved. I think we should safeguard the interests of the people of Queensland by seeing that royalties are paid on every ton of coal produced.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (12.3 p.m.): No prospecting fees are payable to the area proclaimed. However, Thiess Peabody Coal Pty. Ltd. have taken up coal mining leases and pay rental on them. Six leases are held, totalling an area of 6,399 acres. They were taken up in 1958 and 1959. The rental is 1s. an acre a year and a total amount of approximately £643 has been paid.

With reference to the Gladstone Harbour Board, I am informed that it has the same protection as everyone else. If the company wishes to go through an area held by the harbour board an approach must be made to it. The company is liable to pay compensation to the board just as it is to anyone else.

On the matter of royalties on coal that the company uses for its own purposes, if we have any suspicions that its returns are dishonest, we will have to check them. However, to pay someone merely to check what it uses would be uneconomic. The ships are checked for tonnage, and those figures will be available to us from the harbour board, which gets its dues and receives payment for the use of its bulk-handling equipment. We will know almost exactly what tonnage is going out.

The hon. member for Ipswich East said that the Act is not as rigidly enforced at Kianga-Moura as it is at Blair Athol. I want to tell the Committee that the same officer is enforcing the safety regulations at Blair Athol and at Kianga-Moura. I have instructed that safety must come first. On several occasions he has ordered them to stop work and make the overburden safe. His name is McPherson, and, if Blair Athol is being successfully policed for safety, so is Kianga-Moura.

I know, as the hon. member for Port Curtis knows, that, with the coal the company is selling at the present time, the harbour board is not getting reasonable remuneration for the work it is doing. It has cut the price to try to hold the market. We know the enormous amount New South Wales is getting. We know the attitude there. I want to say definitely that it is not the Minister for Mines in New South Wales I am talking about; it is a private individual in New South Wales who is doing most of the damage. It was not done with the approval of the Joint Coal Board. There was a whispering campaign in Japan attacking Queensland. Statements were made by many people, but not by Mr. S. F. Cochran or the Hon. J. B. Simpson.

Mr. Davies: One of the coal-mining companies in New South Wales.

Mr. EVANS: Yes. They were very definitely made. I have been told by many people. I have a right to make that statement because we have to protect our State. The company is not making anything out of this coal at the present time. It has to spend a lot of money building the railway line.

As for the matters mentioned by the hon. member for Ipswich East, if people spend a lot of money and if they provide the facilities to market our product on the world markets, as we want to do, and more than compete with others, all that I would say is they are entitled to a reasonable reward for what they are doing. A company has to be pretty bold to stand up to a requirement of £2,000,000 paid-up capital, a nominal capital of £8,000,000 and a further £2,000,000, plus £100,000, and commit itself to carry out the building of the railway and the survey. It is not much good talking about the strength of the company. It could not do it unless it had financial strength. Whether it is financially strong or otherwise, we have to be fair and reasonable. These people are coming here to invest money. I think that covers all the matters raised so far.

Mr. HANLON (Baroona) (12.8 p.m.): The word "shall" occurs frequently in the Schedule. That is a very important word and its definition, or the interpretation of its effect, is important, whether it be in a Standing Order or in an agreement. Last night Mr. Speaker ruled that the word "shall" is not a positive word to be interpreted as making anything mandatory. Therefore it becomes important that the Minister make it clear whether he considers that Mr. Speaker's interpretation of the word applies to this agreement. If we are to take it that the word "shall" in the agreement is not positive and mandatory, we might as well not bother going on because it appears so often. If it does not mean anything, if it does not impose an obligation on either the Government or the company, according to the terms of the Schedule, the whole argument is worthless.

Mr. Evans: We think it does on both sides.

Mr. HANLON: That is all right.

Mr. Thackeray: You only think it does.

Mr. HANLON: We have that assurance from the Minister?

Mr. Evans: That is my legal advice.

Mr. HANLON: We have it from the Minister that he does not agree with the ruling given last night by Mr. Speaker.

Mr. Hughes: He didn't say that.

Mr. Evans: I didn't say that.

Mr. HANLON: This is an important point, and I feel that I am quite within my rights in bringing it forward. It is no good asserting what we do or do not mean to suit ourselves. We say that either "shall" means "must" in this agreement, or it does not. The Minister says that his legal interpretation is that "shall" gives positive effect to the obligation imposed on the Government, on the one hand, or the company, on the other. I am quite happy to accept that if the Minister says that that is the legal opinion given to him, but it is obviously in conflict with the ruling that was given last night.

Mr. Coburn: No matter what we say, the courts will interpret it.

Mr. HANLON: I am not prepared to accept the interjection by the hon. member for Burdekin. I am not interested in interpretations by the courts. Courts will interpret whatever we do, but our job is to ensure that courts do not have to make such interpretations. What we should do in examining the Schedule in this close light

is endeavour to prevent litigation arising. We have already had trouble with the State Transport Act and other Acts, and Ministers have had to return to this Chamber and, at considerable expense, introduce special additional legislation because the courts did not interpret those Acts in the way in which they were regarded by the Government of the day. Do not tell me what courts are going to do. What they do is their job and what we do is ours. Let each do his own work. If we do our job properly, there will be no need for courts to give interpretations.

Mr. Evans: In this Bill "shall" is, in our opinion, and in the opinion of Crown law officers, most definite.

Mr. HANLON: Clause 10 of the Schedule reads—

> "The term of this Second Part of this Agreement shall be twelve years from the date of this Agreement."

If "shall" does not mean that it "must" be, what does it mean? I do not want to pursue this matter in detail, but I want to be quite sure that the Minister is as clear as he, and the Crown law officers, can be on what the word "shall" implies with royalties involved.

Coming now to general points in the Schedule, I do not want to take up time on things that have been dealt with, or are in amendments of which the Leader of the Opposition has given notice. We did, however, raise in the second-reading stage, I thing, the question, in Clause 13 on page 7, of the reports being confidential. The Minister defended that provision, but he did not say why those reports should go to him instead of to the Coal Board.

Mr. Evans: The Coal Board does not come into it until it is required to sell the coal. It is not within the jurisdiction of the Coal Board.

Mr. HANLON: That can always be changed. The Minister suggests that the Coal Board has not that responsibility, but why should it not be able to get these confidential reports? I am not saying that the Minister would prevent the Coal Board seeing them if it so desired, but, as the Leader of the Opposition suggested in the general discussion on the second reading, it would be better to furnish those confidential reports to that body than to the Minister. I want to have noted my objection on that matter. It is only one section of the Schedule and we cannot oppose it. We are not going through the Schedule clause by clause, which I think is the logical thing to do. There may be some sections to which hon. members are opposed but, in accordance with the procedure that we have adopted, we have to move amendments. If we wish to delete Clause 13, we have to do it in the form of an amendment to delete it. I think that that is going to extremes but, as that is the procedure that we are following, I want to make it clear that I am opposed to Clause 13 in this form as I consider it much better for the reports to go to the Coal Board.

Clause 14 deals with expenditure on prospecting for coal, and it sets out—

> "During the term of this Part of this Agreement the Company shall expend the following sums of money in prospecting for coal on the Coalfield as distinct from the production treatment or transportation of coal:—
>
> During the period of the first three years of the term—Not less than £150,000;
>
> During the period of the second three years of the term—Not less than £100,000;"

and so on. I feel that they are very reasonable amounts and are quite adequate for the continued development of the field by the company. However, I should like to have an assurance from the Minister on that. Recently, in answer to a "Dorothy Dix" question by the hon. member for Mulgrave, Mr. Armstrong, the Minister said that the expenditure by Comalco at Weipa had been about £3,850,000 up till 1962, whereas under the terms of the agreement the company was required to spend £725,000. He was making the point that the company had expended much more than it was required to expend under the agreement. But that could be taken in two ways. I do not want to debate the matter, but it could be said that the company has spent £3,850,000 without doing anything that commits it to the export of bauxite under that agreement. I know that this is purely an export Bill, but that shows that there was a considerable under-estimation —we accept our share of responsibility for passing the agreement in those terms, just as the Government must accept its share— in the terms that the Government imposed on the company under that agreement. It has spent four times as much as we asked it to spend but has not done anything significant towards achieving the purpose of the agreement.

Mr. Evans: The agreement with Electric Supply Corporation (Overseas) Limited was a shocking agreement.

Mr. HANLON: It was more similar to this agreement than to the agreement with Comalco. It dealt with the right to develop an area. This company is there and falling over itself to get the coal out. As the Leader of the Opposition pointed out, New South Wales is already selling a huge quantity of coal to Japanese interests, who are most anxious to get it. If we could only get somebody to hawk the right to develop Blair Athol, and do it successfully, I should be very happy to see that done. The people of Blair Athol would certainly be happy, too. It is between 10 and 15 years since that agreement was approved, and the town of

Blair Athol is worse off now than it was at that time. The agreement merely gave the company the right to try to have the area developed. It was a good thing from the point of view of the State, but nobody wanted to take advantage of the opportunity. If we could only get somebody to develop the field at Blair Athol the people there would certainly be much happier than they are at present. As the hon. member for Barcoo told us yesterday, the residents of Blair Athol are very concerned about the future of the town and they are hoping that Comalco will display an active interest in the field. I should like an assurance from the Minister that in Clause 14 he has not asked for less than a reasonable amount.

An amendment will be moved relating to royalties, so I shall not touch on that point at present. The Leader of the Opposition is to move an amendment on page 12, Clause 27, to put the heat on the Minister in regard to his sincerity in saying that the whole idea of Clause 27 is to provide for the possibility of a steelworks and to encourage people to establish steelworks by providing Government assistance in obtaining supplies of coking coal. The Leader of the Opposition will move an amendment to Clause 27, but I wish to direct attention specifically to the weakness of the clause as it is and ask the Minister why there is a failure to include in the first proviso in Clause 27 the words that are included in the second proviso. To put the point briefly, the clause states—

> "Coal produced from any Special Coal Mining Lease granted pursuant to this Agreement shall be the property of the Company and may be used by the Company for its own requirements; but subject as hereinafter provided shall be sold only for use outside the State of Queensland:"

Then we have the first proviso, which reads—

> "Provided that if the Minister at any time by notice in writing requests or authorises the Company to negotiate for the supply and sale of coal to any person within Queensland who is unable to obtain adequate supplies of coal suitable for his purposes on terms satisfactory to him the Company shall negotiate for the making of such an Agreement and if such Agreement be made and the same be approved by the Minister the Company shall then be at liberty to supply coal to such person for use within the State of Queensland:
>
> Provided further . . ."

and this is where we have the difference—

> "that if such Agreement be not arrived at . . ."

That is the only way in which the second proviso will come into operation, that is, if the person whom the Minister has authorised, or on whose behalf he has written to the company asking it to negotiate with that person on supplies of coal, cannot arrive at agreement with the company. The second proviso comes into operation only if the person who wants the coal and the person who can supply it cannot agree. If they agree the Minister has no further control; he does not come into it.

The proviso continues—

> "Provided further that if such Agreement be not arrived at within a time considered reasonable by the Minister the Governor in Council may by Order in Council declare that such person being a new consumer or prospective consumer of coking coal requires supplies of such coal that he is unable to obtain adequate supplies of similar coal on reasonable terms elsewhere and that it is reasonable that the Company should be required to supply coal to that person;"

and so on. The question I want to put to the Minister deals with the weakness in the clause that the Leader of the Opposition will try to tighten up by submitting an amendment. But why didn't the Minister make it clear in the first proviso that he would, by notice in writing, authorise the company to negotiate for the supply and sale of coal only to such person who was a new consumer or prospective consumer? Why include that in the second proviso, under which the Minister has no right to act unless the company and the person seeking to buy the coal fail to agree? Why not put that in the first proviso? That is a regrettable weakness and I do not see how the Minister can justify it. I should like him to justify it if he can, and give reasons for making the change in the second proviso.

Mr. Evans: I will give the hon. member those reasons when the amendment is moved. They are very definite.

Mr. HANLON: I shall be glad to hear them.

The hon. member for Ipswich East has already referred to Clause 30, which was the other matter to which I proposed to refer, so I have no further comment at this stage.

Mr. DONALD (Ipswich East) (12.24 p.m.): The Minister's answer to the query of the hon. member for Maryborough as to the area of the prospecting rights that have been granted, the dates on which they were granted, and the amounts due and received does not quite satisfy me. I do not say that he was deliberately evasive in his answer, but he has left members thinking that he might have been.

I should like information on the area of the prospecting rights that have been granted, the dates on which they were granted, the amount that is due by those occupying those rights, and the amount they have paid. There may be a big difference between the amount due and the amount paid. What are the areas that have been granted for special coal-mining leases? Are the special coal-mining leases independent of, and separate altogether from, the prospecting licences that have been granted, or are they part and parcel of the 350 square miles? Those are

the things I should like to know. The Minister explained that this company was prepared to spend some millions of pounds on developing this field and that it had to be protected. I am not taking any great exception to that—I think there is some justification for it—but, in the same way, there is justification for members of the public wanting to know their position and ascertaining the area of the prospecting rights, the date they were granted, the amount due, and the amount paid to date, together with the areas of the new mining leases. How much has been paid for these new mining leases to date? The Minister mentioned that the company has paid 1s. an acre. That may or may not be so. I may have misunderstood him, because the agreement provides for payment of 3¾d. an acre, which is considerably below 1s. an acre. We should like that matter cleared up so that we will know where we are going. We will be pleased about it if it is 1s., but if it is only 3¾d.——

Mr. Evans: You are getting mixed up with the frozen area.

Mr. DONALD: If I am I think there is some justification for it, because it has not been sufficiently explained. The Minister is in a position to give us that information; I do not see why he should not. I am not insinuating that he is trying to hide something, but this is very important legislation and we have to be very careful with it.

I think I should reply to some of the criticism that has been levelled at the Government that was led by the late Ned Hanlon and the agreement that was made at that time for the exploitation of the Blair Athol field. It makes me angry to hear Blair Athol put up again and again as a great potential field. One would think it had been discovered only a few years ago.

The CHAIRMAN: Order! I hope that the hon. member is referring to Blair Athol only as a comparison.

Mr. DONALD: I am. I am referring to the criticism that the Blair Athol agreement was not a good one. It was so good for the people of the State that the company that wanted to exploit the field could not do it because it could not make enough profit under the agreement. Because of the excellence of the work that went into the agreement in order to safeguard the interests of the people of Queensland, the rich coal of Blair Athol is still there waiting to be exploited.

Mr. Evans: They cannot find a market. You know it is steaming coal.

Mr. DONALD: Yes, I know it is good steaming coal. I know that it is the cheapest coal produced in Queensland. I know, too, that the distance from the point of consumption is the main reason why the field is not being exploited. But it is not fair to say that the Blair Athol agreement was not a good agreement. It was so good that the people who wanted to exploit those natural resources could not make enough profit out of it because of the terms in which the agreement was drawn up. I do not say, of course, that that is something to go by. I do not say that Thiess Peabody Coal Pty. Ltd. should not be given a chance to get out of their financial obligations by making the agreement too tough. I am prepared to agree with the Minister that they have spent a considerable sum of money. They will have to spend a lot more. The railway line alone will cost millions of pounds. We all know what a tremendous sum 120 miles of line will cost today. But the line is essential and the agreement gives the company permission to build it. I should like to know whether permission is also given in the agreement to the company to move its coal over private property or Crown land without paying any way-leave. That would amount to a very big concession. Any other coal company in Queensland has to pay way-leave if its coal passes over property that belongs to somebody else. The cost could run to 3d. and 4d. a ton. If this company is going to move 2,000,000 tons of coal over 120 miles of railway on private property without paying anything for way-leave, what a valuable concession it is being granted! It is being given permission to exploit probably one of the richest coalfields in Australia—certainly in Queensland. It is intended that the coal be exported. We do not mind their exporting the coal, and we do not mind their using Queensland's coal, as long as that does not interfere with other people presently in the coal-mining industry in Queensland.

I do not think anyone can deny that these people are now producing almost as much coal as 3,000 mine-workers would produce in Queensland, and they will produce a minimum of 2,000,000 tons a year. The total annual coal production in Queensland at present is only a little over 2,750,000 tons. If any clause in the agreement allows the company to sell its coal willy-nilly on the Queensland market, it does not need a very vivid imagination to predict the result for the Queensland coal-mining industry. I am appealing not only on behalf of the men in the industry but also on behalf of the existing companies, a number of which have spent tens of thousands of pounds in modifying their plant to produce coal that is satisfactory to the consumer. They have mechanised their mines to bring them up-to-date to meet modern requirements, and they must be protected.

I believe that we are morally obliged to protect the interests of Queensland companies, particularly when they are in competition with an overseas company. There should be very definite terms stipulating that this coal cannot be sold in Queensland. A consumer of coal in Queensland has only to say, "I am not getting the supplies of coal I want; the coal I am getting is not up to standard; I have to pay too much for it; I can get better coal

with an ash content of 5 per cent., as against 10 or 20 per cent., or I can get it much cheaper with a higher calorific value", and he can get this coal from Thiess Peabody under the terms of this agreement. They are all good reasons, but what will happen to the people who are producing the other coal? Are we to allow those other mines to be closed? Are we to allow the towns to be denuded of their population and purchasing power? Are we to have stagnation rife in all those places? It is bad enough as it is. At Blair Athol, only one-third of the number of men are now employed compared with previously. At Tannymorel, Injune, and Acland they were lucky to get a small reprieve recently. I do not know how the small colliery companies would get on but for the Coal Board. The small collieries in Queensland have made a tremendous contribution to the tate by working small pockets of coal, which would not attract the interest of the larger companies, and they must be protected.

(Time expired.)

Mr. BURROWS (Port Curtis) (12.33 p.m.): I do not want the Chamber to be misled by making comparisons between Blair Athol coal and the coal at Kianga-Moura, because there is no comparison between them. The Minister's advisers will surely tell him that. it is obvious that Peabody is in Australia because in America restrictions have been placed on the export of this type of coal. There is a world shortage of it. We have the spectacle in Gladstone of a boat loading this coal for shipment to Holland. We all know how much closer the Saar coalfields in Germany are to Holland than the coalfields at Kianga. We immediately ask the question, "Why don't they get it from the Saar?" The answer is simple. The best quality coal is required, and the reserves in those other countries are being nursed for use in local industries.

Mr. Donald: The Japanese are not using their hard coking coal.

Mr. BURROWS: They would be foolish to use it when they can get it from Queensland.

There is as much difference between the coal from Blair Athol and this coal as there is between chalk and cheese. Throughout the world there is an abundance of coal similar to that at Blair Athol. The Coal Board will confirm that Manchuria has even greater deposits of coal than Blair Athol and Callide. When the Minister tries to excuse the Government for being a little generous in this agreement by instancing what was done in the Blair Athol agreement, he is wrong. I would say he has been badly informed, or not informed at all, on the matter. There is no comparison or analogy between them. Moreover, apart from the respective values of the coal, we have to take into consideration that the 6d. a ton fixed for Blair Athol, in 1948 I think it was, would, with the inflationary trend, be equivalent to about 9d. or 10d. a ton today. Any attempt the Minister might make to excuse his generosity in this case by drawing a comparison with Blair Athol is erroneous and could easily be misleading.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (12.37 p.m.): The only comparison I made was to point out that the Blair Athol agreement failed to go on; it did not even start. Provision was not made for the financial strength, the financial stability. There is a great deal of difference between Blair Athol coal and Kianga-Moura coal. We find that, even with coking coal, it is cut to the bone. I have information that Germany is selling coal cheaper to the French at the port delivered than we can put it F.O.B. on the ship. That is a fact.

Mr. Hanlon: Are they dumping it?

Mr. EVANS: They are selling it cheaper than we can. Their wages must be lower and the conditions easier.

Mr. Burrows: Yet you have Holland coming out and buying this coal.

Mr. EVANS: I cannot sell Bowen coking coal anywhere in the world.

Mr. Burrows: Do you know why?

Mr. EVANS: Yes. If the hon. member for Port Curtis had been in the Chamber he would have heard me interject and say there was quite a difference between Blair Athol coal and Kianga-Moura coal. One is a steaming coal and is not suitable for shipment. Because of spontaneous combustion it would be highly dangerous to ship Blair Athol coal. All the shipping people will tell you that. We know what happened in New Zealand.

Mr. Burrows: Why do ships that burn steaming coal rush Blair Athol coal for bunkering purposes?

Mr. EVANS: When you get a ship full of coal, it is a bit different. We know what happened in New Zealand and with other shipments of our steaming coal. Hon. members know that we have too much steaming coal.

Mr. Burrows interjected.

Mr. EVANS: The hon. member has already had his say and I am now trying to answer him. I am telling the Committee that, even with the conditions, light and all as they were, through lack of financial strength the company could not float, or get the finance to develop, Blair Athol. The conditions in this case are quite different—£2,000,000 paid-up capital, plus another £2,000,000 in a certain period, not very long, and a nominal capital of £8,000,000, plus £100,000 to be forfeited.

Mr. Burrows: The main point is that this coal is much more attractive to sell.

Mr. EVANS: I know it is. Still, they have to build a railway line of 110 to 120 miles. Does not the hon. member want it to go to Gladstone?

Mr. Hanlon: How much will that cost?

Mr. EVANS: £8,000,000.

Mr. Hanlon: The expenditure in the first six years runs into only £750,000.

Mr. EVANS: They have to do it inside the stipulated period or forfeit the £100,000. I have dealt with all that. In addition to forfeiting the £100,000, they would go back under the Coal Mining Act, which would break them.

Mr. Burrows interjected.

Mr. EVANS: I have listened to the hon. member and I am trying to answer his question.

Mr. Thackeray: Can't you handle it?

Mr. EVANS: It is not a matter of handling it, but of having a bit of sense and listening to what I am saying. I do not want to draw analogies. My officers and I have drafted this Bill so that the industry will "gee." I want to see it go ahead. I do not want it to be so affected that it cannot do that. I want to sell coal. I want to see coal taken to the waterfront so that we can get industries, as industries need coal. There is no other suitable coking coal in Queensland. Coking coal for the refinery at Mt. Isa is being sent from West Moreton.

Mr. Davies: There is good coking coal at the Howard and Burrum fields.

Mr. EVANS: They get a little from there, but most of it is sent from West Moreton.

The hon. member for Ipswich East has mentioned prospecting leases. I shall read my note again. In regard to areas exempted by proclamation, no prospecting fees are paid. That is the proclamation that I told the hon. member about. We exempted that area because we did not want trouble with others coming in and preventing the whole concern from going ahead. I did not exempt it to help anybody; I exempted it for Queensland's sake. We do not know what is there. Provision has been made in the Bill for the expenditure of an amount of money—the hon. member quoted all the figures—in prospecting the area. However, coal mining leases have been taken up and all rentals due have been paid. Six leases are held of an area totalling 3,699 acres. They were taken up in 1958 and 1959, and the rental was 1s. an acre per annum. All dues, and everything to be paid under the Act, have been paid.

There is a different heading under this Act. The reason they want a franchise is that if they were operating under the provisions of the Coal Mining Act, they could not exist. The manpower that they would have to employ would break them. The hon. member knows that. Under this Bill, for the first five years they pay £10 a square mile, for the second five years £20, and for the third five years £32.

Mr. Davies: That is 1s. an acre for the third period.

Mr. EVANS: That is for the third period. They will have to pay on a large area in which there is no coal at all.

Mr. Davies: I am sorry to interrupt, but you said it was 1s. an acre under a different Act.

Mr. EVANS: This comes under the franchise, under which they pay £10 a square mile for the first five years, £20 for the second, and £32 for the third. They will have to pay a lot of money for an area in which there is no coal at all. That is why we make them prospect. I assume that they will relinquish a greater area than we ask them to unless there is coal on it, because neither you nor I would want to hold, and pay rental on, an area if it had no coal.

Mention was then made of certain records being confidential. It is confidential only until the area is relinquished. All these records come to the department, and, if the hon. member for Maryborough wanted to take up an area, he could come in, after the relinquishing of the area, and see the borings that had been made. He could decide, from seeing them, if there was anything worth while there. That information is confidential while the area is held, which is, I feel, as it should be. The only people with access to oil borings from oil-prospecting operations are those in the Bureau of Mineral Resources and the Department of Mines. The core-study staff is out at Redbank. We are adopting the correct procedure. We cannot allow other people in while the company is paying for a prospecting lease, but immediately the company relinquishes its lease the information is tabulated in records that are available to everybody.

The Coal Board does not come into this. Its only job is to fix prices if we decide to sell coal to industries that cannot secure this particular type of coal elsewhere.

Mr. Davies: There is a portion of the 350 square miles that is frozen and for which the Government will not receive 1d. because other people are shut out.

Mr. EVANS: We will receive a return under the Bill. We have provided that the company shall spend a certain amount of money in prospecting. The Electric Supply Corporation (Overseas) Limited could not get enough money. It was hard to sell steaming coal. The company could not find a market for it and it was unable to proceed. There is no difference of opinion between Government members and Opposition members in this instance. We all want this company to succeed.

Mr. Davies: The charges will operate from the day this becomes law?

Mr. EVANS: Yes. I think that covers all the points raised by hon. members.

Mr. BURROWS (Port Curtis) (12.46 p.m.): The Minister asked me specifically whether I wanted this railway to be built to Gladstone.

Mr. Evans: I know you do.

Mr. BURROWS: I am not too sure whether the Minister does. I know what is in my mind, and I know what everybody else wants.

Mr. Evans: If I was as stupid as you, I wouldn't want it.

Mr. BURROWS: I do not want to descend to the Minister's level. I could, but I hope that I never will.

Mr. Evans: You ought to look in the mirror.

The CHAIRMAN: Order!

Mr. BURROWS: I am trying to keep the debate on the proper plane.

The CHAIRMAN: Order! I hope that the hon. member will succeed.

Mr. BURROWS: With your assistance, Mr. Taylor, I am sure I will.

The Minister said that he wants the railway line built to Gladstone. The only mention of Gladstone is in the Interpretation clause of the Schedule. Clause 32 of the Schedule says—

> "The Company will as soon as may be practicable survey the route of the proposed railway from the Coalfield or from the neighbourhood of the Coalfield to the Port."

The definition in the Interpretation clause is—

> " 'Port' means the Port of Gladstone or any other port or harbour from which coal may be shipped by the Company."

Ambiguity is a feature of the Bill. The door is always open for the company to get out, as the hon. member for Ipswich East said. The Minister knows as well as I do that an employee of Thiess Bros. is doing his damnedest now to take the coal to some other port. He is "Mr. Fixit" for the company. I do not want to get down to the Minister's level and bring in a lot of stuff from the sewer.

Mr. Evans: You are down below it now.

Mr. BURROWS: Because I dare to be cautious and wish to examine the Bill to see whether there are any mistakes in it or whether we can suggest some improvements, the Minister says that I am opposed to it and that I do not want the railway to go to Gladstone. I challenge the Minister to amend the definition to provide that the port shall be the port of Gladstone. If he is sincere in what he says, I challenge him to move that amendment.

Mr. Evans: The way you are attacking it, you don't want it to go anywhere.

Mr. BURROWS: I challenge the Minister to specifically name the port of Gladstone. If he did, he would be doing the right thing by the Gladstone Harbour Board. As I said, the door is open. As far as this Government is concerned, Gladstone will never get the coal if it can be taken anywhere else.

Hon. E. EVANS (Mirani—Minister for Development, Mines, Main Roads and Electricity) (12.50 p.m.): The Port of Gladstone has 60 feet of water. The Japanese and other overseas coal-buyers demand big ships, which need deep water. At the present pier the water is not sufficiently deep, and we know that.

I know nothing about a "Mr. Fixit" but I do know that Thiess Peabody are the constructing company and I know they have no "Mr. Fixit" working for them.

Mr. Thackeray: George Pearce.

Mr. EVANS: He is working for Thiess, not for Peabody. I know they are doing a survey. I also know that Peabody are a reputable and competent company who will send their coal to some suitable place. In my opinion there is one very suitable place, and that is Gladstone.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (12.51 p.m.): I move the following amendment—

> "On page 11, line 17, omit the word—
> 'one'
>
> and insert in lieu thereof the word—
> 'two'."

There is a similar consequential amendment on line 18. The purpose of this amendment is to increase the royalty charges and provide for the payment of 6d. a ton for the second million tons instead of 3d. a ton as proposed in the Bill. I do not want to canvass many of the points made by other members on this side of the Chamber who represent mining constituencies. I have made it quite clear that we approve of the Bill in general terms. We think it is a desirable move. We can talk today of what is happening in other parts of the world and of the qualities and quantities of coal, but the fact remains that if we do not take some action to do this, New South Wales will. We have to face up to it and decide whether we have the resources and reserves here to embark upon an export programme, and I think we agree that we should embark upon such a programme.

The next point to consider is to what extent the agreement should be tied up and whether it provides the necessary incentives for the company and, at the same time, adequate safeguards to the State and its people, and further that it ensures that we extract from the company a reasonable contribution for the benefits contained in it.

A reconciliation of those three factors would have motivated the Minister in giving consideration to the Bill and conditions in it, and those responsible for drawing it up would have approached it on those general lines knowing that whatever proposals were contained in the Bill would be subject to the scrutiny and criticism of the Opposition of the day.

The Minister indicated that when the new Electric Supply Corporation (Overseas) Limited agreement was made, applying to the development of the resources of Blair Athol, all coal mined and sold in excess of 1,000,000 tons would be subject to a royalty of 1d. In this case he has increased that by 300 per cent. on the second million tons, but on the first million tons the royalty payments are the same as those paid by the Electric Supply Corporation (Overseas) Limited.

Disregarding for a moment the different types of coal—one being a steaming coal and the other a hard coking coal—we want to take some cognisance of the value of money since the original agreement was made. In June 1947 the basic wage was £5 8s.; in June 1962 it was £14 4s., an increase of £8 16s. a week. Converting that increase to a percentage basis it comes to 163 per cent., and 163 per cent. of 6d. comes to 9.78d. or, to the nearest penny, 10d. a ton. That is on the fluctuation in the value of money. I think there was some incentive clause to increase the quantity of coal under the Blair Athol agreement, and that after a certain given volume of coal was obtained concessions were granted. We are not opposed to the principle of some concession being given after a certain volume of coal has been mined. The fairest way out of the matter, we think, would be to allow the second part to remain as it is. It would keep the position as it is and result in more revenue to the Crown. The Crown does have general rights over all of these areas and is entitled to compensation. It is all very nice to promote the export trade; it is all very nice to attract overseas capital and have facilities provided as long as we are not put in pawn to overseas companies. But I do feel that in this case the Crown is entitled to get a reasonable return for the asset that is being made available to these people who, as some hon. members have said, bring technical know-how of high order to the development of the field and, in addition, a good deal of capital. However, the State surrenders for all time a very valuable asset. The assessment of its value, of course, is the matter before us at the moment. On the Minister's own undertaking and declaration on its value, he assesses it at 6d. a ton. Our only quarrel is that we think it should apply to the second million tons, which, on the 2,000,000 tons, would give the State about £50,000. That is not a very large sum of money for a valuable consideration of this kind where so much is being expended. I do not think it would be a factor that would militate against winning coal-export markets. We should ensure that a reasonable amount is returned to the Crown by the company for securing the right to develop an asset that has taken many hundreds of thousands of years to build up. It is a wasting asset. It cannot be replaced or reproduced except by the processes of time. That period of time is a consideration that will not be worrying us or those who will follow us for many hundreds of years.

While we approve in principle of the general purpose of developing the field for the export of coal, we do feel that what we are asking by this amendment is no more than a reasonable provision that the company should accept. I could canvass some of the other points that have been made by the hon. members for Baroona, Ipswich East, and Maryborough, but I have confined myself entirely to the matter of revenue. I think there is justification for an increase in the royalties. Figures have been quoted to illustrate the increases in the cost of coal during the intervening period. The Minister's figures show that these costs have been reflected in various ways. If such is the case I see no reason why they should not be reflected in some added return to the Crown. In view of the time, I will leave the case at that point.

Progress reported.

The House adjourned at 12.59 p.m.