

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 19 OCTOBER 1967

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

QUESTIONS

GRANTING OF HONORARY PASSES TO APPRENTICES

Mr. Walsh for Mr. Aikens, pursuant to notice, asked The Minister for Education,—

(1) For the year 1966 how many apprentices received honorary passes and for what reasons were they granted?

(2) How many honorary passes will be granted for 1967 and for what reasons?

Answers:—

(1) "The Department of Education does not use the grading 'honorary pass'. One hundred and fifteen apprentices were progressed into the next year of the course without having sat for all subjects for the year. Students in this category did not sit for examinations because of illness, accidents, inability to travel to the examination centre or some other unusual circumstances. In some instances apprentices had been transferred to another area to work just prior to or during the examination period and there was insufficient time for the Department of Education to have examination papers available at an alternative examination centre. These apprentices were assessed on their performance during the year at either a technical college or the Technical Correspondence School."

(2) "This cannot be predicted. Every case will be judged on its merit."

STUDENT TEACHERS

Mr. Bromley, pursuant to notice, asked The Minister for Education,—

(1) What were the numbers of (a) male and (b) female student teachers training to be primary school teachers in each of the years 1957 to 1967?

(2) What were the numbers of (a) males and (b) females training to be secondary teachers in each of those years?

(3) Regarding Question (2), what were the numbers of (a) males and (b) females (i) doing full degrees and (ii) on special scholarships, i.e., one year at the University and one year at the Teachers' College?

Answer:—

(1 to 3): "The information sought by the Honourable Member is as follows:—

The numbers of students preparing for primary school teaching in each of the years 1957 to 1967 were as follows:—

Year	Males	Females	Total
1957 ..	296	612	908
1958 ..	411	707	1,118
1959 ..	318	573	891
1960 ..	385	610	995
1961 ..	233	312	545
1962 ..	494	610	1,104
1963 ..	611	714	1,325
1964 ..	665	853	1,518
1965 ..	609	996	1,605
1966 ..	537	1,152	1,689
1967 ..	500	1,261	1,761

The numbers of students preparing for secondary school teaching in each of the years 1957 to 1967 are shown below. The figures include students training as teachers of homecraft subjects, some of whom would have been employed in teaching primary pupils prior to the reorganisation of education in 1964—

Year	Males	Females	Total
1957 ..	92	178	270
1958 ..	118	227	345
1959 ..	148	299	447
1960 ..	168	286	454
1961 ..	167	294	461
1962 ..	188	350	538
1963 ..	220	509	729
1964 ..	256	594	850
1965 ..	281	568	849
1966 ..	252	570	822
1967 ..	293	705	998

The numbers of students preparing for secondary school teaching and doing a full degree course in each of the years 1957 to 1967 were—

Year	Males	Females	Total
1957 ..	92	14	106
1958 ..	112	13	125
1959 ..	131	15	146
1960 ..	149	7	156
1961 ..	124	9	133
1962 ..	124	7	131
1963 ..	126	33	159
1964 ..	145	53	198
1965 ..	169	72	241
1966 ..	166	80	246
1967 ..	173*	87	260

* Includes 31 fellowship holders enrolled at Institutes of Technology.

The numbers of students preparing for secondary school teaching under the two-year special senior teacher scholarship scheme in each of the years 1957 to 1967 were—

Year	Males	Females	Total
1957
1958 ..	6	35	41
1959 ..	17	70	87
1960 ..	19	76	95
1961 ..	27	78	105
1962 ..	34	120	154
1963 ..	52	184	236
1964 ..	58	216	274
1965 ..	50	188	238
1966 ..	34	197	231
1967 ..	53	282	335 "

HOUSING COMMISSION HOUSES ON INDUSTRIAL PROJECTS

Mr. W. D. Hewitt, pursuant to notice, asked The Treasurer,—

In view of the statement of the Leader of the Opposition, as reported in *The Courier-Mail* of October 17, that there is a tremendous waste of money in this State and that millions of dollars are being spent to assist overseas countries and on housing projects such as Blackwater, Weipa and Moura,—

(1) What is the total cost to the Government for housing on those projects?

(2) What is the amount of royalties that have so far accrued to the Government from them and what is the amount of pre-paid freight so far paid?

(3) Will he supply to the House any other information that will establish that the Government's policy in encouraging these companies has been right and that the Leader of the Opposition is astray in his statement?

Answers:—

(1) "The value of contracts let for housing at Weipa, Blackwater, Moura and Gladstone is \$5.6 million. The investment of private capital at these centres in facilities for recovery of bauxite, export coal and alumina is estimated to be \$176 million. In addition, immediate plant expansion at Gladstone is estimated to attract another \$50 million in private capital. Moreover, it is well known that, at Gladstone, the Company envisages an eventual tripling of the present plant capacity. The extent of the further expenditure of private capital in such an expansion might be gauged by the fact that the investment of private capital in the present plant capacity is \$115 million."

(2) "Royalties paid to date in respect of Weipa and Moura total \$518,756. Operations on an export scale will commence at Blackwater shortly. The security deposits payable to the State under the agreements in respect of Blackwater and Moura total \$19.8 million. In addition, the Railway Department received a revenue of \$4,526,667 in 1966-67 from Moura coal alone. This figure will be more than doubled when the new Moura line opens in April next. In addition, Blackwater revenue in the first twelve months of operation will be at least \$1.5 million."

(3) "I think the foregoing alone clearly demolishes the statement of the Honourable Member. However, I propose to answer his case more fully in my reply on the Budget debate."

DANGER FROM PREMATURE RUSTING OF MOTOR VEHICLES

Mr. Sherrington, pursuant to notice, asked The Minister for Labour and Tourism,—

Has any investigation been carried out in regard to the premature rusting of motor vehicles and its relation to road safety?

Answer:—

"The question of the rust-proofing of motor vehicles was raised at the 1965 annual conference of the Queensland branch of the Australian Country Party, following which representations were made by that organisation to the Commonwealth Government. As a result of those representations, I am advised the matter was referred to the Australian Motor Vehicle Standards Committee for consideration. Enquiries are being made from that committee to ascertain the present position concerning this item."

STATE HIGH-SCHOOL SITE, UPPER MT. GRAVATT

Mr. Newton, pursuant to notice, asked The Minister for Education,—

(1) How many properties were affected by acquisition notices served by his Department for a State high-school site in Upper Mt. Gravatt district having a frontage to Logan Road and adjacent to Kessels Road?

(2) Have the notices been withdrawn by his Department and, if so, why?

(3) What area of land has now been set aside for a further high school in the area and where is it situated?

Answers:—

(1 and 2) "In 1964 consideration was given to the acquisition for future high-school purposes of land situated at the corner of Logan Road and Kessels Road. This proposed site would have affected six properties. Before the Crown could issue a 'Notice of Intention to Resume' on the respective owners a survey of the relative areas had to be made. During this time it was ascertained that 'Contracts for Sale' had been signed by certain of the owners and that the prospective purchaser proposed to construct thereon a drive-in shopping centre. It was then decided, after consideration of all the relevant factors, particularly the very high cost of resumption, not to proceed with the proposed resumption of the area in question."

(3) "Twenty-three acres three roods twenty-five point five perches with frontages to Wadley Street and a newly constructed road off Kessels Road."

NEW POLICE STATION, CARINA

Mr. Newton, pursuant to notice, asked The Minister for Education,—

(1) Has further consideration been given by the Police Department to providing a new police station at Carina and, if not, why not?

(2) What other suburbs in Brisbane are at present under consideration for the erection of new police stations and the creation of new police districts?

Answers:—

(1) "It is not considered that the establishment of a police station at Carina is warranted at present, adequate police attention being available from existing police staff."

(2) "The only other suburb at present under consideration for the erection of a new police station in the metropolitan area is Acacia Ridge."

HOUSING COMMISSION PROJECTS, BROADWATER ROAD, MANLY ROAD AND WECKER ROAD

Mr. Newton, pursuant to notice, asked The Minister for Works,—

Have further negotiations been carried out between the Housing Commission and Brisbane City Council in relation to (a) the drainage work on a number of building sites still available in the Broadwater Road Housing Commission project, (b) the subdivisional plans submitted for building purposes on land bounded by Stannard Road and Kelston Street, Manly West, in the Manly Road Housing Commission project, and (c) the subdivision of land known as Steele's property, Wecker Road, Mt. Gravatt East?

Answer:—

"No, and by way of explanation I would advise—(a) This work is the responsibility of the Brisbane City Council, which is well aware of the position and has agreed to do the work when the Council has finance available. The Housing Commission met the cost of the Commission's share when it subdivided and developed the estate years ago. (b) See my reply of March 9, 1967, to a similar Question by the Honourable Member. (c) The Commission is awaiting the consent of the Council to a resubdivisional proposal to enable certain land within the area, but excluded from the purchase, to be returned to the vendor's estate."

LICENSING OF TOW-TRUCK OPERATORS

Mr. Bennett, pursuant to notice, asked The Minister for Education,—

(1) Is he aware that there is active warfare between the various towing-service companies in Brisbane and that as a result there have been brawls and fights on public highways which have engaged police attention?

(2) Will he insist on a system of licensing for tow-truck operators so that the Police Department can maintain proper supervision of them?

Answers:—

(1) "No. In the period since notice of the Question was given it has been ascertained that two incidents involving alleged unlawful assault arising from disputes between tow-truck operators have recently been investigated. One such case was of such a nature as to not warrant police commencing proceedings against any person, and the other case is still receiving attention."

(2) "Proposals for introduction of a licensing system to control the activities of tow-truck operators have been investigated and have been under review for some time, but to date no decision has been made to introduce such a system."

LITIGATION COSTS OF POLICE CONSTABLE M. J. READY

Mr. Bennett, pursuant to notice, asked The Minister for Education,—

(1) Is he aware of the claim that certain university students will proceed against some police officers charging them with assault? If so, will his Department be responsible for their defence?

(2) What has been done to assist Constable M. J. Ready with his costs, following litigation brought against him as a result of an arrest made by Constable Mahoney whilst both were in the course of their duty?

(3) As Constable Ready went to the assistance of Constable Mahoney, is it not departmental policy to protect him in the course of legal proceedings?

(4) As Constable Ready's costs have now exceeded \$3,000, what is the Department doing to reimburse him?

(5) Is he aware that because of the heavy fees Constable Ready has had to arrange finance and has thus placed himself in financial difficulties?

(6) Is he aware that hire-purchase companies to whom Ready is indebted as a result of his duty contact the Commissioner of Police and arrange for the Commissioner to serve a "show cause" notice on Ready every time money is owing?

(7) Will he direct the Commissioner to exercise a little more discretion and allow the policeman to recover from his financial difficulties before embarrassing him further with vindictive "show cause" notices?

Answers:—

(1) "I am not aware of the claim made but I am aware of the fact that notices of intention to commence action against certain police officers following a recent happening in Brisbane in which university students were involved have been served on members of the Police Force. The question of responsibility for any defence has not, to date, thus arisen."

(2 to 5) "On July 20, 1962, certain advice in relation to the matter of costs incurred by him in the action referred to was tendered to Constable Ready, and the Commissioner of Police has informed me that he has not been approached on the matter of these costs by Constable Ready since September 19, 1966."

(6 and 7) "Certain communications in relation to debts owing by the party concerned have been received by the Commissioner of Police, who has passed them to Constable Ready for settlement. This is normal procedure in matters such as this. In doing this, the Commissioner of Police has pointed out in effect that it is the duty of a member of the Police Force to discharge honourably and promptly all indebtedness, or to make arrangements satisfactory to creditors in relation thereto."

THEFT OF MONEY FROM ASH GROVE
POLICE STATION

Mr. Bennett, pursuant to notice, asked The Minister for Education,—

Further to his answer on September 29 to my letter relating to the stealing of moneys from Ashgrove Police Station,—

(1) Was the amount involved in excess of \$340? If not, what was the amount?

(2) Did enquiries reveal that it was not a member of the public involved in the stealing but a police officer?

(3) Was the police vehicle attached to Ashgrove Police Station used for cartage of stolen bricks from a quarry?

(4) Was the police station being used for the purpose of conducting a poker school involving big sums of money?

(5) Had liquor parties been indulged in by the police at the Newmarket Bowling Club whilst on special duty?

(6) Was a policewoman from the Roma Street Police Station involved?

(7) Following the investigation were police officers transferred? If so, who were they and were the transfers in the nature of penal transfers or did the transfers involve equal or more favourable appointments?

(8) If the transfers involved equal or more favourable appointments, why did these men receive preferential treatment?

(9) Why was the suspect not charged with stealing, either in open court or departmentally?

(10) Should police officers be treated in any different manner from the public?

Answers:—

(1) "Yes."

(2) "No."

(3) "No."

(4) "No."

(5) "I have no knowledge of any such happening."

(6) "See Answer to (5)."

(7) "At the time of and subsequent to this investigation, five police personnel were transferred from Ashgrove Police Station. As not any of the members of the Police Force concerned were charged with any offence, I think it only reasonable that their names should not be publicised. The transfers were not in the nature of penal transfers nor are positions within the Police Force classified in the manner suggested by the Question, all positions being important."

(8) "See Answer to (7)."

(9) "The identity of the person responsible for the offence in question has not been established."

(10) "No."

COMMONWEALTH AID IN CONSTRUCTION OF
ANTI-EROSION BOULDER WALL ON
SOUTH COAST BEACHES

Mr. Hinze, pursuant to notice, asked The Treasurer,—

As the Gold Coast City Council has confirmed its decision by a vote of seven to four to proceed with the construction of a boulder wall for the protection of public and private property and the State Government has clearly indicated the amount of assistance that can be expected by way of subsidy, will he now make representation to the Federal Treasurer to ascertain the amount of assistance that can be expected from the Commonwealth Government, as it is most imperative that the work of building the wall should proceed as quickly as possible?

Answer:—

"A case was submitted by the State Government to the Commonwealth Government on July 25 last. A request for an early reply was forwarded on September 22. I will again emphasise with the Commonwealth Government the need for an early decision."

BATHING ON BEACHES OUTSIDE
PATROLLED AREAS

Mr. Hinze, pursuant to notice, asked The Premier,—

In view of the almost continual loss of life brought about by needless and senseless determination by some people to ignore the warning of beach patrols to bathe between the flags on our main surfing beaches, will he take the necessary action to make it an offence to bathe outside a flagged area, particularly on beaches where the density of bathing population is great as against the hundreds of miles of beach where its implementation would be impracticable?

Answer:—

"The matter of prohibiting bathing at places other than bathing reserves declared under the Local Government Acts was considered at the time the Acts were amended to permit the declaration of such reserves. It was decided that such a prohibition would be impracticable to implement and an undesirable restriction on the rights of the public. The question of where a person should bathe is considered to be something for his own personal decision. If he desires the protection of life saving services, he should bathe in a declared bathing reserve and, in so doing, must observe the requirements of the Acts and the local authority by-laws relevant thereto. If he elects to bathe outside the bathing reserve, then he does so at his own risk. I deplore the actions of people who disregard the advice of and the services provided by the various local

authorities and the Surf Life Saving Movement and who, by so doing, not only endanger their own lives but also the lives of others. The Honourable Member is deserving of commendation for raising the matter as it is one which must concern everyone who bathes at our surfing beaches. Consequently, I take this opportunity of appealing to the public to give heed to all of the facilities which have been provided for their protection and safety."

DUST NUISANCE, IRVINEBANK STATE
TREATMENT WORKS

Mr. Wallis-Smith, pursuant to notice, asked The Minister for Mines,—

As dust concentration at Irvinebank State Treatment Works is so heavy as to be a health hazard and has caused workmen to leave their employment there, will he give early consideration to combating the problem, thereby safeguarding the health of the employees?

Answer:—

"Every consideration is given to the health and safety of the employees and, with a view to improved conditions, the installation of modern dust collecting units is being investigated."

ENTOMOLOGIST AND AGRONOMIST
ATHERTON TABLELAND

Mr. Wallis-Smith, pursuant to notice, asked The Minister for Primary Industries,—

(1) In view of the expansion of the seed-growing industry in North Queensland and the need to keep a constant check on plant pests and diseases, will he urgently arrange for an early replacement of the entomologist who was transferred from Atherton?

(2) Will he take action to replace the agronomist who recently resigned from the staff of the Kairi Research and Experimental Station?

Answer:—

(1 and 2) "In both cases, replacements are being sought. However, at the present time, there is no floating population of suitably trained entomologists or agronomists available for immediate appointment to such vacancies. The only means by which these vacancies could be immediately filled would be by creating similar vacancies at other centres. The overall filling of gaps, which are by no means restricted to the Atherton Tableland, will have to wait generally until the new intake of staff in early 1968. However, the entomologist vacancy will be given special consideration because of the urgency of certain of the insect problems in the Far North."

EMPLOYEES, MAREEBA-DIMBULAH
IRRIGATION AREA

Mr. Wallis-Smith, pursuant to notice, asked The Minister for Local Government,—

(1) How many employees has the Irrigation Department in the Mareeba-Dimbulah Irrigation area and how many of them are employed in (a) the administration section, (b) the workshop section, (c) the construction section and (d) other sections?

(2) How many will be retained in 1968 and what will be the permanent work force after all construction work is completed?

Answers:—

(1) "As at October 4, 1967: 131—all personnel. (a) 21; (b) 15; (c) 63; (d) 32."

(2) "As I indicated in my reply to the Honourable Member for Cook on October 11, a permanent staff will be retained in 1968 but its numbers cannot be assessed more closely than the figures then given, that is 40 to 60 personnel. Principal reductions of personnel employed must of necessity be in the construction and workshop sections. As the Mareeba centre reduces in activity as a project office, it is being transformed to a regional office for the Far North."

KING GEORGE SQUARE PROJECT

Mr. Porter, pursuant to notice, asked The Treasurer,—

In view of the growing public disquiet over developments in the King George Square Project,—

(1) Is any information available to refute the belief that there is a connection between conditions attached to the Sandgate time-payment sewerage scheme and the securing of the King George Square Project by the same firm, viz., Arthur H. Stephens (Qld.) Pty. Ltd.?

(2) Has the Government been advised of the study and analysis bases on which the Brisbane City Council decided that the Stephens proposal was the best economic, engineering and aesthetic one submitted?

(3) Has any architectural plan for the square proper been provided in regard to the Stephens proposal?

(4) Was the successful tendering company in no position to finance the tender on the submitted terms and is it now hawking the contract abroad in the hope of raising its required finance?

(5) Has one anticipated source of overseas finance already indicated that it will not make the finance available unless the entire square programme is State Government guaranteed?

(6) Does the Government's attitude, as previously stated, still obtain, viz. that under no circumstances will such a guarantee be given?

(7) Will the Government, in view of all these disturbing circumstances, consider placing an immediate embargo on any work whatever in connection with the square project until it is satisfied not only that the lease details are proper and adequate but also that the surface architectural and landscaping proposals will meet reasonable aesthetic standards and, further, that the project as proposed by the successful tendering company can indeed be so financed that there will be no risk of the City and/or the State having to accept a huge liability at some future date?

Answers:—

(1) "Beyond the fact that Arthur H. Stephens (Qld.) Pty. Ltd. is the same company as is at present engaged on the Sandgate sewerage scheme, I have no knowledge that there is any connection between that scheme and the proposed King George Square project."

(2) "The Town Clerk (Mr. J. C. Slaughter) forwarded to the Director of Local Government a letter dated October 10 to which he attached the following documents: (a) Copy of the tender submitted by Arthur H. Stephens (Qld.) Pty. Ltd.; (b) information supplied by the Council's consulting engineers on tenders received; (c) Council's Stores Board's submissions; (d) plans (7) of the whole project. The letter stated that 'the Council, subject to the approval of the Governor in Council, as required under section 32 (4) of *The Local Government Acts, 1902 to 1967*,' proposes to accept tender B of Arthur H. Stephens (Qld.) Pty. Ltd. and enter into a 75 years lease with that company subject to the completion of the project for its operation as a car park'. The letter went on to state: 'The company is ready and anxious to commence construction and the Council desires that it be authorised to proceed with the work without delay. Preparation of the legal documents will take some time to finalise and I respectfully suggest that agreement be given to the Council's proposals in principle to avoid delay in commencing the work and the lease documents could be drawn up in the usual way without holding up the work.'"

(3) "The plans submitted comprised floor layout plans only, plus an artist's impression of a possible surface treatment of the square. The tender documents indicated that 12 weeks would be required for preparation of working drawings and designs. However, I would point out that the artist's impressions of the possible surface treatment of the square was not in fact part of the Stephens' tender. The

tenderer in submitting his tender to the Council by letter dated September 28 stated: "We wish to state that we have not allowed for (1) proposed work above the basic car park structure, (2) architectural treatment of the exposed surface of walls and stairs or of the exposed treatment of walls to the adjoining properties'."

(4 and 5) "I have no knowledge of the matters raised in these portions of the Question."

(6 and 7) "I want to make it clear that full responsibility for the design of the car park and of the square and of acceptance of the tender and its financing rests solely with the City Council. The Council's suggestion that the Government authorise the Council to proceed with the work is entirely outside the present authority of the Government, and seeks to involve the Government in an action which is the sole responsibility of the Council, as is also the date of commencement of the work. The attitude of the Government is that it has a responsibility to satisfy itself that the conditions of the contract are such that they permit a 75 years lease to be entered into in accordance with section 49F (3) of the Local Government Acts and subject to the provisions of section 32 (4) of the Acts. The Honourable Member can be assured that when this lease is submitted for perusal the matter of an adequate and proper security for the due performance of the contract will be considered by the Government before approval is given."

APPRENTICES EMPLOYED AT RAILWAY WORKSHOPS, IPSWICH AND REDBANK

Mr. Donald, pursuant to notice, asked The Minister for Transport,—

(1) How many apprentices are employed in the Railway workshops at Ipswich and Redbank?

(2) What was the number of apprentices engaged at each workshop at the commencement of 1967?

(3) What was the number of apprentices employed at the Ipswich workshops as at December 31 in each year from 1956 to 1966, both inclusive?

Answers:—

(1) "Ipswich, 318; Redbank, 9."

(2) "Ipswich, 54; Redbank, nil."

(3) "1956, 484; 1957, 448; 1958, 367; 1959, 372; 1960, 348; 1961, 329; 1962, 245; 1963, 241; 1964, 341; 1965, 364; 1966, 354."

RESIDENCE FOR PRINCIPAL, ROCKHAMPTON TECHNICAL COLLEGE

Mr. Thackeray, pursuant to notice, asked The Minister for Education,—

Is a residence to be provided for the Principal, Rockhampton Technical College? If so, where will it be situated and when will it be built?

Answer:—

"An official residence is to be provided for the principal of the Rockhampton Technical College under the scheme for the housing of country public servants. However, as the site for this proposed residence has not yet been secured, it is not possible at present to indicate where it will be located or when construction will commence."

CONSTRUCTION OF PUBLIC JETTY, CAIRNS

Mr. R. Jones, pursuant to notice, asked The Treasurer,—

(1) Further to his Answer to my Question on September 27 concerning tenders for the concrete public jetty at Cairns, when will a decision be made in regard to the reassessment of existing tenders or the calling of fresh tenders?

(2) When is it expected the work will be commenced and completed?

Answers:—

(1) "Cabinet approval of a tender was given on Monday last and an announcement will be made after today's meeting of the Executive Council."

(2) "It is expected that the work will be commenced immediately and should be completed in twenty-six weeks."

PAPERS

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

Reports—

Public Service Superannuation Board, for the year 1966-67.

Commissioner for Railways, for the year 1966-67.

The following papers were laid on the table:—

Orders in Council under—

The Fisheries Acts, 1957 to 1962.

The Ambulance Services Act of 1967.

The Coal and Oil Shale Mine Workers (Pensions) Acts, 1941 to 1962.

Regulation under the Hospitals Acts, 1936 to 1967.

Report of the Queensland Coal Board of its Financial Accounts for the year 1966-67.

FORM OF QUESTION

Mr. BROMLEY (Norman) proceeding to give notice of a question—

Mr. SPEAKER: Order! The hon. member is making comment, which is not permitted.

Mr. BROMLEY continuing to give notice of the same question—

Mr. SPEAKER: Order! The hon. member will have to delete the speech from his question.

ACQUISITION OF LAND BILL

INITIATION

Hon. A. R. FLETCHER (Cunningham—Minister for Lands): I move—

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider introducing a Bill to consolidate and amend the law relating to the acquisition of land for public works and other public purposes and for other purposes."

Motion agreed to.

LOCAL GOVERNMENT ACTS AND ANOTHER ACT AMENDMENT BILL

INITIATION

Hon. H. RICHTER (Somerset—Minister for Local Government and Conservation): I move—

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider introducing a Bill to amend the Local Government Acts, 1936 to 1967, and the City of Brisbane Town Planning Act of 1964, each in certain particulars."

Motion agreed to.

SUPPLY

COMMITTEE—FINANCIAL STATEMENT—

RESUMPTION OF DEBATE

(The Chairman of Committees, Mr. Hooper, Greenslopes, in the chair)

Debate resumed from 17 October (see p. 937) on Mr. Chalk's motion—

"That there be granted to Her Majesty, for the service of the year 1967-68, a sum not exceeding \$3,965 to defray the salary of Aide-de-Camp to His Excellency the Governor."

Mr. MILLER (Ithaca) (11.33 a.m.): The Budget debate affords an opportunity to hon. members, both in Government and in Opposition, to peruse the budgetary programme for the ensuing year and to assess the State's economy. It also affords to every hon. member an opportunity to refer to matters that he considers are of great importance to the welfare of this State and its people.

I wish to use this opportunity to place before the Chamber matters that I consider are of great concern to the people of this

State. I will refer first to the need for a uniform building code for the whole of Queensland and the registration of the building trade. Second, I will refer to the need to introduce legislation giving traders the right to sell goods that have been left with them for an unduly lengthy period, or have been abandoned. This matter is causing a lot of concern, especially in the motor industry.

Before dealing with these matters, however, I wish to congratulate the Treasurer on the ability he displayed in managing the financial affairs of this State during the previous 12 months. I also congratulate him on his able approach to problems associated with the State's finance for the ensuing year, under conditions that can be described only as satisfactory.

Mr. Sherrington: You agree that there are problems.

Mr. MILLER: I do.

I support strongly the suggestion put forward by the hon. member for Toowong for the formation of a Council of State Governments. To a lesser degree, we are already carrying out part of the role that would be played by such a council. As an example, I refer to conferences of State Ministers and senior public servants when it is necessary to legislate simultaneously in all States on a particular matter.

We are more and more inclined to demand that the Commonwealth Government increase taxation for our own needs. We must accept responsibility for the raising of certain taxation. By this I do not mean that we must have separate tax returns for the Commonwealth and State Governments. Surely some formula could be arrived at for the collection of all taxation by the Commonwealth Government, a certain proportion of which is collected for the States.

According to the Budget speech of the Federal Treasurer, over 75 per cent. of personal taxation is returned to the States in some form of social service. Of total taxation revenue, 93 per cent. is required for defence, national welfare, repatriation, payments to or for the States, and State works and housing. I liken the States of Australia to spoilt children who expect their parents to give them all they ask for without considering the cost to their parents.

Prior to my entry into Parliament, the Government repealed the Contractors' and Workmen's Liens Act. While there may have been some merit in taking this action, the situation that has now arisen calls for urgent action by the Government. I speak of the difficulties confronting traders in disposing of goods left for repair or other work that are never collected. One of the most outstanding examples is motor-cars that have been left at a garage for repairs and are never collected.

Mr. R. Jones: I raised this matter in my Budget speech in 1965.

Mr. MILLER: I was not here in 1965.

Under the present law a garage proprietor is forced to store such a vehicle until the owner decides to collect it. This is the cause of a good deal of hardship. When I was approached by a local garage proprietor relative to this matter I rang the Queensland Automobile Chamber of Commerce to find out if this trouble exists throughout Queensland and I was assured that it does. The hon. member for Murrumba has also received correspondence on this matter and is fully in agreement that we need legislation to overcome the difficulty.

Unfortunately, this problem is not restricted to garages. Kind-hearted people who are prepared to look after furniture or other articles for a friend are forced to store the furniture or other articles indefinitely or until the so-called friend returns for his goods, or they are liable to prosecution. It seems strange that the owner of the goods, not caring what happens to them, can leave them with a friend and can come back and ask for them if he decides some years later that he wants them, and the friend with whom he left them is liable to prosecution if they cannot be produced.

Some traders, such as tailors, dry cleaners, jewellers and boot repairers, state on their dockets that they will sell any goods that are not collected within three months.

Mr. Hughes: They have no right to do that.

Mr. MILLER: No, they have no right to sell them. Should the owner dispute the right of the trader to sell, the trader could be liable to prosecution. I think all reasonable people would agree that an owner who fails to collect goods that have been left with a trader for an unduly long period has virtually abandoned them.

The worst example of goods that owners fail to collect is the motor-car. It has considerable bulk and, because of the likelihood of depreciation, a garage proprietor is forced to store a motor vehicle under cover. Hon. members will appreciate that a motor-car left exposed to the elements will depreciate in very quick time, and there is always the chance that it will be stripped. In that case, once again the garage proprietor is liable for the damage. It seems ridiculous that he is responsible for vehicles when the owners are not concerned about them. An owner, however, would be within his rights in claiming compensation if his vehicle had deteriorated.

Let us take, for example, the case of a parking station in the city at which repair work also is done. A person could take his car to that garage, ask for a quotation, accept it, leave the car for repairs, and then forget to pick it up. The vehicle could be left at the garage for a lengthy period—it could be 20 years—at the end of which time the owner would have the right to demand return of the vehicle in a reasonable condition. Under the present law the proprietor of the parking

station could not charge for the space occupied by the vehicle, even though his livelihood depends on the collection of parking fees.

The operators of tow-trucks are in the same position. They can be ordered by police officers to remove vehicles because they are causing obstruction on the roads. They tow the vehicles to their yards and store them, and, if the owners refuse to pay for the towing, the operators cannot sell the vehicles to recoup their losses. If a car is a complete write-off and is not collected within 12 months, the tow-truck operator still cannot dispose of it. In many cases, it is fit only for the local rubbish dump but it cannot be taken there.

Mr. R. Jones: In answer to a question that I asked on 31 August, 1965, the Minister for Justice said that this matter was receiving consideration.

Mr. MILLER: I hope a decision will soon be made. No court at present has the power to tell the owners of such vehicles to take them away. Surely garage proprietors and tow-truck operators should be entitled to claim storage fees and, if necessary, sell vehicles to recoup their losses.

New South Wales has overcome the problem by introducing legislation to give a person the right to sell any goods that are left with him for repair or other treatment.

Mr. Bromley: He would not get much for an old "bomb".

Mr. MILLER: If he got only the cost of the towing fee back, at least he would not be losing. I believe that the people of Queensland would benefit from the introduction of similar legislation.

Mr. Lickiss: What you are advocating is a modification of the Liens Act?

Mr. MILLER: Yes. In earlier years these traders used the Liens Act, which was later revoked by the Government.

Mr. Bromley: Aren't you ashamed of them?

Mr. MILLER: No, because the Contractors' and Workmen's Liens Act was very unsatisfactory. If it had been tested in a court of law, it would have been found to be useless.

Opposition Members interjected.

The CHAIRMAN: Order!

Mr. MILLER: The New South Wales legislation has built into it all the safeguards necessary for the protection of the owners of vehicles. The proprietor of the firm concerned is required to display on his premises a notice drawing the attention of the public to the provisions of the Act. He then has to write to the owner, asking him to collect his vehicle, and he is also required to put a notice in the local newspaper. After he has

sold the vehicle he is required to account for the proceeds of the sale, and any money remaining after the payment of the account has to be returned to the owner.

Mr. Sherrington: What do you think about the question of garages storing and driving cars at the owner's risk?

Mr. MILLER: I do not intend to deal with that matter at this stage.

I urge the appropriate Minister to take early action on this matter, which is causing considerable hardship throughout the State.

I turn now to a matter that is fast becoming one of great concern to many people in Queensland—the need for a uniform building code and the registration of all building trades.

Mr. Sherrington: What about more building inspectors?

Mr. MILLER: I do not think building inspectors are the answer to this problem.

Mr. Sherrington: I do not think the registration of builders is.

Mr. MILLER: I can prove to the hon. member for Salisbury that registration is the answer.

Mr. Hanlon: You will have to prove it to the Minister for Labour and Industry, too.

Mr. MILLER: I will prove it to the whole Committee.

Mr. Sherrington: Do you think that registering builders will achieve anything?

The CHAIRMAN: Order! The hon. member is not obliged to reply to interjections.

Mr. MILLER: I firmly believe that the registration of building trades is essential. Public expenditure on building in Queensland is fast approaching \$200,000,000 per annum, and that figure does not include the many thousands of dollars that are spent on repainting, small repairs, and plumbing and electrical work. Hon. members know that the building industry is one of the largest industries in Queensland, and it is certainly responsible for the largest investment that the ordinary man will ever make.

Last year a Bill amending the Weights and Measures Act was introduced to protect the public from unscrupulous traders who engage in deceptive packaging. I think most hon. members opposite spoke in favour of that Bill, and I agree that it was necessary to introduce legislation of that type. Traders should not be allowed to rob the public by using deceptive packaging. However, that Bill, necessary as it was, was designed to protect the public in instances involving only cents; I am concerned about purchases that involve anything from \$8,000 to \$40,000. The reason for my concern is the fact that in many cases a purchaser cannot see what he has paid for until he has paid over a large

amount of money. It is unlike the purchase of a packet of breakfast food, which he is able to see and consider before he buys.

Mr. Sherrington: He cannot see how many plastic toys are jammed inside it.

Mr. MILLER: The average buyer of these deceptive packages could, if he wanted to, check the weight of the box before buying and save himself the embarrassment of being fleeced. But how many people would know how to look for defects in a home?

Mr. Sherrington: That is the idea of having inspectors.

Mr. MILLER: I am sure the hon. member who interrupts realises that if a builder wants to hide something from an inspector, he can work over the week-end and quite easily cover up any defects that he does not want an inspector to see.

Mr. Sherrington interjected.

Mr. MILLER: I doubt if half a dozen members in this Chamber would know how to recognise deceptive building work at certain stages of the work. I would not have been able to recognise it in the case of three homes that I visited with an inspector last week. When a home has been completed, it is virtually impossible to detect any defects in certain stages of its construction.

I spent the whole of one day last week with the inspector for the Master Builders' Association on what would have been a normal day's inspection. We inspected only three houses, because their location ranged from Kenmore to Bribie. The combined financial outlay by the three owners concerned would have been in the vicinity of \$30,000, and in each case they were faced with problems that could be regarded as insurmountable.

The first two homes were of cavity-brick construction and the third, at Bribie, was of brick veneer. I have always believed in the registration of master builders and other tradesmen, but until I made this inspection I did not realise the necessity for a uniform building code.

I implore the Premier and the Treasurer to take immediate steps to overcome this problem. The first two houses were both built on a slope, which necessitated a suspended concrete floor. In both cases, the builders chose to fill with filling and pour the concrete floor over the fill. The result was that in one case the concrete floor sank to the extent of 4 in., and, with it, all the internal brick walls. This would be absolutely impossible to rectify without pulling the house apart.

The house at Bribie, because of its type of construction, was riddled with white ants within three months of completion. I have here—and I should like to show it to anyone who is interested—a piece of timber demonstrating what can happen to timber in three months.

Mr. Sherrington: If you don't get the Flick man.

Mr. MILLER: As a matter of fact, Flicks have been to this house, but because of the type of construction they found it impossible to give a guarantee against white-ant infestation.

Mr. Bromley: Would they be Liberal or Country Party white ants?

Mr. MILLER: They looked pretty red to me. The owners of this house at Bribie are two widows who bought it jointly, for their retirement. But for the fact that one of the widows wanted to put an addition onto the house they would not have known about the white ants until the roof fell around their heads. I have shown the Committee two pieces of moulding taken from the house. They were completely eaten away. These two widows had combined almost all their life savings to buy this house, only to find that in three months it was riddled with white ants. It is impossible to treat the timber without dismantling the house.

Mr. Sherrington: Don't you think that if the house had been inspected by a building inspector this defect would have been found?

Mr. MILLER: In this particular case, yes. This is one case where a building inspector would have been of use—although this house was inspected by a building inspector from the Caboolture Shire.

The women concerned put the matter in the hands of a solicitor, but what will happen if the builder has no assets? They will have lost their life savings. I think it is time that we looked seriously at such matters and brought in legislation to stop this type of thing.

Mr. Harris interjected.

Mr. MILLER: The hon. member for Wynnum gave a typical example of why we should have registration of builders.

Mr. Harris: Concentrate on the Housing Commission.

Mr. MILLER: The case that the hon. member cited was a Housing Commission house. It is no good having all the houses in Queensland built by the Housing Commission; if they cannot look after one at Wynnum, how can they look after all the houses that are being built in Queensland at the present time?

These women have been forced to move from the house because of its condition, and they now have to pay \$21 a week rent. After seeing the house, I rang the Caboolture Shire Council and asked if it was possible to get a copy of the building by-laws. However, the building inspector told me that no copies were available at the moment.

Mr. Hanlon: How did the building inspector justify his clearance of the house?

Mr. MILLER: The only responsibilities of a shire building inspector are associated with the situation of the house on the property and whether or not it conforms to health regulations. Usually building inspectors do not worry about the style of construction. With a system of registration, of course, the inspectors would have an opportunity to do so.

The building inspector that I mentioned also stressed the urgent need for a uniform building code. I have perused the by-laws of the Maroochydore and Redland Shires, and also the Brisbane City Council by-laws, but in none of these is there a suitable building code that could be adopted for the whole of Queensland. In all cases far too much is left to the individual to interpret according to his own ideas on building. Wherever we look in the State we see scores of reasons for the introduction of a uniform building code, not only to protect the home-owner but also to save costs in construction and unnecessary variations.

It is possible for a builder to have identical houses to build for two people but to have a foolscap page of variations to the specifications of one of them. Surely this is an unnecessary problem.

Mr. Sherrington: Would not the architect have some responsibility in these matters?

Mr. MILLER: Many homes in Queensland are built without an architect being employed.

The Treasurer was quoted in "The Courier-Mail" of 26 September last as saying "I am convinced the time has come for registration of builders; there is a responsibility on Governments to look seriously at this." What I am concerned about is a subsequent paragraph where he is quoted as saying, "I strongly recommend that you consider ways and means of preventing such happenings for the good of our nation and your industry." He continued, "We will co-operate wherever possible."

I assure hon. members that I would oppose any suggestion that the master builders should draw up legislation for registration, and the Master Builders Association would be the first to agree with me on this point. It is our responsibility to protect the people of this State, and I hope we will take the necessary steps to implement legislation along these lines. In the past there has been some opposition to registration because of the fear of a closed shop or a monopoly.

Mr. Hooper: You would not like to see a closed shop would you?

Mr. MILLER: I certainly would not, but I fail to see how there could be a closed shop under the legislation implemented in Western Australia and South Australia.

I repeat, in the past there has been some opposition to registration because of the fear of a closed shop or a monopoly. This would be impossible if we continued the training of apprentices at the present rate. In South

Australia and Western Australia, all tradesmen who had been contracting for two years were registered. It would be impossible for a registration board to sort out the wheat from the chaff so it is necessary to register all builders who have been operating for two years. However, a registration board would have the power to cancel a licence when a complaint had been laid and proved. In this way we would eventually get reliable builders.

An apprentice in South Australia must have three years' experience after finishing his time before he can become a registered builder. It is desirable that an apprentice should have this experience after completing his training.

Country tradesmen need not be affected by registration. I should like to see all tradesmen in country areas issued with licences for every trade they are working at. It should be realised that some tradesmen in country areas need more than one trade to keep them fully employed.

Mr. Hooper: This will affect some builders at the present time who are not tradesmen.

Mr. MILLER: Not at the start.

I see no reason why tradesmen could not receive a licence for each trade they work at.

Mr. Harris: Are you suggesting that the carpenters we turn out at the present time—those who have just finished their apprenticeship—are not qualified?

Mr. MILLER: An apprentice requires more experience before he becomes suitably qualified to be a registered builder or contractor.

Mr. Harris: Your implication is that they are not qualified when they finish their apprenticeship.

Mr. MILLER: Not at all. They are qualified tradesmen, but a qualified tradesman does not necessarily have the experience to run a business.

Contrary to what some people think, the registration of builders itself would not stop a person from building his own house. It only stops a person from contracting to build a house for someone else. In Queensland we could go a step further than the other States did by having a certificate for a home built by a tradesman. This would be a safeguard in the future for a person who buys an old home.

In Queensland, the building industry has the highest rate of bankruptcy of all businesses. With registration there would be far less bankruptcy which, in turn, would mean less worry for the employee over his holiday pay, his long-service leave and continuity of employment.

We should be concerned about the employees in the building industry. There are far too many people, such as car dealers, bank officers, building inspectors and taxi-drivers, who operate as builders and who employ people in the building trade while the market is flush, and, when the market goes

dead, put the employees off. How can employees ever hope to become eligible for long service leave in those circumstances?

Mr. Sherrington: Would you insist on the principals of building firms being qualified carpenters?

Mr. MILLER: The South Australian and Western Australian Acts prescribe that one member of a building firm must be a registered builder.

Building tradesmen receive a lesser percentage of long service leave than any other employee today because jerry-builders employ labour while the market is flush with money and dismiss them as soon as the market becomes tight. Some of these fly-by-night builders do not necessarily set out to cheat the public, but there is no substitute for knowledge and experience. All tradesmen who lack knowledge and experience must rob people in one way or another, either by bad workmanship or by incomplete work.

There is a house at Milton owned by a widow who paid a fly-by-night carpenter to convert the house into two flats.

Mr. Hanlon: It is a shocking example.

Mr. MILLER: The hon. member for Baroona is aware of this case. The carpenter wangled \$1,800 out of this widow before he packed up one night and left. Unfortunately she is too old to borrow money from the Commonwealth Bank to complete the conversion of her house. This shows the growing need for registration of builders. This man made a mess of the work and walked out before he finished it. It is estimated that it will cost \$1,200 to complete the work. The owner cannot borrow money and cannot obtain legal aid. The builder owed a good deal of money, so she cannot take him to court. She could get nothing from him.

Mr. Hanlon: He used an unqualified electrician and she would have been electrocuted had she turned a tap on.

Mr. MILLER: That is quite correct.

I pay tribute to the Minister for Works and Housing, who went out there and did all he could to help this woman. He arranged an interview with the Legal Assistance Committee of Queensland. From there she was taken to the Department of Justice, and from there to the Police Department. Unfortunately none of these departments could help her. There is no Queensland legislation covering this type of fraud. I know of no heartbreak worse than that being caused by these fly-by-night builders. Most of the owners who are involved have saved for years or have borrowed from their banks to have a particular job done. What redress have they? In most cases it is a waste of good money taking these builders to court as they have no assets.

I believe that the high bankruptcy rate forces retailers to keep prices at a high level to offset losses incurred by these here-to-day-and-gone-tomorrow builders.

What will registration do? It will retain the best labour available to the industry, it will achieve greater efficiency and stability, and it will eventually sort out the fly-by-night builders from the reputable builders.

We need to have as builders responsible people who are prepared to train apprentices. Yesterday the hon. member for Townsville North made a sincere plea for the training of more apprentices. I support him wholeheartedly. Young lads must be trained for the trades or eventually there will be a shortage of tradesmen. These here-today-gone-tomorrow builders will not apprentice young lads because of the uncertainty of a rosy market.

I do not say that registration will, overnight, be the answer to many problems affecting the community. There must be, in conjunction with registration, a uniform building code acceptable to all local authorities. Most Government departments already have a type of registration. The Queensland Housing Commission, the War Service Homes Division, the Department of Works and building societies all have lists of reliable builders who are suitable for carrying out governmental work. Let us extend this protection to the general public.

All lending authorities, real estate agents and architects are in favour of registration. In the case of registration of master painters, the union is in full agreement with the principles of registration as they exist in Western Australia. A board similar to the newly formed Builders Licensing Board of South Australia could well be set up here. It is interesting to note that that board is composed of nine members.

For the information of the Committee I shall read from the South Australian Act the composition of the Board, as I feel it to be very well balanced. I quote—

“(a) two shall be appointed on the recommendation of the Minister of Housing;

(b) one shall be appointed on the nomination of the governing body of the Master Builders Association of South Australia Incorporated;

(c) one, who shall be a resident of this State, shall be appointed on the nomination of the South Australian Chapter of The Australian Institute of Building;

(d) one, who shall be a resident of this State, shall be appointed on the nomination of the governing body of the South Australian Division of The Housing Industry Association;

(e) one, who shall be a person registered under the Architects Act, 1939-1965, shall be appointed on the nomination of the Architects Board of South Australia; and

(f) three shall be appointed on the nomination of the United Trades and Labour Council of South Australia.”

Mr. Hooper: Do you think an architect should be on this board? Would architects want a builder on their board?

Mr. MILLER: I think it advisable to have an architect on the board. The South Australian board is a truly representative one and I feel that it will do justice to the building industry in that State. I make an urgent and sincere appeal to the Premier and the Treasurer to study the South Australian legislation, as I believe something similar here would be the answer to many of the problems associated with the building industry.

Mr. DUGGAN (Toowoomba West) (12.13 p.m.): I think it will be agreed that no longer does the State Budget have the importance that was attached to it many years ago. No doubt it is important in the economy of Queensland for the Treasurer to make a recital of the State's financial position, to review the period covered by the Budget, and, as happens very often, to forecast the economic and financial trends in the foreseeable future.

There was a time when the introduction of budgets was awaited with keen public interest, because in those days the States had taxing powers and it was possible for the lives of many people to be profoundly affected by changes in government policy and the reflection of those decisions in the Budget. Since the surrendering of taxing rights by the States and the provision of financial assistance grants by the Commonwealth, State budgets have invariably contained only a collation of much information of a financial character.

Occasionally, as was the case last year, the State Budget does make provision for additional imposts of taxation, but, apart from the introduction to the gallery by high-pressure public relations men of a party of supporters, friends and relatives who like to hear the Treasurer of the day expounding on the development of the State and the great advances made under his control, and the use of cameras by television stations, the Budget does not have nearly as great an impact on the public generally as it did in earlier years.

Although the debate on the Financial Statement gives hon. members an opportunity of speaking on a very wide range of subjects, inevitably, under our party system of government, discussions usually revolve round praise of the Budget from Government members and criticism of it from Opposition members, and claims and counter-claims are made relative to the development that has or has not taken place under the Government's administration.

The Committee has listened to a debate of that type on this occasion. The Treasurer, having delivered his Financial Statement, was replied to very comprehensively by the Leader of the Opposition, who took advantage of the opportunity afforded to him to deal in some detail with various facets of

Government administration and point out many weaknesses that his inquiries revealed. The Committee then heard a short but very analytical survey of the financial aspects of the Budget by the hon. member for Baroona, and supporting speakers on this side of the Chamber have dealt with other important matters, including electoral redistribution.

Before dealing with a subject that I think is of tremendous importance, I wish to comment on one or two other matters. By way of introduction, I refer to some of the remarks made by the hon. member for Toowong, who invariably addresses the Chamber in a very lucid way and, whether one agrees with his views or not, presents his arguments in a fairly plausible and attractive form.

On this occasion the hon. member said, amongst other things, that he was inclined to think that any Government that has been 10 years in office, no matter how well it has performed, tends to approach a kind of danger period. He said—

“The seven-year itch in marriage is, I think, a small thing compared with this 10-year danger period for Governments.”

He later said that we will determine in the next 12 months “the directions in which political power and policy will flow for quite some years ahead,” and subsequently he outlined what he thought was necessary to rejuvenate the Government and project a better image of it. He had something to say about the desirability of having a dynamic Government. If one looks at the dictionary, one sees from its derivation that the meaning of the word “dynamic” revolves round the need for action. It is obvious, therefore, that the hon. member for Toowong was sounding a warning note within the Government against its adopting a complacent attitude.

The hon. member was too adroit, of course, to deal with the question by making a direct, frontal attack on the Government, although some of those who are very close to him politically have made such attacks in recent years. He drew attention to the need to project outside Parliament the image that the Government was aware of present problems, and he said he believed that a reconstruction of the Ministry was necessary. In my view, his adroit approach was merely an attempt to erase from the minds of the public the imperfections of the Government and to create, merely by name-changing or by reallocation of duties, the impression that the Government had been injected with new ideas, new thoughts, and new policies.

Although I commend the hon. member for Toowong for his quite forceful contribution on the nature of reconstruction of the Ministry, I do not think that his particular proposals are likely to result in the transformation he anticipates. Admittedly, purely on the mechanical side of things, it would be very easy for the Premier of the day to do

what the hon. member suggested. However, I do not believe in constant name-changing, because it suggests the very thing to which I have directed attention. It tends to divert attention away from the performance of people who occupied that position previously. If it does not do that, it merely invokes Parkinson's principle of building up pyramids of additional officers and increasing the strengths of various departments. It is then necessary to give the head of each of those departments a new title. In every section of the Public Service there is evidence of this new principle of appointing more and more generals and fewer privates to operate the services of the departments.

Mr. W. D. Hewitt: Don't you agree that at times there can be a very strong case for the regrouping of responsibilities?

Mr. DUGGAN: I quite agree that there might be a very strong case for such a regrouping. My main purpose in raising this matter is that, of his own volition, the Premier at any time ought to see these things and take action to correct them. The fact is that a responsible back-bencher in the person of the hon. member for Toowong has virtually taken the Premier to task and said, “You are failing because you are not taking the initiative in this matter.” It was a rebuke, certainly administered in a very subtle and adroit way, but nevertheless a stinging rebuke to the person who is directing the destinies of this State. I suggest that the hon. member's proposition was put up for the same reason as a criminal very often changes his name and takes an alias so that his former misdeeds will not be known. Something like that is in the mind of the hon. member for Toowong.

When we on this side of the Chamber look back over the years we find that, despite our mistakes and failings, we have never seen fit to change the designation of our party; it has always remained as the Australian Labour Party. During the intervening period, however, we have seen the Ministerialists and the Farmers' Union in 1915; the Country Party in 1920; the National Country Party and the Nationalists in 1920; the United Party in 1920; the Independent Country Party in 1923; the Country Nationalists—a change of name then—in 1926; the United Australia Party in 1936; the Queensland People's Party from 1943 to 1949, and now the Liberal Party. All of those changes were made to reject images in the mind of the electorate that things were not well within the particular political group. In order to project a better image and to present an attractive policy to the people, it was felt necessary to change the party's name and its approach to the electoral poll.

I point out that when the 1957 split occurred in the Labour Party, the Liberals apparently felt they were in the process of rejuvenation. They won 16 of the then 24 metropolitan seats, but it is significant that they obtained 2½ per cent. less of the vote in 1957, following the split, than they did in 1956, 12 months previously. It is also

interesting to record that at that election, although the then Government was heavily defeated, the combined A.L.P. and Q.L.P. vote was 56 per cent., against the combined Government vote of 43 per cent.

I feel that there is justification for criticism of many aspects of Government administration. The civil rights question, for example, is one that does not do very much credit to a Government in 1967. That opinion is shared by many people who do not necessarily agree with displays of violence, and do not agree, as I do not, with particular acts done by university students, both here and elsewhere. I think the Government has been particularly inept in dealing with this problem.

The Government also has not faced up to the problem of discharging satisfactorily to the people of Queensland its obligations in the field of education, and, at this stage, I want to say that I deplore very strongly indeed the entry into the field of political controversy of high-ranking public servants to bolster the Government's prestige. I refer particularly to the Under Secretary for Works, Mr. Longland, for whom I have a high personal regard and who served with distinction under previous Labour administrations. I have no doubt he has done the same thing under the present administration, but I say this because the dependence of Ministers on public servants to extricate them from their difficulties is becoming increasingly evident to members on this side of the Chamber.

Those who have observed the conduct of debate in this Chamber would agree that it is unfortunate that, ministerially, the general standard of debate has deteriorated considerably in recent years. Very rarely do we now find Ministers getting up and defending their administration or outlining policies without reading word for word from memoranda prepared for them by their departmental officers. There are occasions when there is justification for this. Yesterday was a case in point. I refer to the Bill that was introduced by the Minister for Mines and Main Roads. On the occasion of the introduction of a technical Bill there is probably every justification to read every word of an introductory speech. The legislation yesterday was a uniform Bill that is being introduced in all States and deals with many technical, technological and scientific matters, and therefore there was justification for what was done.

But when ministerial responsibility devolves increasingly, as it seems to be in my view, on public servants, a great disservice is being done to democracy. Obviously this view is shared by the hon. member for Toowong because of what he said in his speech the other day about the lack of dynamism, which is so necessary. He spoke about the lack of electoral appeal and warned the Government that it was approaching the 10-year danger period, which was more dangerous than the seven-year itch in marriage. I think that confirms the general statement I am making.

Any democratic Government must be grateful for an efficient Public Service. No Minister or collection of Ministers can expect to carry out his or their multifarious tasks without the aid of highly skilled officers. I remember Mr. McCormack telling me on one occasion, referring to a very efficient public servant, "I made that public servant, but it is not generally remembered that in the process of my making him he made me a successful politician."

I do not cavil at information being conveyed to Ministers to enable them to shape their political speeches and their policies—I think it is the function of the Public Service to advise—but I deplore and criticise the increasing tendency for the public servant to dominate the political scene.

What I am about to say I do not say out of any sense of sour grapes or because I am unduly sensitive. Quite recently the hon. member for Toowoomba East and I attended a function in Toowoomba. On the main platform were the Premier of the State—naturally that was his proper place—and a Cabinet Minister, three senior public servants and a lower echelon of invited guests numbering about 25, in which there were a number of public servants, but the elected representatives for the area, the hon. member for Toowoomba East and I, were back in the crowd. It was not even mentioned that we were present.

It is not that I am unduly sensitive about this incident, but I use it to illustrate the drift towards domination by public servants, even to the extent of having them move votes of thanks on such occasions. When any Government puts itself in this position, its hold on the ability to command public respect for its policies must necessarily diminish.

I referred earlier to Mr. Longland. What I intended to mention was his appearance at the Proserpine High School last Friday night. There was a proper right for him to be approached and for him to accept the invitation to be guest speaker at the Proserpine High School, but I think it is beyond his obligation and duty to enter the field of political controversy and defend the Government's education policy. I do not think he did it very successfully on that occasion if what appeared in the Press report is correct, which is all I have to go on. In his defence of the State's education system he said, amongst other things, that the reason for the disparity among the various States in the expenditure per head on education was the extravagant use of marble and other materials in the schools in the southern States. I think that was so much tommy-rot and nonsense.

Like the Treasurer, I had the privilege of serving for about 10 years as Minister for Transport. During that time I was fortunate to have with me a man who, in my view, was one of the greatest public servants this State produced in my term of public life. I refer to Mr. Lingard, the then Secretary

of the Railway Department. I was with him every day, sometimes three, four, five or six times a day, and I can truly assert that, with all that association, I did not know either his religious or his political beliefs. He served me faithfully.

During the whole of that period I was obliged to answer many criticisms of railway administration—not a few of which came from the present Treasurer—but on not one single occasion did Mr. Lingard import into the information furnished to me in answer to questions one single thought or bias of a political nature. He merely gave me the facts as he knew them from the railway point of view. If I used those facts, as a Minister is entitled to do—if the question is put so as to score politically, then equally so the Minister in reply is entitled to score politically, and I have never taken umbrage on such occasions—to score a political advantage, I did it on my own account. Never in my long experience of Mr. Lingard did he give me information of a political nature—as he could have done—to use against the then Opposition. I mention these matters in the light of the increasing tendency on the part of the Government to abnegate responsibility to the Public Service, however efficient its officers may be.

In the debate that will later take place on the report submitted yesterday by the Director of Industrial Development, I will perhaps take the opportunity to refer to the claim that Queensland has made a great leap forward. When reading "The Australian Financial Review" of last Friday I found that a similar claim was made, in a somewhat more statistically supported way, by Mr. Brand, of Western Australia, to prove that that honour belongs also to Western Australia. We could talk interminably, using exaggerated claims, to show just how far or how great the progress of the State has been.

I attended a function last night—the Premier and the Minister for Education also attended it—at which one of Australia's leading industrialists, once again—it was about the 15,000th time in my political career that I have heard it—used the expression, "Queensland is the State with the greatest potential". We find the Government saying, to suit its purposes, that it has so far outdistanced Labour's record that it is destined to rule for very many years. I tell the Government—and I make this clear to wider fields outside—that we in the Labour Party have had our problems (and no doubt they will continue in the future, as they will with all political parties in a democratic society) but no longer will the label that has successfully been attached to us about Communist affiliations and so on bring the Government back into office automatically.

I come back to where I started and say that I agree with the hon. member for Toowoong that Queensland's future lies in

development—development that is diverse, development that is multifarious, and, if at all possible, development that is decentralised. That is an excellent expression of objectives, to which I subscribe most heartily. However, many claims are made wholly without foundation. Two or three weeks ago I was in Toowoomba when a large American-domiciled firm, Austral-Pacific Fertilizers Ltd.—great claims were made by the Government that it had influenced this company to come here—announced that it proposed to spend 60,000,000 or 70,000,000 pounds or dollars—I forget which, because of the easy manner in which people use round figures—in Queensland. I say at the outset that if this company's contribution to the State's economy is as great as we are led to expect, I welcome its coming into our midst.

But I wonder if the promises or incentives given to this company were motivated more by a desire to justify the Queensland Government's lag in providing for the reticulation of natural gas to Brisbane than for any other purpose. If this company succeeds as it hopes to (and as it could well do, because of the strong financial backing behind it), it could very well succeed at the expense of our local fertiliser company in which there is an almost predominant—*in fact*, I think it is almost so—Australian shareholding content. It is apparently a co-operative concern. On its board there are representatives of the graziers, the cane farmers and the general agricultural community.

Mr. Carey: You will make the shares drop in value tomorrow with this speech.

Mr. DUGGAN: If there is any drop in share values it is the Government's responsibility. If the hon. member is so keen about that, he will find that the share outlook dropped coincidentally with the announcement concerning Austral-Pacific Fertilizers Ltd., the company I have referred to. I should like to talk about what has happened, and not what might happen in the future.

The local firm has already a productive capacity of about 50 per cent. more nitrogenous fertiliser than the actual consumption in this State. If it already has a productive capacity of about 50 per cent. more than the existing requirements—obviously it would be prepared to plan for further demands—there will be a costly duplication of production facilities to provide for a market that is currently saturated.

Mr. Campbell: Are you satisfied with the present consumption?

Mr. DUGGAN: No. I am not arguing with that at all. I do not want to "rubbish" this firm, but the Government wants to benefit from announcements of this kind.

I have said previously, and I repeat, that in my view the Government seems more concerned with making announcements about the

proposed investment in this State of funds from abroad than it is with the larger amounts being provided internally from firms already established in the State. The Government would much prefer to make an announcement concerning a \$100,000 investment by a Japanese or an American firm than a \$200,000 expansion programme by a local firm. That seems to me to be the position.

I can only express the hope that both companies will prosper. I hope that if Austral-Pacific Fertilizers Ltd. is successful, it is not at the expense of the local firm. If it is, it will mean that the justification for the gas pipeline is largely at the expense of Queensland producers, because they are predominantly the shareholders in this large fertiliser complex to which I refer. No-one can deny the design facilities, production capacity, and general lay-out of the existing plant. I did not start out to make a strong plea for a particular firm, but I wanted to draw attention to the publicity that the Government always seeks when a firm with overseas ramifications comes to this country.

I wish I had time today to deal with the question of foreign investment in this country, because in the case of one particular firm the profits will be distributed amongst shareholders in this country, whereas in the case of firms domiciled overseas the profits ultimately will be distributed overseas. Currently, something in excess of \$200,000,000 is going out of this country to meet the requirements of foreign capital that has already come here. I, and many of my colleagues, as well as the Australian Labour Party generally, have spoken about this matter for a long time.

It was gratifying to me the other day to learn that Mr. Callagan, of the Commonwealth Bank of Australia, drew attention to the warning issued to people attracting industries here that, even in the words of the Federal Treasurer (Mr. McMahon), want to get into the bread-and-butter side of the Australian economy. No-one with any intelligence would object to the influx of large amounts of overseas capital for works that require tremendous sums of money and the success of which depends on the absorptive capacity of the financing companies to take the production onto world markets. As an instance, I refer to Kaiser Aluminium & Chemical Corporation of U.S.A., which, to a certain extent, can absorb the alumina produced in the plants that it has the capacity to establish. In many cases, such as the quest for oil, where the initial chances are somewhat speculative, some measure of overseas capital is obviously required.

My only plea is that there should be an opportunity in every case for Australian participation to an increasing extent, which in no circumstances should be less than 40 per cent. If the Australian investor is not prepared to accept the invitation to participate in these ventures, up to a minimum of 40 per cent., and accordingly the Australian percentage is lower, I have no objection to

overseas interests taking up a greater percentage. But I think it is wrong to the extent to which the Australian economy will be affected to an increasing degree by the incursion into this country of investment in fields that could well be carried out by existing companies, such as ice-cream and biscuit firms.

I do not think it matters very much whether we have one or two additional varieties of biscuits, or whether there is an additional ice-cream flavour introduced from abroad. I am in favour of the sort of capital investment in this country, if, as a result, technological advances are made or production costs are lowered so there is a constant reduction in the price to the consumer.

I turn now to development, which is a subject on which I have previously spoken. I am not certain whether I have done so in this Chamber. It seems to me that all that the Government is doing is parcelling out funds obtained under the arrangement with the Commonwealth Government for financial assistance grants, and revenue obtained from its own taxing powers and the provision of services, such as those provided by the Railway Department, for which charges are made. All that happens is the allocation of funds for various purposes. Irrespective of what party is in power, the opportunity to increase or decrease the amount of revenue received is, under the present financial system, not very great. Although one Government may devote a higher percentage of revenue to education, hospitals, or roads, in the main, State Government financing is merely a question of allocating funds to departments. This distribution is based on recommendations of the Co-ordinator-General, which are reviewed by Cabinet subcommittees, then by Cabinet, and then by the Caucus of the Government parties. Those are the decisions made by State Governments throughout the Commonwealth.

I think the Budget could well be referred to as a "stay-put" Budget. It has been claimed that there will be an increase of 5 per cent. in pending, but already the forecast is that wages and other costs will increase by at least 5 per cent. in the next 12 months. The proposed increase of 5 per cent. will therefore be taken up by increases in costs in the next few months.

I think the Government should be more active in dealing with the question of costs. Inflation seems to be getting away from us, and people today are not content with what were once regarded as reasonable incomes. There is no way that wealth can be won without work. Although it may be possible to operate financial mechanisms and do things that provide temporary relief, there is no substitute for hard work. Consequently, all the talk about the need to re-examine Commonwealth-State financial relationships will not get the State very far if the only thought is of extracting more money from

the Federal Government. That Government is the principal taxing authority, and it is obviously going to be reluctant to give away more of its revenue. If I were the Federal Treasurer I would be reluctant to give to the States all that they ask from time to time, as that would involve me in imposing heavier taxation, which naturally produces a feeling of revolt in the people.

I therefore do not think that there is any magical formula to overcome the present situation. The Federal system should, I think, be preserved, and I do not think that, because six or seven States say they want more money, the Federal Government will be keen to suffer the stigma of increasing taxation to raise the extra finance. Anybody can spend another's money. We have to be a little more realistic about the problem.

The question of higher costs is one that the Federal Government should face up to. I charge it with waste in many directions. The State Budget provides for a 5 per cent. growth rate, whilst the increase in Commonwealth spending is in the region of 9 per cent. On more than one occasion I have seen such things as stationery and typewriters air-freighted to Federal conferences. I do not think there is any justification for that type of expenditure. I have a recollection of Federal officers telephoning me when I was Minister for Transport and asking if I could think of ways of spending the money allocated for the Transport Advisory Council or road safety.

I have other recollections of great waste by Federal authorities, and I think a more vigilant eye should be kept on Commonwealth expenditure. I should like to see some evidence of the Commonwealth Government's ability to live within its income before it starts expecting the ordinary people—unless they are airline pilots or in some similar calling—to live within the limits prescribed by industrial commissions and other bodies that determine wages and salaries.

On the question of growth and development, I think that much of the money spent by the present State Government is not reproductive. It is all very well to talk about water conservation, which I think is necessary and desirable; it is all very well to talk about opening beef roads, the provision for clearing brigalow lands, and so on. If developmental schemes such as those lead to an increase in production, they are very desirable. But the mere fact that a scheme sounds attractive and pleasing does not necessarily justify the projection of large sums of money for its realisation, and evidence is accumulating that in many directions funds have been employed wastefully in public projects that are not producing an economic return.

Sometimes, of course, projects have long-term effects. I remind hon. members that an ordinary retailer might have recourse to an overdraft from his bank to finance the

purchase of Christmas stock, and the bank lends him the money very willingly in the expectation that the goods will be sold and the overdraft reduced in due course. On a similar basis, I do not have any objection to deficits building up over a period if in the long term the growth of the State is increased sufficiently to enable the debt to be kept within reasonable bounds; but I think that more vigilance and more care ought to be exercised in that direction.

One of the things that I deplore most about the Government is its failure to provide any evidence showing that it has a clear, positive policy as to where it is going. It is a Government that from time to time has been persuaded by varying degrees of public pressure to plot its course to deal with particular situations. I ask hon. members to cast their minds back to the Bill introduced by the present Treasurer when he was Minister for Transport in which additional transport charges were proposed. In his own electorate of Lockyer, a great outcry occurred against the restrictions that it was proposed to place on primary producers in the area, and the hon. gentleman very courageously rose in this Chamber and said he would not be deterred from his course of action by protests, whether they were from his own electorate or from some other electorate. However, when large meetings of protest were held there was a quick change of policy by the Government. Hon. members know, too, what happened relative to land valuations on the South Coast and how the Government, by a series of compromises, tried to avert what it thought might be a difficult political situation. It took similar action relative to its land policy when graziers and others began to apply pressure. The Minister for Lands fought a very valiant, but to some degree losing, battle against the pressures applied to the Government by people outside this Chamber.

The Government has been able to drift along because it has not allowed the discontent to become so great that it might lead to an electoral rejection by the people of Queensland; but the State must have a clear policy. What I suggest is not merely new titles for the Ministries, which do not mean very much. There may well be—I think there has been—plurality of control; there certainly has been lack of decision and lack of incentive for Ministers to project plans because of the clumsy way in which it has been necessary to clear things through Cabinet.

When Labour was in power, it had Professor Colin Clark as its adviser. In my opinion, he was a very great man. I sometimes regret that Labour Governments did not have a practical, realistic man alongside him to examine his plans and be a little bit caustic, or even rude, about the proposals contained in them, because I believe that the reshuffled plans would have been much better. Professor Clark had an encyclopaedic knowledge and, although he was wrong in one

or two of his major prognostications, in the main he was a very helpful adviser to the Government.

What I should like to see is the establishment of a department of economic planning within the Premier's Department—hon. members opposite should forget all their talk of Socialism and of the State trying to tell private enterprise how it should operate—or perhaps within the Department of the Co-ordinator-General. Sir James Holt is a very good engineer and administrator, but at the moment the Government is loading him with detailed work of all types—committees, inquiries, and so on—and, as a result, he has no free time to draw up plans and propound them to the Government.

I feel that we should have within the Premier's Department a nucleus of economic experts, together with a couple of realistic practical men. I do not think in this regard that we want only professional and business skill; we should inject some union representation to try to promote a better industrial field and feelings between management, capital and labour. We could then perhaps plan a course on how public funds ought to be spent, and lay down some measure of priority.

It might be said that members of Parliament are parochial in their attitude in this Chamber, instead of representing the State as a whole. I do not think that is so. With due modesty, I have not been in the habit of making parochial statements in this Chamber in the 30 years, with the exception of a brief period, that I have been here.

Mr. W. D. Hewitt: I support your sentiments entirely.

Mr. DUGGAN: Whilst I believe that we have to represent the people in our electorates by deputations and other means, or by assessing and outlining particular plans for development in our own areas—I am not taking away the right to do that, either in this Budget debate or anywhere else—I suggest that if the public were educated to a proper appreciation of where the State is going, it would be so much the better.

Mr. Lickiss: Isn't that absolutely essential?

Mr. DUGGAN: I think it is essential, but it is not being done at the present time. I think it ought to be done.

I want to deal now with the question of the European Common Market, which I discussed some time ago. I have found that, with one or two notable exceptions, this subject has been virtually ignored. I might be forgiven for paying tribute to Mr. McEwen, the Federal Country Party Leader, who, in my book, in matters of trade and in trying to preserve Australia's trade interests, for a non-Labour man deserves commendation. But although he has fought courageously and coherently, he is fighting a losing battle. Those who follow the trend of Federal politics will know that in matters in which the Federal Treasury, under Sir Roland Wilson, and the

Department of Trade and Customs—I think the present permanent head of that department is Sir George Westerman—are involved, the balance seems to weigh in favour of the Treasury. There was a time when Sir John Crawford was head of the Department of Trade and Customs, when matters between that department and the Treasury might have been better balanced. Mr. McEwen is a fairly old man; he has announced his intention of vacating his present office in the not-far-distant future, and I have tried to find someone on the non-Labour side who has been prepared to put up some sort of thinking on the question of the Common Market. I have gone through the files and all I can see is one comment from Mr. Pizzey and another from Mr. Row, in addressing a primary producers' conference, to indicate any anxiety on the part of this Government about the repercussions of Britain's entry into the Common Market.

On 27 May, 1967, Mr. McEwen returned from an overseas visit and was able to announce that Australia's trade "at risk" if Britain entered the Common Market was \$375,000,000. I repeat, as I have said on so many occasions, that I do not think it is all right for one sovereign State to tell another sovereign State what it ought to do. Therefore, the British Government has an obligation to assess what is best in its own interests and to plot the course which, in its view, will make for more security in the United Kingdom, both economically and financially, and will improve the living standards of its people. If by entering the European Common Market it can achieve this objective, then I say there is an obligation on it to do so. But I also want to make it clear that in the same way as I extend to Great Britain the right to put up a strong case for protecting its interests, I say there ought to be the same agitation and motivation on the part of the Australian Government to do the same thing for the Australian nation. I am certain we are not doing this, with the notable exception of Mr. McEwen and a few other interested organisation leaders, such as the leaders of the rural commodities groups—the wool people, the wheat people, and certain others. I do not think we realise the impact this step will have on our economy.

I understand that the former Minister for Industrial Development may take part in this debate later. I hope that I am not quoting him unfairly when I refer to a speech made in Toowoomba a year or two ago in which he drew attention, I think quite truthfully and accurately, to the fact that for some time the future of Queensland, despite our desire to increase its industrial strength—I agree that every encouragement must be given to achieve this objective—will depend basically on its rural industries. Although we are getting closer to a balance between primary and secondary industry, this has been brought about largely by the establishment of processing plants rather than large industrial complexes. As the

population grows I expect these things to come, irrespective of what Government is in office.

The so-called spectacular development in Queensland is not confined to this State. Whether we go from Brisbane to Bangkok, Adelaide to Amsterdam or Sydney to Stockholm, we find that the skyline of almost every city is changing. The same technological changes are taking place in many countries of the world. Consequently, I feel that we have to be cognisant of what is happening.

Because of the drought, our wheat crop will be down from 450,000,000 bushels to something to the order of 260,000,000 bushels, which is the expected crop this year. The Kennedy round of talks was responsible for a minimum-price agreement, but already the American authorities are sabotaging that agreement and selling wheat on the world markets below the rate that was approved. For the three months ended 30 September this year, the wool clip was down \$26,000,000 compared with the comparable period last year.

Great Britain is making application with renewed vigour to enter the European Common Market. Despite the effect that it will have on meat, wheat, cereals, dried fruits, wines, butter, cheese, eggs and other Australian rural products, there seems to be complacency in the State from which so many of these things originate. I think the original complacency to the proposed entry of Great Britain into the European Common Market in about 1958 or 1959 stemmed from the fact that 80 per cent. of our foreign earnings were for wool. We have taken some measure of comfort in recent times in the development of mineral resources, and the export of coal, bauxite, iron-ore, etc. from Australia. This, of course, will pose problems which, in the 10 minutes or so still available to me, I hope to be able to examine in some detail.

Traditionally, Great Britain has always been a trader. She has always taken a course of action in foreign-trade affairs that has suited Great Britain. I pay her my respects in acknowledging how successfully she has undertaken this activity. Obviously, she is not concerned about Australia.

In 1965-66 we imported \$285,393,000 worth of goods in excess of our exports to Great Britain; in 1966-67 the excess of imports over exports amounted to \$318,745,000. Over the same period, what were our trade relations with Japan? In 1965-66 we had a favourable trade balance with Japan of \$190,237,000, and in 1966-67 our exports to Japan exceeded our imports from that country by \$291,939,000.

We now face the situation where Great Britain, despite the strong trade balance in her favour, has said, "We are not very much concerned about your future, military-wise or trade-wise." If she wants to become a

European influence and throw the Commonwealth overboard, that is a course of action for which she must accept full responsibility.

Mr. Chinchin: This is the outlook of the Wilson Government.

Mr. DUGGAN: Not only the Wilson Government. Heath was the man who started it. Wilson acted as a restraining hand in this move for some time. I am talking about the Governments of the United Kingdom—both Conservative and Labour.

[Sitting suspended from 1 to 2.15 p.m.]

Mr. DUGGAN: I think I had reached the point where I was drawing attention to the movement in trade between Australia and the United Kingdom, and between Australia and Japan. It is very interesting to record the movement that has taken place in this trade development in recent years. In 1937-38, 40.6 per cent. of Australia's imports came from the United Kingdom and 54.8 per cent. of our exports went to the United Kingdom. In the year ended 30 June, 1967, the position had deteriorated to the extent that we imported about 24 per cent. of our total requirements from the United Kingdom and only 13 per cent. of our total exports went to that country. There has been a tremendous alteration, of about 40 per cent., in the years between 1937-38 and 1966-67.

We are now in a position of strength to bargain in these matters. Now that Sir Robert Menzies has retired—he was perhaps the last Australian politician to raise the British flag in the Australian Parliament; I do not say that derogatorily, but he was inclined, I think, in most decisions affecting the Australian Government to support what Britain decided to do—I suggest that Australian Governments, including the Queensland Government, should be prepared to do what Great Britain has done and ensure that we extract the best possible advantage from our trade opportunities.

We are living in an intensely competitive world. It has been proved that Australia's gross national product growth has been moving at a reasonably satisfactory rate. Other nations, notably Japan, have eclipsed it. Italy, for a period, had a magical transformation, as did Western Germany, but in those countries there has been a serious decline in economic activity. Japan is one of the few nations to maintain a very high percentage of growth. However, her growth is restricted to some degree because of the failure of countries to which she exports to match her rate of industrial development with the result that, inevitably, unless there is an improvement in world trade, the Japanese economy must contract to some extent.

Whatever may be said about the Japanese, I do not think it can be said in truth that they lack either brains or the capacity to cope with extraordinary situations. I do not think it was a mere coincidence that the Prime Minister of Japan came to Australia recently. From all accounts his speeches,

and notably his Press conference, which was televised, were directed to the Japanese people rather than the Australian people. Although many of us have unhappy memories of our relations with Japan during the 1939-45 war, it is a fact of life that we have to learn to live with new situations. As other nations are accommodating themselves to degrees of change, we likewise must examine the impact of world events on Australia. That these events do change is perhaps epitomised by the current attitude of the United Kingdom in courting, of all people, President Nasser.

It is suggested, with some degree of truth, that this courting is the result particularly of Great Britain's desire to reopen the Suez Canal. It is rather ironic that Britain, with France, some years ago secretly encouraged the Israeli Government to tackle the United Arab Republic and that now she should find herself in the position that she is not getting a great deal of sympathy from either side. The Israelis won a resounding military victory, and Great Britain is now seeking, for her own purposes particularly, to enter into negotiations with Nasser. I mention also—not that it has any particular bearing on the Queensland Budget—that we have a little fresh fruit caught in a ship in the Suez Canal. As I say, England is motivated by her long-term best interests and these changes of events and changes of attitude occur frequently.

Throughout history, Great Britain has been wonderful. Many of our people come from the United Kingdom. We have a common cultural attitude and speak the same language. We have many interests in common. I feel I should once again say, in case my remarks are misconstrued, that of all nations in the last 100 years, and particularly in the last 40 years, Great Britain has made the greatest contribution to the preservation of our democratic institutions, justice, freedom, and liberty. None the less, Great Britain is in the position where she has to fight for economic survival.

We in this part of the world, so far removed from world events, must also see to it that our trading requirements and our security are considered. That is why I suggested earlier that within the Premier's Department there should be an economic planning committee to advise the Government on these various trends.

The trends show that in 1970 Japan will reach the point where it will be necessary for her to lapse, or renew, or renegotiate, the agreement between the United States and Japan, known as the U.S.A.-Japan Security Agreement. Informed observers say—I do not claim originality for this quotation—that it is very likely that the United States of America will prefer an independent Japan to one that is under the nuclear umbrella of the United States of America.

Japan can act as a bridging nation between East and West, and that is one of the reasons the Japanese Prime Minister came here. He is in a very strong position to influence the Australian economy, because the trade balance is in our favour at the present time. The increase in trade relations between our two countries has been dramatic. There is no other word for it. But there are many people who feel that it would be unwise for us to build our Australian economy on the expectation of continued industrial expansion in Japan. Somebody should be watching these trends, because they change so quickly. Queensland is the most vulnerable State of all.

It has been suggested that when Japan does obtain independence she will continue to do what she is doing now. Despite questions directed by Australian correspondents to him, the Japanese Prime Minister was particularly careful not to offend Communist China in any way, because Japan is already developing extensive trade relations with China. It is likely that a weaning process will be adopted by various powers to alienate Japan from the United States, and, for various reasons Russia will come into the picture.

Many of the raw materials that we currently export to Japan are available in large quantities in countries like Siberia. Consequently, it could happen very quickly that the whole pattern of our trade will change. So if Britain's request to enter the Common Market is rejected, it will really be only a postponement of the request. It all hinges around President de Gaulle and obviously, because of his age, the time must come, irrespective of his continuing opposition to Britain's entry, that Britain will join the Common Market.

The Queensland Government feels that the development of the brigalow lands will result in increased cattle and sorghum production in those areas. We do not seem to have a proper appreciation of how quickly world markets change. Our sugar industry, which is protected until 1970 or 1974, will certainly be seriously endangered when the present agreement lapses. If by that time Britain has joined the Common Market, Australian sugar will be excluded from the preferential conditions of entry into the United Kingdom.

Our wheat industry is vulnerable, because countries that have been importing wheat are now reaching the stage where they can not only provide their own supplies but have a surplus for export. Although Russia was till quite recently an importer of wheat, it is now selling wheat on the United Kingdom market. The only country currently importing wheat from Australia in any magnitude is China. We of the Labour Party are berated on all sides for being, we are told, hand in glove with the political ideology of the Chinese Government, whilst all the time the Australian Government, in the hands

of those who constantly try to belt the A.L.P. with that political whip, is trading extensively with China.

This is a subject which is to me, and I am quite sure to all thinking members, a very important one. Because of our vulnerability, I feel that there should be some positive evidence of the Government's interest in this problem and the steps that it proposes to take to deal with it. Apart from the occasional speech to which I have referred, there has been no evidence of any governmental concern over future trading operations. Apparently it is felt that with the passage of time the Premier will retire, that somebody will relinquish a portfolio, and that no-one has any particular responsibility in this direction. Governments today have a great responsibility to the nation, and in this day of advancing technology we are more vulnerable from a security point of view than we have ever been. We must therefore strengthen our economic frontiers and industrial power to ensure that our economic growth continues, and we must enter into alliances that provide as much security as possible.

Because this is predominantly a primary-producing State, I hope the Government will recognise the need to direct all available funds to projects that will be remunerative and produce economic returns. I feel that much money is being wasted in placating small groups of people by transferring funds to the areas of particular members instead of using them for the over-all development of our natural resources. I feel that in this respect the Government has failed very miserably indeed, and I now exhort it to pull up its political socks and give some attention to the constructive suggestions that I have made. Now that the Premier is shortly to lay down his mantle of office, the Premier-elect could give some thought to the desirability of effecting changes in his department along the lines I have suggested. As my time in this debate has nearly elapsed, I cannot elaborate on that matter.

I feel that increasing attention should be given to the more serious aspects of development, growth, and financial strength. Unless that is done, I am sure that we will ultimately be caught in international situations that could very well imperil our future security and endanger our high standard of living. Maintaining that standard of living is a very great obligation on the Government, and the only way to do it is to work efficiently, use resources to the best advantage, and mobilise the best brains available. Because there are not a great many people in this country, it is necessary to have the best brains possible advising the best steps to take to ensure continued growth and industrial development for the security of the people of Queensland and the rest of this continent.

Mr. LEE (Yeronga) (2.29 p.m.): It is always difficult to follow a speaker as eloquent as the hon. member for Toowoomba West. What a disappointment it must have been for hon. members opposite to lose his services as leader! The presentation of a Budget is never an easy task, and the difficulties associated with it are always more pronounced in a rapidly developing economy and an affluent society. The financial problems of not only Queensland but, indeed, the whole of Australia have been increased with the demand to maintain the goods and services necessary to keep pace with the constantly accelerating rate of development and progress. I believe that the Treasurer should be complimented for the way in which he has surmounted a very difficult task again this year without resorting to increased taxes.

It is quite obvious that when a growth momentum develops such as has developed in Queensland over the past few years, there cannot be enough money for everything that one would like to see done. We are told by hon. members opposite that that would not happen under a Labour Government. Of course it would not! In fact, it could not happen, because if there are no secondary schools, one does not need teachers for them, and one would not have the constant demands that are made on the Department of Education today. If no roads are built, they do not have to be repaired; and if one is prepared to leave raw materials in the ground, as hon. members opposite did, there is no need to spend money to assist their development or to provide new port and harbour facilities for the resulting trade expansion.

No wonder there were so many camphor laurel trees planted in school grounds! A.L.P. Governments found it cheaper to plant them than to build schoolrooms. At least they were considerate enough to give the children a little bit of shade, even if they did not give them classrooms. In spite of that, hon. members opposite constantly harp about a few temporary classrooms. Give me temporary classrooms in preference to the camphor laurel trees that existed under A.L.P. Governments!

Hon. members have been told time and time again that the attack by the Opposition on the Department of Education is not political. Let me say here and now that I have a paper here—it is on official A.L.P. stationery—which says that a seminar is to be officially opened by Mr. Jack Houston, M.L.A., a member of the State Parliamentary Labour Party. It is obvious that some of the big guns from the South are being brought up, too, because Mr. Gough Whitlam, the Leader of the Federal Labour Party, will be coming to Brisbane on Sunday especially to address the seminar. While hon. members opposite try to tell us that this is not a political issue, they send this letter to every parents and citizens' association. People who attend the seminar will be told what

can be done about teacher training in an address by Mr. E. A. Baldwin, who is nothing less than an extreme left-winger.

Opposition Members interjected.

Mr. LEE: I would hope that my bank balance is not the same colour as he is.

Opposition Members interjected.

Mr. LEE: If one mixes with Alsations, one is sure to get fleas. If one mixes with red setters, one is sure to get red fleas.

Opposition Members interjected.

The CHAIRMAN: Order!

Mr. LEE: All the development that is taking place in this State at present is a monument to the free-enterprise policy of the Government, and it is a denial—a complete denial—of the Socialist policies that the Opposition would like to see imposed on the State and its development if they had the opportunity.

It is unfortunate that the Opposition constantly criticises and harps on the operations of overseas companies in the developmental programmes that are being carried out in Queensland at present. We have just heard the hon. member for Toowoomba West talking about Austral-Pacific Fertilizers Limited. Let me say here and now that this company is at least giving the people of Australia the opportunity of taking up 49 per cent. of the shareholding. Therefore hon. members opposite surely will not say that these people will not have the opportunity of giving better service to the Australian community. The electorate of the hon. member for Toowoomba West in particular must surely benefit from a gas line passing the Toowoomba area.

Investors must believe that this Government will remain in power for a long time or they would not have the faith to invest the moneys they have invested in this State, particularly when the A.L.P. has such a socialistic outlook.

Mr. Sherrington: How do you base that belief?

Mr. LEE: On the socialistic policy of hon. members opposite.

Last week we witnessed the spectacles of the Opposition Leader—the Leader of the Parliamentary Labour Party—criticising the building of Housing Commission homes for workers, simply because these men were working for overseas companies. What does he expect the workers to do? Live in the mines, or in camps or under the camphor laurel trees as they used to!

I think it was the Opposition Leader who also compared progress in this State with that in South Australia. Even he should know that South Australia was making progress under a Liberal Government when Queensland was held down by the dead hand of Socialism. After a couple of years of

Labour Government, however, there is already a change. Employment figures issued this month showed that both the Labour States, South Australia and Tasmania, have the highest unemployment rates in Australia. The relevant figures are South Australia 2.5 per cent.; Tasmania 3.1 per cent. and Queensland 2.2 per cent.

Mr. Houston: That is rubbish.

Mr. LEE: That is not rubbish. That was published in the Press in the last few days. Is this, to quote the Leader of the Opposition, "Leaping ahead"? I think he twisted it; I think he meant leaping backwards. He can be certain that the decline of South Australia will follow the progress of the imposition of socialist policies.

On a "Meet the Press" interview in Melbourne earlier this month, the Victorian State Opposition Leader, Mr. Clyde Holding, said that the Labour Party would take over Victoria's natural gas production from Esso-B.H.P. if the A.L.P. came to power.

Mr. Sherrington: I agree with him.

Mr. LEE: With the hon. member's socialistic attitude he would nationalise everything.

Mr. Holding said, "We may find some difficulty in unscrambling the eggs, but we will." I repeat—"But we will." I hope he does not burn his fingers trying to do it. I am sure he won't as he will not even get the opportunity to crack any eggs in Victoria.

If this is in keeping with Labour policy, what can we expect from our own Socialists on the other side of this Chamber? I ask them: is there some plan here to nationalise these large industries that are based on natural resources? Is there any difference between an industry based on gas and one based on bauxite, or perhaps coal operations? They would socialise all of them if they ever got back into power and all I can say is, "God help the people if that ever happens"!

Does this explain the constant harping from the Opposition benches on matters relating to the investment capital that is coming into this State, and which has given us the fastest rate of growth in Australia over the past three years? Let us look at what this investment capital has done for us. As the hon. member for Rockhampton South would know, Central Queensland is the area of greatest development.

Opposition Members interjected.

The CHAIRMAN: Order! The persistent interjections of hon. members on my left, particularly those of the Leader of the Opposition, are becoming quite tiresome. If interjections are relevant, fair enough! The hon. member for Yeronga.

Mr. LEE: It is no secret that it was one of the worst drought areas of the State, and that part of it is still badly affected. Ten years ago—or even less than that—a town like Gladstone would have suffered one of

the greatest depressions in its history. Instead, it is a boom town because of the operations of private enterprise and the infusion of overseas capital into the alumina project in particular, the coal operations, and general ancillary industrial development.

The hon. member for Port Curtis is in a position to appreciate the advantages that the construction of the \$115,000,000 alumina refinery has brought to the area. He should also know the benefits that have accrued from coal development, and what the Government spending on the construction of the new railway has meant to Central Queensland. The effect of such capital investment carries on right down through the community. The experts recognise that this type of spending multiplies at least four-fold before its effects are lost and finally a portion of it reaches the bank as individual savings. Even the hotels get some benefit, as I am sure the hon. member for Port Curtis knows. I bet his bank account is not the same colour as Mr. Baldwin.

There are obligations on any Government to provide funds for long-term investment in goods and services that will provide a framework on which the State can develop. The present Country-Liberal Government accepts that responsibility but, if one believes the statements made by the Opposition during this debate, a Labour Government would be hesitant, to say the least, in spending money on the improvement of harbour facilities, or the expansion of the Central Queensland railways, to assist general development and the export trade.

I have been in Central Queensland on several occasions in the past 12 months and, like the hon. member for Fassifern, I am impressed with the efficiency of the large-scale operations taking place there. Its present glamour is centred around minerals, but the whole area will develop a rural output in the not-too-distant future which will make it a second Darling Downs. I am quite convinced that within the next 10 years it will produce a great quantity of grains, as well as beef, and then we will find a new use for the railway that is being constructed mainly to assist the coal export trade.

While on the subject of the railways, it is worth recording that Queensland industry has benefited to the extent of many millions of dollars in the provision of diesel locomotives and railway rolling stock.

The Labour Party might also think of this when it criticises the operations of overseas capital. Without the coal development there would be no need for the railways.

One of the urgent tasks of our time is to get more money for development. In the private sector there are not sufficient funds available locally; they must be supported by overseas capital. In the public sector there is no doubt that an improved financial relationship with the Commonwealth is most desirable. I hope that discussions already

arranged with the States will provide some solution and, in particular, a solution more satisfactory to Queensland.

With the present shortage of funds it is vital that available money be used properly, and distributed into sources where it can do most good for the State and its people. The Budget has done the best possible job to accomplish this, and claims to the contrary by the Opposition can be forgotten as mere political claptrap.

However, I should like once again to draw attention to the waste of money in main roads jobs through the use of day labour when contract work would be the more economic and efficient manner of getting the job done. I know it hurts the Opposition with its Socialistic outlook when I speak about contracts, but I know from experience that the contract system is better for the State. I believe in a proportion of contract work and a proportion of day-labour work. I never want to see the day when all the work is done by contract. I say that for the record so that hon. members opposite cannot say that I want all contract work.

Mr. Houston: You have changed your mind.

Mr. LEE: No. I have not said that I want all day labour. If the hon. member looks at "Hansard" he will see that on many occasions I have said that there should be a proportion of contract work and a proportion of day-labour work.

The Treasurer said that some relief had been given to the local authorities in a decision of the Loan Council meeting in June to enable them to increase borrowing from \$200,000 to \$300,000. As the Treasurer said, this will allow them to enjoy a higher level of capital works without recourse to debenture allocation. I am all for more money for local authorities as no doubt they are having just as tough a job as anyone else getting their programmes fulfilled.

However, I entreat anyone in this Chamber who is also on a shire council, not to spend money—and waste it—on building up plant and equipment. There is no economic reason for the majority of this plant, and its idle capacity over the period of any financial year is a waste of money. I am sure that any contractor can do the heavier jobs much cheaper, and much better than the shires can. I am sure also that there would be no difficulty at all in coming to an arrangement for the absorption of the local workforce, if that is the motivating reason for the employment of day labour.

I say here and now that by using contractors money can be saved by local authorities in that more work can be done for the same cost. The same position applies to the Main Roads Department.

Mr. Houston: How do you work that out?

Mr. LEE: Because I have had years of experience and the hon. member's is a big zero.

The use of day labour is no solution to getting the best value from that very scarce commodity at the present time, namely, public funds.

In conclusion, I thank the Minister for Mines and Main Roads for the announcement made in "The Courier-Mail" of 2 October that an early start is to be made on the \$2,500,000 Rocklea overpass. It is heartening to see that tenders will be called for the main section of the work.

Mr. WALLIS-SMITH (Tablelands) (2.50 p.m.): Many suggestions have been made on whether, in this debate, we should speak to the actual Budget, discuss the whole of Queensland, or raise matters concerning our own districts or electorates. I regret that the Minister for Primary Industries is not present, because my first subject concerns his lack of imagination and effort and the disgraceful result of his non-activity in matters relating to the tobacco industry. It may have been thought that in my Address-in-Reply speech I had concluded my remarks on the tobacco industry, but this matter will never be concluded while a Minister such as the present one and his department say to the farmers, "Wait until 1968". I intend to show how important this is to a large number of people who will have to leave this area unless something is done soon.

I have been most tolerant. I have asked questions that left the way open for the Minister to do something; I have seen the Minister; I have seen his marketing officer; and I have written letters. All I get from them is the assurance that they are very concerned and that they view the tobacco situation with a great deal of seriousness. This is not good enough. This afternoon I shall put it right to the Minister that if in the future he wants to be referred to as the man who crippled the little tobacco farmers in the first trial of a stabilisation scheme, he is going the right way about it. I quoted what the Premier and the hon. member for Fassifern said in 1952 about the Tinaroo Falls Dam. In years to come I should like people to look back and say that the present Minister saved the industry in the first few years of its existence.

Up to four years ago, tobacco was good one year and bad the next. There were many complaints and excuses. Every one of them might have been true or untrue. Hon. members on this side of the Chamber—there may have been some on the other side of the Chamber, although I rarely hear them—said there was graft. It is no good crying wolf unless a remedy is suggested. I have suggested remedies to the Minister on many occasions. They are contained in section 43 of the Tobacco Industry Stabilisation Act, which was introduced by the Minister in 1965 under the heading, in big, black print, "Transfer of grower's basic quota." If there are to be no transfers of quotas, the heading should not be as it is. Admittedly the section contains words that

legally could be twisted around to mean a certain thing, so it is up to the Minister and his officers who are responsible for this Act to see that it is amended to allow the transfer of quotas. As I pointed out in a question last week, that action is allowed in other countries that grow tobacco.

If the Minister intends to be smug and say that he will do only what his officers advise him and not consider the 150 small farmers who are making such a big song and dance about this in North Queensland—and they constitute 60 per cent. of the tobacco farmers—in later years he will be referred to, as I said, as the Minister who crippled the small tobacco farmers.

Recently I received several letters from farmers. I do not intend to name them because it can well be understood that many in the Italian community are not able to express themselves very well. Consequently they have to consult solicitors, accountants, or tax agents, and what is contained in their letters is virtually the view of those who prepare them. What is said in a letter is not really the view of the farmer concerned, because he cannot understand fully what the Act means and what the interpretation of it will be. He is loath to take legal action against the Minister and his department over the transferring of quotas.

In his last answer, the Minister said that on no account was a quota to be regarded as something that should be sold or from which a profit could be made. A bank manager will not even get out of his car to inspect a farm once he knows what quota it has; with that information, he knows the value of the farm. Does the Minister say that there is no value in a quota? Of course there is. A farm is of no value without a quota, so it is only logical that the quota has a value. Why should that be taken from a farmer? If he gets further and further into the red he may want to sell to get out of the financial clutches of the bank, but the Minister and his officers will not allow it. I think that is an absolute disgrace, and I am going to use stronger words on it than I have used in the past. It is a disgrace for us to sit back and allow this to happen.

Few people are taking any notice of the situation. The hon. member for Cook fires a shot now and again. What does the Minister and his department intend to do about the little farmer? I shall tell hon. members what the Minister wants: he wants each farmer to say, "I am not going to grow tobacco any more. Here is my quota of 5 tons." In other words, "Here is \$10,000." The bank manager recognises its value but the Minister will not. What really matters to all of us is our security, and for these farmers security is in tobacco growing. It is the means of keeping them in the area—and I am speaking for 150 of them, not merely 30 or 40.

I can remember the Minister for Lands attending a tobacco sale, and I think it was a revelation to him to see the number of people employed on the floor and the number of farmers who came to see their leaf sold. All of that will change if the present situation continues. Large estates will take over from the small growers. There will be fewer people in the area and less equipment supplied. No doubt the shops will remain in Mareeba, but they will be empty most of the time. Responsibility for this will lie at the door of the Minister, who will not, irrespective of what I do, agree to look at the matter in a practical way. Someone suggested that he should resign, but I do not know if even that would be the solution.

I really think the Government is too complacent. Surely there are in Cabinet practical men who are able to say, "What is going to happen to these people? We are being pestered with questions from the member for Tablelands. Is there anything in what he says? I wonder what the answer is?"

Mr. Carey: Tell the farmers to change their representation and get a Country Party member.

Mr. WALLIS-SMITH: I can understand that coming from the "Isle of Capri". When the hon. member for Albert interjected during the speech of the hon. member for Toowoomba West, I told him to bathe between the flags or he would get into trouble. The hon. member is not only outside the flags; he is on the rocks. He should get back into deep water. That is the sort of interjection one would expect from the Government side of the Chamber while I am talking about the security of 150 farmers.

Mr. Davies: Does that mean that your electorate is being victimised because you are a Labour man and not a Government member?

Mr. WALLIS-SMITH: That could well be correct. It will be recalled that the hon. member for Townsville North said earlier in the debate that at election-time voters are told, "Vote in a Government man and you will get this and that." It certainly makes one think when things such as that happen.

If the suggestion that I have made is implemented now—I know it can be—all the trouble will afterwards be forgotten. But if its implementation is deferred until 1968 and the banks—I include the Agricultural Bank, because the Treasurer said in his reply to my question that a small quota would not attract finance from the Agricultural Bank—say that there is not only no finance for the farm but no carry-on finance to enable the farmers to live, values will decrease further and further. Nothing is worse for a farm than the reputation that a farmer has gone broke on it, or has had to

sell everything and get out, or has had to leave his family there and get work elsewhere.

These are the disturbing things that are happening in the Mareeba-Dimbulah area, and the Minister for Primary Industries can stop them immediately. I say that because under the Tobacco Industry Stabilisation Act, there is a sufficiently strong foundation on which he could build. If he took the action that I have suggested and allowed the transfer of quotas, the small farmers would stay in the area, and they are the ones who are needed there. Their children attend the local school and keep seven of eight teachers at the Dimbulah school.

I am glad to see that the Minister for Primary Industries has entered the Chamber. I know he would not want me to repeat what I have already said; I am sure he will read my remarks in "Hansard".

As I said earlier, we must retain the small farmers and their families in the area so that schools of a high standard can be maintained at Dimbulah and Mutchilba. If the farmers are allowed to leave, there will be only a few people working in the area, very little trade for Mareeba, and very little hope for expansion in the industry.

Officers of the Department of Primary Industries who sit on the quota committee have told me that the committee has no quotas to give away. I am showing the Minister a method by which he could have quotas of tobacco to give away. If he does not wish to do it in that way, he should allow the people to trade quotas, one with the other. Although I know that the Minister would like to do so, he has not yet gone in among the farmers. I ask him to read the next issue of the "Tobacco Journal". If he does so, I think he will see that the views that I am expressing are also expressed in it.

Mr. Row: If we allow the sale of quotas, is there any reason why Rothmans and Wills should not buy up the quotas and kill all the Mareeba growers?

Mr. WALLIS-SMITH: I am very pleased that the Minister has made that interjection, because section 43 of the Act puts the whole matter in the hands of the committee, the very people who are the basis of the stabilisation plan. Neither Wills nor anyone else could get away with it.

While we are talking about tobacco quotas, I will mention that one of the 2-ton increases was given to one of the heads of Rothmans cigarette company. You will know Mr. J. S. Nelson.

The CHAIRMAN: Order! I ask the hon. member to address his remarks to the Chair.

Mr. WALLIS-SMITH: I am sorry, Mr. Hooper, but now that I have the Minister here I want to keep him here. I would

say that Mr. Nelson may have had a very genuine case, but if one looks for the reason this quota was given the only reason one can find is that either the tribunal failed or made a mistake, or there have been stresses. The Minister knows that Mr. Nelson is a director, or one of the heads, of the Rothmans cigarette company. Is it any wonder that one starts to ask why these 4,000-lb. increases were given in only two cases. Mr. Piagno was the other one, and one of them is not even a tobacco-grower.

Mr. Row: Are you casting a reflection on the integrity of the board?

Mr. WALLIS-SMITH: I am not casting a reflection on anybody. I am asking what the Minister would say if this happened in the sugar industry. What would he say if he was a small tobacco-farmer and suddenly found 4,000-lb. increases going to men like Mr. Nelson? The Act is the Minister's guide—he brought it down—and I am asking him to see that it safeguards the industry as it was meant to. It is not safeguarding the industry when 150 farmers are allowed to sacrifice their quotas, which the Minister says are not worth anything but which the bank manager says are worth \$4,000 a ton. If we are going to split straws about who says they are worthless and who says they are worth something, the only people who will suffer—they will be waiting until 1968 while we split straws—are the very people I represent. I am speaking on their behalf, and in terms of letters they write to me. I have implored the Minister to do these things, but there has been no result. In my opening remarks I charged him that in later years he will be known as the man who killed the little tobacco-farmer in the Mareeba area of North Queensland.

Mr. Pilleam: Mr. Gilmore was a good representative.

Mr. WALLIS-SMITH: Mr. Gilmore has 24 tons; he does not bother about 2,000 lb. There are 2,000 lb. in a ton, so he has 48,000 lb. I do not think the hon. member for Rockhampton South should worry about Mr. Gilmore.

Further to my argument, I should say that the limit on the transfer of quotas should be in the hands of the committee. To my way of thinking, it should not be allowed to go past 12 tons. This may not meet with the approval of the department; it may say "10 tons," but I am asking for a little bit of breathing space and that it should be 12 tons. It is no use saying, "We are creating a precedent."

In my last question to the Minister I pointed out that this is being done in America and Rhodesia. Quotas are even being leased from year to year, but the

Minister will say that because of the Act quotas cannot be transferred from one farmer to another.

People will say, "How have the farmers lasted so long?" Costs of production are continually rising.

Mr. Row: Not in Victoria.

Mr. WALLIS-SMITH: I am talking about Queensland.

Costs of production are continually rising. Electricity went up 12½ per cent. The Minister for Local Government and Conservation has been going to review water charges for the last three years, but owing to pressure of work he has not got around to it yet, so that the farmers are still paying high charges for water. Three or four years ago they could grow as much tobacco as they liked and use as much water as they liked as long as they paid for it, whereas now they have to pay for the water whether they use it or not, and they can grow only their quotas. Even though it is costing them just as much in water charges, they can grow only about two-thirds of the tobacco they grew prior to their quotas being cut because of the stabilisation plan.

Fertiliser charges have gone up. Another factor is that fertilisers must be paid for on the spot. Diseases and insect pests are combated by the use of poisons. Additional costs are involved because of the increased price of these commodities and the equipment used to apply it.

Right through the piece it is the little man who is being hurt. He cannot get finance from any private bank or from the Agricultural Bank. He cannot engage in other farming if he is not going to grow tobacco. If he does not have good tobacco soil, how can he be forced to grow tobacco? When he went onto his farm there were not the intensive soil surveys that we have today. He finds that he is saddled with his farm and his quota. If he says, "I want to get out of the tobacco industry but I will stay in the district and grow vegetables", the Minister says, "Hand your quota back for nothing and you can get out."

Mr. Row: He got the quota for nothing.

Mr. WALLIS-SMITH: He got the quota for nothing!

Mr. Row: He did not pay for it.

Mr. WALLIS-SMITH: He got the quota for nothing! Let me enlarge on this. His living was controlled. That is the whole point. Previously he could grow as much tobacco as he liked but suddenly the Government came in and said, "You can grow only five tons." That is the quota the Minister said he got for nothing. Is that the Minister's way of reasoning?

Mr. Row: He cannot sell it.

Mr. WALLIS-SMITH: If the Minister is going to talk like that, I remind him that the Commonwealth Government, with a stroke of the pen, could increase the percentage from 50 to 55 and all the tobacco could be sold. The Minister should not try to tell me that the farmer got the quota for nothing. That is the greatest understatement the Minister has ever made. He had better not make any more statements like that or it will get around that he said the tobacco-farmer got his quota for nothing. The Government took away the farmer's livelihood and gave him a little piece to exist on, and yet the Minister says he got it for nothing. Dear, oh dear! I am sorry the Minister has come into the Chamber if he is going to make statements like that. It shows how much out of touch he is with the whole industry. It shows that what I have been asking him about, I may just as well have been asking the man down the street. It shows that he is leaving it to someone else, which is the very thing I am afraid of. It is too big a thing to be left to someone else.

This is no laughing matter. The Minister should go and see these farmers. He is coming up to Mareeba on Monday to open a very important seminar. Let him come out in the open on this matter and while he is up there see the small-quota farmers, who have formed a group known as the Small Quota Holders Group. He knows all about them from the three-page letter I have here.

Let the Minister interview these people and see what he can do for them. I want him to do that. I have asked him to do it on many occasions. Let him talk to these people as a man, as a farmer—a producer of rural products. He knows the cane industry inside out but let him learn from the farmers a little bit about the tobacco industry and the problems that confront them.

Mr. Row: If it had not been for me you would not have got your 26,000,000 lb., and you know it!

Mr. WALLIS-SMITH: That is another understatement. Had the Minister not been there we may have got 28,000,000 lb., and he knows it!

Mr. Row: That is completely untrue.

Mr. WALLIS-SMITH: We might have got 28,000,000 lb. If the Minister goes to the meeting up there—

Mr. Row: But for me you would not have got 26,000,000 lb.

Mr. WALLIS-SMITH: We are thankful for the 26,000,000 lb. I have heard frequently, and I have often had it explained to me, that Queensland was once again "sold a little pup", if I may use that expression, when it got 26,000,000 lb. It should have got 28,000,000 lb. Reference is made in numerous articles to the 28,000,000 lb. that we should have received. Every farmer says, "Had we received 28,000,000 lb. we would have been out of trouble," but the Minister

says, "If it hadn't been for me you would not have got 26,000,000 lb." If the Minister had not been there we may have got 28,000,000 lb.

I am very pleased that the Minister came into the Chamber in time to hear my remarks. I thank him for coming in, as I know he could well have stayed outside. I appreciate that he is here to listen to what I am saying, but I would appreciate it more if, during his stay in Mareeba, he lets it be known that he wants to see these farmers and wants to save the little farmers who are facing extinction.

Leaving the tobacco industry to smoke away on its own, I turn now to the timber industry, which, in Queensland is holding its own. As a result of a question that I directed to the Minister for Local Government and Conservation, I was informed that he was increasing plantings. On Wednesday, 18 October, he said in the Press that our forests were quickly getting bigger. If he wants to get an idea of how to increase the size of forests he should go to the A.P.M. area and see what is being done. I travelled in that company's area only last week. I talked to one of the fire-watchers and looked at the maps showing the timber planted in the few years they have been in possession of the area. I was also shown what is intended to be planted in the future. It is a very good example of what can be done in Queensland.

Mr. Pizzey interjected.

Mr. WALLIS-SMITH: I did not quite catch the interjection by the Minister for Education, but when the Minister for Labour and Tourism delved into education he was informed that he was wandering into the unknown. If the Minister for Education wanders into forests we may never find him again. He should keep out of forestry matters for a while.

When making speeches previously I have asked the Minister on a number of occasions to step up the production of seedlings. I noticed in the Forestry Department's annual report, which came to us only today, that the number of nurseries remains the same. I have not had a close look at the report in the few hours that it has been available, but I noticed that the number of nurseries is the same, although some have been expanded. I should like the Minister not only to establish more nurseries, but, also to enlist the help of the farming community by asking them to grow stands of millable timber.

During the week-end I visited banana farms in the Narangba area belonging to friends of mine. I was astounded to see little stands of timber growing in the most inaccessible places. When I commented on it the owner said, "If the bottom falls out of the banana market, this is all I have left. My farm is useless for anything else, so I have done this as a long-term project. It

will be of little value to me, but if my family can hold the farm they will reap the benefit later on." He had to buy the trees and decide where to put them.

I ask the Minister for Conservation to consider sending out a field officer to decide what type of tree can be best grown in an area, where the trees should be planted, and to what extent they should be grown, and then giving the trees to these farmers. There are many considerations to be taken into account in the planting of new forests for instance, firebreaks, the availability of water, the type of soil, the prevailing wind, and so on, all of which have an effect on young trees. This system could increase the quantity of new timber grown. A.P.M. is undertaking a big planting scheme and has a market for its product. In this way we could offset some of the \$200,000,000 paid out annually to import timber. This sum is second only to the cost of importing petroleum products.

I should now like to contrast the timber industry with the mining industry. Timber royalties exceed mineral royalties by \$44,388 per annum. In mining, all we leave is a hole in the ground and the royalties will never be paid again, whereas timber royalties go on for ever. One reason I object to timber royalties being increased, as they have been, is that those increases are passed on to the consumer, the home builder, the person we want to protect so that he can get his own home.

The timber freights and royalties applicable in North Queensland are crippling the whole industry. The Minister for Works and Housing said that it cost \$12,888 to erect a home for a public servant in Normanton. That gives some idea of the cost of timber in far-distant places. It also shows how impossible it is for a wages man ever to own his own home in such places.

Mr. Tucker: You would not have to pay much for land there.

Mr. WALLIS-SMITH: The land is almost given away in places like Normanton, and that does to some extent counteract the high cost of timber. But in such places there are not the amenities that are found elsewhere. In a place like Normanton, air-conditioning and many other amenities are a necessity.

I have with me a copy of a telegram that I sent to the Minister for Local Government and Conservation on 5 April, concerning a request from the North Queensland Sawmillers' Association relative to a sale of timber to be held in the next few days. The Minister's reply was, "Your telegram requesting revision of Crown log prices is acknowledged." That is the sort of "statesmanlike" answer that one receives, which pushes aside those who are trying to keep down the price of timber to the general public. I couple this

Minister with the Minister for Primary Industries who has, as I said previously, forgotten the little man.

At one time small pamphlets such as the one I have in my hand were all that buyers received for timber sales. Now documents of 180 pages are compiled, and each buyer gets a copy. That is an example of the complicated arrangements now deemed necessary for timber sales. Yet when I raised with the Minister for Local Government and Conservation the other day the question of the burning of logs in sawmills, what was his reply? He said, "if the hon. member tells me where they are being burnt, I will have investigations made." He makes all these complicated arrangements which have the effect of increasing prices, yet when valuable timber is being lost by burning in a sawmill yard he says that if I will tell him where that is happening he will make investigations.

This is not the first but the second occasion on which I have mentioned this. It is not a matter of a log or two but of five typed pages of foolscap in the last example. I do not know the number of superficial feet involved there, but I know that on the first occasion 80,000 superficial feet of yellow walnut log timber was burnt in a mill-yard at Ravenshoe because the market price was depressed, the miller would not mill the timber, and borers got in the logs. The Minister's portfolio is Conservation, and the only way to conserve timber is to let it stand as trees. But the Minister instructs his rangers to mark the trees, and under the conditions of sale it is mandatory to cut every one and snig it to the mill. The cutters and hauliers have to be paid and royalties met—and then the logs are burnt! Who is losing? Someone has to make up the deficiency, so the price of other timber is increased. The Minister says, "The millers are doing all right; they raise the price." It is not as easy as that. The Minister can find excuses if he likes but the fact is that he answered my telegram by merely saying that it was acknowledged, which shows what interest he has in the matter.

I believe that foresters should be given more power. By that I do not mean authority to down-grade timber or apply pressure on cutters, hauliers or millers. What I mean is more power to make decisions. The logs that I mentioned could well have gone to another mill and been converted to plywood. But do hon. members know what that would have necessitated? A request for permission would have had to go to Brisbane, and approval of such a transfer would then have had to go all the way back to Atherton. A person with authority on the spot could say, "Yes, that will be all right," and the timber could start to move.

I do not know the seniority of the forester at Atherton, but I know that he is a very competent officer. He could relieve the

Conservator of Forests in Queensland today; he could take that officer's job if he retired. In spite of that, he is not allowed to make the decision to which I refer. I do not think it is a big thing to ask that he should be allowed to do so. Geographically, North Queensland is so far away from the nerve centre that no action is ever taken to get the industry rolling in that area. Something always holds it up. Goodness knows, Nature provides enough difficulties with the weather—the cyclone season, the monsoon season, the rains. Surely the Minister is not going to increase those difficulties by saying, "I am not going to allow this to happen, because it is written in the book that the decision has to be made in Brisbane."

Cabinet timbers and veneers are marketed mainly in southern capital cities, where they face formidable competition. In fact, the whole timber industry in North Queensland faces considerable competition from imports from overseas. The value of imported timber exceeds \$200,000,000 per annum, and it is exceeded only by the value of imported petroleum. That timber is competing with Queensland timber, and when freight is added to the ordinary cost of timber in North Queensland, the possibility of winning markets is very small. Millers will not mill timber if they find that there is no market for it, because it costs money to mill it or to stack it and, in addition, it is liable to be destroyed by fire, to be blown over, or to deteriorate rapidly in certain weather.

The total quantity of logs processed in Queensland each year is a little over 400,000,000 super feet. When I refer to 80,000 super feet, therefore, hon. members might say, "That is only a drop in the bucket." But I point out that the timber could be left there for use in future when insufficient trees are available. Reforestation and silviculture—that is, the regeneration of trees in their own environment—are not being carried out on an adequate scale, and to offset the shortage of timber, timber is being imported. That is killing the timber industry in this State.

Of the 400,000,000 super feet that I mentioned, 240,000,000 comes from State forests and other Crown land, so it is obvious that quite a large quantity comes from private land. The acreage of timber on private land could be increased considerably by giving the farmers trees to plant on broken land or land that is not of any use for planting, such as the slopes on banana farms. This practice could bring quite a lot of relief to the timber industry in Queensland, provided the Minister was sympathetic and did not give the industry the brush-off as he has quite often in the past.

The mills in the Cairns division process about 20 per cent. of the volume of logs processed in Queensland, so I am speaking on behalf of mills that process one-fifth of

the timber processed in this State. Some research that I have done shows that in North Queensland about \$5,000,000 goes into the pockets of 3,000 people employed in 60 sawmills and 20 plywood and veneer mills. Let me compare those figures with the figures mentioned by hon. members on this side of the Chamber relative to the Utah Construction Ltd. coal-winning project at Blackwater.

I asked the hon. member for Fassifern how many men will be employed in the future. He did not know. He has just been out there, and so have I. I asked the question and I got the answer. To get the coal out of the ground, up to the surface and into the trucks will take 12 men—three shifts of four men each pushing buttons on this big dragline. There will be other men employed in the loading and washing of coal and in maintenance of the equipment, but does anyone think the project will ever compare with other undertakings that give employment in our own State?

The hon. member for Toowoomba West pointed out very clearly that the industries the Government refers to when it talks about Queensland being industrialised are dependent upon our rural commodities; so, without one we cannot have the other. Do not let us pit one against the other; let us say, "We can do the best for each industry."

Mr. Armstrong: What do you think we are trying to do?

Mr. WALLIS-SMITH: I would not know but the hon. member can get on his feet and tell me.

Mr. Armstrong: Have a look at what your Government did when it was in power.

Mr. WALLIS-SMITH: Here we have another surveyor looking through the wrong end of the theodolite! He cannot see a thing and he is wondering what is beyond. I would say that the next time that the hon. member for Mulgrave is asked to move the Address in Reply he should keep to his own electorate. He spent most of his time talking about the drift from the Tablelands, the very thing I am talking about now. He got headlines in the newspapers and on the radio. He is now hiding behind another member and making interjections about what went on in the past. He made the No. 1 speech of the year, moving the Address in Reply. That is undoubtedly an honour but he did not live up to that honour when he started speaking about drifts from other electorates, without mentioning his own.

I intend to make three suggestions to the Minister for Local Government and Conservation. The first is increased decentralisation and northern development to increase local markets in timber. This is very important and links up with northern development generally. People want buildings to

live in and shops in which to buy things and this links up with the timber industry that is employing at the present time 3,000 people in northern Queensland.

The second suggestion to which I should like him to give sympathetic consideration is a reduction in the substantial freight component incurred in marketing timber in southern markets. This is the reverse of what the hon. member for Townsville North urged relative to prefabricated steel. It attracts a special rate to North Queensland and cuts right across the employment of people there. We are asking for a freight rate which will allow timber to be brought down here and sold to the people at a cheaper price and at the same time keep the mills up there working to full capacity. If hon. members on my left and especially the hon. member for Mulgrave cannot follow that, I will give him a lesson after finishing this speech.

The third suggestion is that encouragement and assistance be given to the banding together of all timber associations, and to improvement in management education, product development, product presentation, product knowledge, market intelligence and marketing procedures. These are some of the things that sawmillers' associations could do.

Many business enterprises band together as an association so that they can get the best possible deal for, and make the best profit out of, their ventures. Here I have the 1966 annual report of the North Queensland Sawmillers' Association. The 1967 report will not be out until Friday. This shows the sort of thing that they have to do.

When the hon. member for Fassifern was Minister for Lands he told them to look to their mill management to get profits. The mill managements have carried the burden and now these people are looking for a little bit of give and take. They want a bit of "give" from the Government by way of a reasonable freight rate, reasonable royalties and a reasonable reassessment of the reforestation and nursery programme. It is that sort of thing that will help sawmillers to maintain their very large work-force in North Queensland. The industry has local capital, local owners and local people living on the job—people who have lived there for years. I have in mind one family in particular—Lawson & Sons. They are good supporters of the Country Party, but that does not make any difference. They have been in the industry for years. If their profit margin is cut, how can we expect them to keep going? We will end up with a timber ghost-town. We have seen too many mining ghost-towns. It is easy to understand how a mining town becomes a ghost-town because once taken out of the ground the mineral cannot be put back. But timber can be put back. Timber can be made available for the mills through the necessary

foresight and know-how, and if Cabinet Ministers are sufficiently statesmanlike to look to the future.

It is not very difficult to understand that a small property owner would not be planting timber as a crop. It is uneconomic to do so because it is a long-term project; he would get no return from it for many years. In the interests of soil conservation, the prevention of erosion and the provision of timber this is a long-term project of great benefit to the State.

So far I have touched on only two subjects, namely, tobacco and timber. Now that I see the Minister for Education in the Chamber I will devote my final five minutes to him. On 9 September 1965 I asked the Minister about the provision of a new school and school residence at Irvinebank, and this is his reply—

"Additional information is expected in the near future respecting land under consideration for acquisition as a new site for the Irvinebank State School."

Finally on 13 September, 1967, two years later, I received this reply from the Minister—

"Further information is being sought from the Land Administration Commission and the Department of Main Roads before a definite decision is made regarding the new site for Irvinebank State School."

I can remember the Minister asking me, "What happened 40 years ago?" I told him that at that time he was a youth of 18. Now I am telling him what happened two years ago.

After all, the Government has quite an interest in the State Treatment Works at Irvinebank. The Minister for Mines and Main Roads should be striving to get this school. The old school was there when Bill McCormack and E. G. Theodore were there. The headmaster cannot even drive his motor-car into the school grounds because the grade of the area is 1 in 1. It is dangerous for the children and that is why I have asked for a new school to be built. All round it there are dangerous spots that have had to be declared out of bounds to the children. When it was built many years ago it would seem that the authorities thought it was the only piece of land that did not have tin under it. That is apparently why the school was built there. I do not know if the Minister thinks there is tin or gold under the rest of Irvinebank and therefore cannot decide where to build the next school. As it has taken him two years to get further information, I hope I am still in the Chamber when he goes to Irvinebank to open the school. I will join with the children in giving him three cheers.

Mr. N. T. E. HEWITT (Mackenzie) (3.46 p.m.): I congratulate the Treasurer on his presentation of the Budget. Whether we agree completely with it or not, I think we all agree that the Treasurer's presentation of it was one of the best we have heard. It was not my good fortune to be here for the presentation of the previous Budget and to speak on it. Perhaps it could be said that I was more fortunate in that I was overseas. Naturally, I took the opportunity of making the best of my overseas trip, the purpose of which was to attend the Commonwealth Parliamentary Association Conference in Canada. I seized the opportunity to visit California and inspected closely the feed-lot system in that State. I saw feed lots carrying from 1,700 to 45,000 head and I came away with the belief that, at this stage, such a scheme would not be economic in Australia. At the same time, I believe that we will eventually adopt the same system here. To establish the scheme on such a scale we would naturally need a large volume of water, readily available.

I also took the opportunity to look closely at the western border district in the Fresno Valley, which has a very efficient water scheme. We in this country should examine it closely. I believe that while the Minister for Education was in California he took advantage of the opportunity to inspect various water systems, and schemes associated with them.

From California, I went on to Canada, and I should like to thank the Canadian Government for the way it entertained visitors from all parts of the Commonwealth. We were given an opportunity to look at projects in every part of Canada. I had a good look at Vancouver and Victoria, in British Columbia. These days we hear a great deal about Queensland teachers going to Canada. They enjoy wonderful conditions at the University of British Columbia, which stands on an area of 1,200 acres and is a masterpiece of planning. It is on some of the finest land to be seen anywhere. On that land there are about 2,000 homes that are rented, and the money from them comes back to the university. At Vancouver a new university is being built, the Simon Fraser University. At that time it was housing 4,500 students, and eventually it will have some 18,000 students. It is being built on lines similar to those of the British Columbia University so far as the grounds are concerned.

While in Alberta I looked at the marketing of fat and store cattle, which are sold on a weight basis. Immediately the fat cattle come into the yard the total weight flashes onto a screen. The cattle are then sold per 100 lb. weight. That makes the job of the person buying the stock very easy. Whether or not we eventually follow that system in this country is not for me to say, but it does make the job much simpler and easier for the people in the industry.

I then went to Ottawa and, on 28 September attended an excellent conference. It is something beneficial to the Commonwealth

of Nations. At that conference the late Sir Donald Sangster, Prime Minister of Jamaica, said—

“Many people have said in the past that we have a unique association covering some 800 million people from many parts of the world, from many races, many religions, and many cultures. I believe the Commonwealth has a mission in the world. The UN is multilingual; but we, fortunately, can speak one language; we can understand each other. We have an Asian block, an African block, a Pacific area. We have a western hemisphere of Canada and the Caribbean, and there is the United Kingdom. We ought to be able to exercise a greater influence on world affairs than we are doing. We have the ability. We have the resources.”

Anyone who had the pleasure of listening to him would regret his death in April of this year. He contributed a great deal to the Commonwealth.

While overseas I considered that I should look at other countries. I paid particular attention to Germany. Firstly I went to Hamburg. It has changed from the very little I saw of it from the air during World War II. It is now a remarkable city, with new roadways and a wonderful market system. There is nothing that the visitor to Hamburg cannot procure at any hour of the day or night.

I went to West Berlin, and, having gone that far, I decided I should look also at East Berlin. There is quite a difference between those two cities. West Berlin is a wonderful city, where the people are full of hope and enjoy themselves. The young people there were well dressed and interested in life. It was completely different on the other side of the wall. I went to “check-point Charlie”. As soon as a person arrives there he loses the guide he had in the western sector and is given a guide from the eastern sector. At “check-point Charlie” everyone is gone over with a fine-tooth comb and checked for about 10 or 15 minutes before being allowed through the gate. Visitors are allowed to see only what the guide wants them to see. They are not free to move about.

Mr. P. Wood: I moved freely without a guide.

Mr. N. T. E. HEWITT: There is a great difference between the two cities. If the hon. member for Toowoomba East did not see any difference, he did not have a good look.

Mr. P. Wood: I said it is not essential to have a guide. I agree that there is a big difference.

Mr. N. T. E. HEWITT: Anybody going there should have a good look around and be honest with himself. That is what I want to be—honest with myself. It was a wonderful experience for me, and I take this opportunity to thank members of my party for making the trip possible. One feels a little restless for a time on returning, but of course one has to get back to work.

My electorate is one that is changing rapidly in a way which is, irrespective of what we think of it, good for Queensland. I have heard a lot of criticism of mining projects. I am wholeheartedly behind these schemes. Although one of my political colour would most probably be better off without them, taking that attitude has never been part of my political make-up. To me, what matters is the good of the State.

Five years ago there were only a few houses in the Moura-Banana area, and everything there had a worn-out look. Today it is difficult to believe what has happened in the last few years. About five years ago applications were called for a hotel license at Moura, and no-one was prepared to tender for it. With the coming of the coal-mining, a tender was received for a hotel at Moura and today it is one of the finest hotels in Queensland.

Mr. Tucker: Have you ever stopped to look at Blair Athol?

Mr. N. T. E. HEWITT: I used to represent the Blair Athol area, so I shall deal with that shortly.

Mr. Tucker: You can see where it acts in reverse sometimes.

Mr. N. T. E. HEWITT: What is happening in these areas is a real fairy story. There used to be virtually nothing at Moura. There was one broken-down butcher shop, one store, an old post office, the Australian Estates office, and that was it. Today there is a thriving community, with 425 men on the payroll. They are working men, and hon. members opposite should give 100 per cent. support to a project that has given them jobs. I had in my area Bluff and other small coal-mines that were forced out of business through dieselisation of the railways and the cost structure. The men who were displaced are now in employment, which is all for the good of the State.

In addition, this progress has brought to Moura a new primary school with a secondary top. Four or five years ago the Moura and Banana schools had approximately 140 children. At the beginning of the next school year those two schools will probably have about 600 to 700 pupils. In addition to schools, the area has also obtained roads. Whereas there used to be only 86 miles of bitumen between Rockhampton and Emerald, Emerald and Springsure, Springsure and Moura, and Moura and Biloela, today there are 354 miles. That gives some idea of the type of development that is proceeding, and surely that is all for the good of Queensland.

I heard my friend from Tableland say there were only 12 men employed in a part of the mine at Blackwater. That may be the case, but what has happened elsewhere will happen there and there will be 300 in permanent employment in the not-too-distant future. Let us look back to what Blackwater

was two or three years ago. I think the last time I stood for election there, 26 votes were cast.

Mr. Tucker: How many did you get?

Mr. N. T. E. HEWITT: I got the bulk of them. I can recall going to Blackwater with Bert Watkin, later Sir Herbert Watkin, who was then Director-General of Education. We called at the little one-teacher school there, and on that day, of the total enrolment of 12, nine were present. There is now a brand-new five-room primary school there, and probably before too long it, like the Moura school, will have a secondary department.

These are the things that are for the good of the State. Because of the development at Blackwater, a weir is to be built at the Bedford crossing on the Mackenzie River. Utah Construction Ltd. has contributed \$250,000 towards its construction, and the Government has agreed to build a weir that eventually will cost \$1,300,000. It will provide sufficient water for the requirements of the company, and I have no doubt that, with the land available downstream, irrigation will take place.

Utah Construction Ltd. has been ever-ready to co-operate with the shire council. It has profited from the experience of Thiess Peabody Mitsui at Moura and has not entered the project willy-nilly in the field of housing. It has already provided 60 units at the mine, a first-class modern kitchen, and shower rooms and facilities for the working men that I would be glad to find in a motel or hotel room anywhere in Queensland.

Mr. Sullivan: Hon. members opposite criticise the Government for using foreign capital and selling our birthright. Without foreign capital, none of this would have happened.

Mr. N. T. E. HEWITT: That is true. I have already mentioned what the development at Blackwater has meant to working men at Bluff, a small town in my electorate. It is 12 miles from Blackwater, and the men who had their homes there were virtually finished. It is easy to imagine what the value of a home in Bluff would be. With the advent of the mine at Blackwater, those men are now gainfully employed.

I have it on very good authority that within the next eight to 10 years the population of that part of Central Queensland will probably be 8,000 to 10,000. I hope it is, because development is needed and this is the only way it will take place.

Mr. Hanson interjected.

Mr. N. T. E. HEWITT: I do not wish to lock horns with the hon. member for Port Curtis. The development at Gladstone has probably increased his bank balance—and I have no doubt that it was quite healthy previously. The development in that area of Central Queensland has been exciting, and

anyone who looks at it only from a political point of view and not in a common-sense way is not doing the job that he should be doing.

Leaving the field of mining, I turn now to the further development that has taken place under the Brigalow Land Development Scheme. I do not wish to deal with the subject at length this afternoon, but I wish to say something about the work being done at the brigalow research station about 24 miles from Theodore. Although, personally, I do not agree fully with all aspects of the work being done there, in the main I agree with the procedures that are being followed. I pay a tribute to Bob Johnson, who is in charge of brigalow research there. He is as capable an officer as one could find, the type of man for whom the Government is looking. I spoke to him for about two hours recently. He has all the facts at his fingertips and is prepared to answer all questions put to him, no matter how direct they may be. He certainly does not beat about the bush. I think he is trying to do the best he can for the scheme. He mentioned to me what he believes are the weaknesses of the scheme, and I think some attention should be paid to what he says.

An attempt should be made to get more co-operation between Bob Johnson and the men in the other departments. He has pointed out that in his view the spraying of suckers is proving very successful—burning in November and spraying in May. It is working out reasonably well. Further, he believes—and so do I—that we could have more flexibility in relation to finance for stocking and in the area that is being pulled. I think we are probably pulling a little too much too quickly. I think we should pull perhaps 1,000 to 1,500 acres and then let it go for 12 months before starting again.

The Government has "come to the party" so far as spraying is concerned. It has made available some \$6,000. As hon. members know, it costs approximately \$2.40, an acre to spray, so there is a good possibility that a reasonable area will be sprayed. The scheme, in the main, is one that should have the blessing of all. The wheat crops in that area will give 10 to 14 bags to the acre, which is better than some of the country in the Condamine is giving.

I should like to comment on a statement by a former Minister, the hon. member for Fassifern, relative to areas in the brigalow belt. He said he thought the areas should be reduced to half their existing size—in other words, reduced to somewhere around the 4,000-acre mark. I cannot go along with him on this, nor can I quite understand his thinking in this regard. When he was Minister for Lands, in my electorate there were five brigalow blocks, or similar blocks to the present brigalow blocks, being put up for ballot, and he agreed to increase them in size from 2,600 acres to 5,200 acres, and in some cases from 3,500 acres to 7,000 acres. Those blocks were better

situated than the existing brigalow blocks of 8,000 acres. They are on the Dawson River and, as the hon. member for Barcoo will know, the existing blocks are many miles away and water problems are more difficult than they are close to the river.

I cannot agree with the hon. member for Fassifern in this regard. I believe that if we are going to err, let us always err on the side of generosity. We have seen far too many substandard areas. I do not want to start a dogfight about what was done in the past, but it is vital that we settle on the blocks people with money to spend who will become useful citizens in the community. In order to do this we must at least retain the blocks at the existing size. Of course, I have some definite views on area 3, and I will be talking about them later when that matter comes up for discussion.

I notice that the Treasurer is now in the Chamber. He was Minister for Transport at one stage and I should like to say that I believe we should have a look at increasing the 350-mile limit relative to road transport from the brigalow area. The rail loadings at Moura, Eidsvold and Wandooan are not satisfactory to people who are trying to increase their beef production. If they wish to market their vealers at Cannon Hill, I think they should be given the opportunity of sending them by road. The 350-mile limit should not apply.

I should also like to say something relative to the starving-stock rebate. At the present time a starving-stock-rebate area must be drought-stricken before the rebate can be obtained. We know, of course, that one can obtain a rebate on fodder for starving stock but not on cattle from a drought-stricken property unless the whole area has been declared as a drought-stricken area. That is not good enough.

Owners of drought-stricken properties cannot get any agistment in their own area, they probably have to go 200 or 300 miles to obtain it. In such circumstances the stock inspector should be able to certify that my property, for example, or the property of the hon. member for Barcoo, or the property of whoever it might be, is drought stricken, and thus entitle the owner to the benefit of the rebate.

It is no use saying that stock inspectors are not given this type of authority, because they do have it in the case of tick control.

I should say that the present system of the Department of Primary Industries relative to tick control is working fairly well.

This matter should be reviewed so that stock on drought-stricken properties in any area can be sent somewhere else and the owner become eligible for the starving-stock rebate. Nobody is going to send his stock on tour. I am sure I would not, and I am sure nobody else would. It is too costly. As the rebate applies now, it is an anomaly.

Mr. BROMLEY (Norman) (4.12 p.m.): Not for a long time have we heard as many exponents of the famous "Australian crawl" as we have heard during this debate among hon. members opposite. We can perhaps understand their praising the Treasurer; if they did not, they probably would not get their endorsement. However I feel that to praise the Budget is to a certain extent to be politically dishonest because I cannot see very much in it to be praised. I will deal with the one or two good features of it as I go along.

No Government member has discussed the Budget in detail. The hon. member for Warwick did to a certain extent, but probably he dealt with it only because of his interest in any budget since the time he got married.

To my way of thinking the Treasurer was fairly apologetic when he was presenting his Financial Statement. I put that down to all the strife he has been in, with so many punches thrown, in the last eight or nine months. He certainly did appear to be worried and apologetic, no doubt due to some of the upsetting occurrences in the coalition Government in the last 12 months. He did not appear to have his usual fire. At other times when he has been presenting the Budget or a Bill he has had the appearance of an ever-watchful bird watcher and has delivered his speech in a style that arouses great interest among those listening to him.

It must be difficult for him to have to please members of both coalition parties. Naturally both Liberal members and Country Party members would be requiring something for their respective electorates and, of course, we cannot blame them for that. It must be very difficult for any Treasurer to present a Budget that will be well received by all hon. members.

We see from the Financial Statement that the gross public debt of Queensland increased by \$75,136,811 during 1966-67. The public debt increased in the previous year also, but not to such a great extent. I remember remarking last year when speaking on the Budget that I did not oppose an increase in the public debt as I believed that posterity, to a certain extent, should pay for some of the advantages from which it will benefit. However, it is somewhat disturbing to see the public debt increasing considerably year after year. We should be able to do something about it. Although I do not oppose an increase in the public debt I do not like to see such large increases.

We see from the Treasurer's Financial Statement that local bodies will be able to increase their borrowings from \$200,000 to \$300,000. That is one of probably the only two good points in the Budget. I am pleased to see this provision especially in the light of the comments of some Country Party members and some A.L.P. members who represent country areas and realise the difficulties experienced by local authorities in providing employment and development in

their areas. It is gratifying to know that arrangements have been made to increase the amounts they can borrow.

I join with certain hon. members and the Treasurer in castigating the Federal Government to a certain extent for its statement that the States must contain their spending when we know that it virtually doubles its rate of spending. It is typical of the Federal Government to say, "Do not do as I do, but do as I say." The Treasurer has every right to be sore and to condemn the Federal Government. He should have condemned his colleagues in the Federal sphere much more strongly than he did.

Mr. Carey: In fact you are congratulating our Treasurer.

Mr. BROMLEY: No. I am giving him some credit, but at the same time I do not think we can give him very much credit for it. Admittedly he has a difficult task, especially when members of both parties of the Coalition Government are trying to stab him in the back, trying to get just what they want and adopting the attitude "hang the other fellow". We must keep an eye on them.

The Treasurer's statement points out that a further \$10,000,000 will be required for the Blackwater railway project in the next three years. However, the Treasurer did not say how much money the State is to receive from this investment in extra rolling-stock and the rehabilitation of the railway line. I only hope that we may get something to benefit the State as a whole. For too long the Government has been kowtowing to overseas interests and overseas people who are prepared to invest capital in Queensland. I heartily support the introduction of overseas capital but I do not think we should continually kowtow and crawl to overseas interests. It appears to me from the Treasurer's Financial Statement that the Government is giving everything to the big people and nothing to those in the ordinary bracket.

The Treasurer spoke glowingly about expansion in industry in Queensland but we have only to move around to see the tremendous amount of unemployment in the State. I admit that there has been a decrease in the number unemployed, and this is pleasing, but there appears to be no plan in the Treasurer's Financial Statement to deal with automation and mechanisation. I intend to deal later with the technological changes that have taken place and will put forward some suggestions to overcome the danger they present to the employment situation.

The Treasurer dealt with various forms of development throughout the State, and said that concurrently with this development homes are being made available. But there has been no decrease in the over-all number of people waiting for rental homes. This problem exists in my electorate. Approximately 20 people come to see me each week about a Housing Commission rental home.

It seems that a person has to have an ejectment order issued against him and be almost on the street before he can obtain a Housing Commission rental home. Of more than 4,000 people who are waiting for rental homes in Queensland, over 3,000 are in the metropolitan area. The Government should place on the shoulders of firms engaged in the developmental work to which the Treasurer referred responsibility for building homes for their employees. I do not think that is asking too much. Firms in other States have accepted the responsibility and have built their own houses. I agree with the Leader of the Opposition that these firms come here to make profits by exploiting our resources.

The Treasurer castigated the Federal Government. It appears that he feels the Federal Government is much too arrogant, and that it stands over the States and the people who directly and indirectly pay taxes to it. Something must be done about this. The Treasurer said, and for the third time I agree with him—

"I feel that this might well be achieved by the recognition of the States' right to a fixed percentage of income tax collections, customs, excise and other growth revenues of the Commonwealth distributed between the States on some agreement basis."

That is a must. Without it there is no way that Queensland could have any long-range plan for development, which is so necessary in a State like ours which is opening up so many industries.

The Treasurer dealt at length with education. To me, and to many other hon. members, he appears to have gone to a great deal of trouble to blind us with science by quoting a good many figures, making excuses, and defending the Minister for Education for the bungling way he administers his department.

When we analyse the Treasurer's speech on education, we gain the impression that he has vindicated the attacks made by the Opposition.

Mr. Smith: You said, "When we analyse it". Who helped you?

Mr. BROMLEY: Unlike the hon. member for Windsor, who is generally away from the Chamber and at the law courts defending people and trying, if possible, to extract money from his clients, I am here studying the Budget and analysing it to the best of my ability.

Without any doubt, there is a crisis in education. One member of the Government benches said today that we are making education a political issue. Everything connected with the running of the State—every department and everything that affects the bread and butter of the people—is a political issue, and it is quite ludicrous for hon. members opposite to attack us on that ground.

The Treasurer was definitely in complete agreement with members of the Australian Labour Party, parents and citizens' associations, and the public generally when he said in the Financial Statement—

"Summing up then, our investigations under the particular heading have shown that shortages of teachers, trainees, clerical staff, administrative staff and materials provided for schools account for about half of the difference between the two States . . ."

From this it will be seen that there are shortages of the things referred to by the Treasurer.

To support the attitude of the A.L.P. to education and to boost the case of the Queensland Teachers' Union and parents and citizens' associations, I propose to quote from a letter written by the Federal Minister for Education and Science, Senator Gorton, and the very detailed information that is supplied with it. As I read, it will be seen without any doubt that, on education, the Government has let down the people of Queensland. Senator Gorton says in his letter—

"If Queensland lags behind other States in the amount of money spent, per head of population, on education this can only result from the Government of that State providing a lower proportion of its total finances to education than do other States."

The Federal Minister for Education supports the A.L.P. when he says that Queensland is providing a lower percentage of its finance for education than are the other States.

Mr. Smith: To whom is that letter addressed?

Mr. BROMLEY: It is one of many addressed to parents and citizens' associations throughout Queensland. Senator Gorton says—

"As you know, each State has control of its own Budget, including tax reimbursement moneys, and decides itself the proportion it will spend on education, the proportion on hospitals, the proportion on water supply and so on.

"It is not my province to suggest what a State Government should, or should not, do and do not do so but if the Queensland Government wishes to spend a greater proportion on education it is not in a worse position to do so than are other States, as the table below shows (by the expression 'Commonwealth Financial Assistance Grants' is meant those grants made available to the States without any strings attached)."

The Senator then sets out the grants per head of population to the various States. The grant to New South Wales was \$299,800,000 or \$69.11 a head. For the other States the grants per head were—

	\$
Victoria	68.58
Queensland	81.30
South Australia	91.85
Western Australia	109.83
Tasmania	98.82

The total given to the States is \$900,100,000, which is equal to a grant per head of \$76.88. So the figure in Queensland is higher than the average for all the Australian States. The letter continues—

“As a further illustration I set out in another table attached to this letter the funds which have been available to Queensland over the last seven years and the amount which Queensland has spent in each of those years on education.”

Mr. Smith: It must be the way you are reading it. It is not very clear.

Mr. BROMLEY: If the hon. member for Windsor—

Mr. Chalk: I was letting him go till he finished it. Have you got the Senator's latest letter?

Mr. BROMLEY: This is dated 28 September, which is not very long ago.

Mr. Chalk: In his latest letter, the Senator apologises.

The CHAIRMAN: Order!

Mr. BROMLEY: The Treasurer says that the Senator apologises. If that is so, how is it that he sends out these letters to the parents and citizens' associations?

Mr. Chalk: You ought to see what I wrote to him.

Mr. BROMLEY: I will let the Treasurer of Queensland apologise for the Federal Minister for Education and Science in his own time. He is certainly not going to take up my time in doing so. I intend to bring to the notice of the people of Queensland what Senator Gorton said in this letter. If, as the Treasurer says, Senator Gorton is wrong, that is not my fault.

Honourable Members interjected.

The CHAIRMAN: Order!

Mr. BROMLEY: If I may quote from an authority such as the Federal Minister for Education and Science without being laughed at by the Treasurer—indirectly he is laughing at Senator Gorton—

Mr. Duggan: And saying indirectly that he is a sophisticated, unmitigated liar, too.

Mr. BROMLEY: That is what it amounts to, without any doubt.

Mr. Chalk: I did not go quite that far.

Mr. BROMLEY: I do not believe that Senator Gorton is a liar. Whether or not the Treasurer thinks so, he will not admit it. There is a clear implication that he does.

Senator Gorton then says—

“I often hear it suggested that the Commonwealth should make a special grant 'to the States' for education. I think those who suggest this should realise that a special grant to the States in the sense of increasing Tax Reimbursement Grants, would not necessarily go to education at all.”

Of course that is what happens. If we compare the figures for Queensland to which I referred earlier with the amounts that the Minister for Education has spent on education in this State, we can see that Senator Gorton is not a liar and is quite correct when he says that it need not necessarily go towards education. In fact, it has not gone towards education.

Mr. Tucker: That last statement by the Senator obviously reflects on the Treasurer, too.

Mr. BROMLEY: It reflects on the Treasurer, but I should say that it reflects more on the Minister for Education. It certainly is a reflection on the Government as a whole, which for far too long has been making excuses about education and the crisis in education.

The Senator then says—

“Similarly, if a special grant is made for some particular educational purpose—as we make grants for universities, colleges of advanced education, technical schools, science blocks and so on—the State is able if it wishes to reduce its own spending on education by the amount we contribute and there is not necessarily a nett gain to education at all.

“We avoid this by making our grants under Section 96—which in the case of Queensland will amount to \$14.1 million this year, for some specific purpose and subject to the condition that the State does not reduce its own expenditure. This is the only way in which those who wish a nett increase in education spending can be sure they will get what they want as a result of a Commonwealth grant.”

Senator Gorton includes in the detailed figures the Commonwealth grants to Queensland for education for 1961 and the various years up to 1967-68. Time will not permit me to detail those but, on the next page, the Senator has set out the resources available to Queensland for capital spending on education. The Loan Funds, as approved by the Loan Council, do not include allocations under the Commonwealth-State Housing Agreement. The figures are as follows:—

Year	\$
1960-61	49,000,000
1961-62	51,000,000
1962-63	53,000,000
1963-64	60,000,000
1964-65	67,000,000
1965-66	68,000,000
1966-67	73,000,000

Now comes the particularly interesting part and the real rub for the Treasurer, and this, in fact, is what made him get so excited a while ago. These are the details of Queensland capital spending on education; expenditure from the Loan Fund for capital works on education—

Year	\$
1960-61	9,000,000
1961-62	10,000,000
1962-63	10,000,000
1963-64	14,000,000
1964-65	12,000,000
1965-65	10,000,000
1966-67	11,000,000

According to the Senator the percentages of the resources available to the Government for expenditure on education—which have not been spent—are as follows:—

Year	Percentage
1960-61	18.4
1961-62	19.6
1962-63	18.9
1963-64	23.3
1964-65	17.9
1965-66	14.7
1966-67	15.1

This is the year in which the Government, the Minister and the Treasurer all say we are spending the right amount of money on education, yet we find that percentage-wise we spent on education only 15.1 per cent. of our resources. In other words, the percentage has been dropping through the years since 1960-61 until it is now 15.1 per cent. of our resources.

Mr. Chalk: I will give you the correct figures later on.

Mr. BROMLEY: Very well, I will see the Minister in my crowded office later. I want to thank Senator Gorton for supplying these figures, irrespective of what the Treasurer says. I believe that he, unlike this Government, is very frank in this respect. I do not say that he was trying to get off the hook by sending this information; I believe he was being quite frank and honest and no doubt he will not be too happy with his Country-Liberal Party colleagues in Queensland today.

Mr. Chalk: I am not too happy with him, either.

Mr. BROMLEY: I will bet the Minister is not too happy with him.

Mr. Chalk: I have a letter from him. I will give you the second copy.

Mr. BROMLEY: Give me the copy now and I will peruse it before I finish.

I should like to quote the rest of the figures.

Mr. Chalk: Don't waste your time; they are wrong.

Mr. BROMLEY: They are wrong?

Mr. Chalk: Yes, you are wasting your time.

Mr. BROMLEY: I am not wasting my time because, if I am wrong, it means that the whole of the Federal Government is wrong, including Senator Gorton—and including the Treasurer.

Mr. Chalk: No, I have the right figures.

Mr. BROMLEY: How do you know whether they are the right figures?

The CHAIRMAN: Order!

Mr. BROMLEY: In reply to the Treasurer, Mr. Hooper, Senator Gorton says that he obtained these figures—and I will quote "figures of current expenditure in the Queensland Budget"—from the Queensland State Treasurer.

Mr. Chalk: That is right.

Mr. BROMLEY: If there is any doubt, the figures are there.

Mr. Chalk: Put in the Senator's letter of 10 October and you will be right.

Mr. BROMLEY: As the hon. member for Toowoomba West points out to me, the hon. gentleman might be a good judge of figures, but it all depends on what figures they are. They certainly are not relevant to the Budget.

At page 8 of his Financial Statement the Treasurer suggests that school transport services 10 years ago were costing a little over \$500,000 a year. I am not going to be uncharitable and say that the Treasurer is a liar, which is what he intimated the Federal Minister for Education is. He further said that school transport services today were costing approximately \$3,000,000 a year. Different circumstances have arisen which make it only natural that this expenditure should increase. Take the number of schools closed down by this Government in the last few years. I do not know the exact figure but I understand it is in the vicinity of 200. Of course the Government has to endeavour to give these children some education, and therefore it has to increase its school transport services. It is nothing to skite about at all. Many of the children have to travel many miles every day—some of them as far as 50 miles. It means that they have to get up with the birds. The time taken in getting to and from school adds many hours to their school-day. As the hon. member for Salisbury is pointing out, some of them have to walk a long way to get to the school transport service provided by the Government. As a matter of fact some of them have to walk further today to the transport provided by this Government than they had to walk to the school when Labour was in office. The hon. member for Ipswich West points out

that you do not have to go very far out of Brisbane to see this sort of thing. It happens at Pine Mountain.

The Government has nothing to be proud of in its school transport services, its schools or its approach to education in general.

In his summary the Treasurer mentions nothing whatever for schools in my electorate. Probably this is because of my attacks on the Minister for Education. At times it is very difficult to know what to do. A member does not know whether to attack the relevant Minister in the hope of getting something for his electorate or to do the great "Australian crawl", as is done by Liberal Party and Country Party members to get the crumbs from the various departments. What has been allocated to my electorate is for expressways and freeways.

Mr. Sherrington interjected.

Mr. BROMLEY: The hon. member for Salisbury has drawn my attention to the fact that the hon. member for Windsor is sitting in the Cabinet benches. He has made it at last, without a vote!

No money is made available for spending in my electorate other than for pulling down the homes of elderly people because those homes are in the path of the Wilbur Smith plan. Nothing in the Financial Statement or the Budget indicates that homes will be built to house some of the people who will lose their homes without receiving sufficient compensation. Admittedly more money is to be allocated to the Housing Commission, but that is only natural in times of inflation. Ever since this Government has been in power, year after year greater amounts have had to be made available because money has been losing its value.

While speaking of money being available, I point out that only \$7,100,000 is being devoted to water supply and irrigation work. That is not nearly enough. If the State is to progress as it should, the Government should remember that water conservation is a matter of the utmost importance.

The Treasurer said there would be no increase in taxation. There should not be any increase, because the Treasurer did enough damage last year. From what I have heard on the grapevine—and it is fairly reliable information—I venture to suggest that before very long, when Parliament is not in session, an Order in Council will be promulgated to increase the cost of hospital services, not only for out-patients but throughout public hospitals. I make that forecast, although I hope I am wrong. We all know that a committee comprising members of the Liberal Party has been established to look into the matter of abolishing the free hospital scheme, which was one of the great bulwarks of Queensland under the Labour Party. It is useless for the Treasurer or any other Minister to say that the Government would not do such a thing when we remember that,

in December last year, stamp duty was increased, bringing into the Treasurer's clutches quite a large sum of money.

The Budget will not assist the ordinary person. Without doubt it was designed for big business people, particularly those from overseas—industries with a great preponderance of foreign capital.

I now wish to speak about technological changes and automation, as they are tremendously interesting subjects to people in all walks of life. I suggest the establishment of a standing committee, comprising representatives of the Government, private industry, and the union movement. People at such levels understand the tremendous importance of the changes that will come—technological changes, including all forms of automation and mechanisation. This is a far-reaching subject.

Mr. Smith: It is far-reaching, and you will want to range right around the limits of it.

Mr. BROMLEY: With all due respect to the solicitor from Windsor—

Mr. Smith: I am not a solicitor.

Mr. BROMLEY: With all due respect to the barrister from Windsor, I point out that I am always interested in any debate in which he participates. I listen to him with respect. I feel, therefore, that the hon. member should listen to me with respect, because I know what I am talking about when I deal with changes connected with the trade-union movement.

This is a far-ranging subject and to a certain extent I agree with the Federal Minister for Labour and National Service (Hon. Leslie Bury, M.P.), who, in opening the A.C.T.U. seminar on automation in Sydney on 12 October last year, said that he did not like the word "automation". I do not particularly like it, either. He also said that the use of the word "automation" has tended to become overdone. He said he disliked the word because its meaning is vague and that it really is not a single technical development but a series of advances in technological changes. We have seen these advances take place over the past few years. The word has acquired and has been given a sinister, emotive meaning. It is used to conjure up visions of large-scale unemployment. It is used to scare people.

This "ghost" of unemployment is used to justify strange claims in the industrial relations field. What planning, if any—I do not know of any—is being made by the Government to combat the effects that these changes will have on the community at large? I challenge the Government to tell the people of Queensland what long-range plans, if any, will be effected or are in the offing to combat the associated problems of mechanisation and technological changes. I believe that because of the tremendous importance of this subject it should be debated in Parliament.

In Britain in 1956 the trade union congress showed that it was wide awake to this problem and laid down several safeguards as the minimum requirements for trade union co-operation. The basic requirements are that the workers should be fully consulted and informed in advance of specific developments in individual firms or industries, that full employment should be maintained and backed by adequate redundancy arrangements and re-training facilities, that wage rates should be safeguarded, that working conditions should be improved, with due attention given to human problems, and that the benefits of technological progress should be shared by all on an equitable basis.

Let us look at those safeguards and analyse them. I can find no evidence—and I challenge the Government to produce any—that it is consulting the trade union movement on this matter. It seems to me that the attitude adopted by this Government can be summed up in the six words, "Blow you, Jack; I'm all right." That is how the Government muddles along. It thinks that everything will be all right because it is O.K. That may not always be the position. It may not be the position in two years' time. The Government does not want to be disturbed in this respect. It persists in its attitude and hopes for the best. That is not good enough.

Mr. P. Wood: The best does not happen.

Mr. BROMLEY: The best does not happen, unfortunately, because things move from bad to worse. However, things will be better, as I say in two years' time when Labour is elected. It is probably true to say that most large employers in the private sector of industry make no effort to consult the workers or the unions whose members are likely to be affected.

Mr. Kaus: Not many have been affected.

Mr. BROMLEY: I intend to show how some employees have been affected by the introduction of machines. The evidence points to the fact that some private firms take elaborate steps to avoid consultation, and this we decry. After all, if businesses are not going to consult unions, and there is no co-operation between them, someone is going to suffer. One could give many examples of industries in which the workers are ignored by the employers. I instance shipbuilding, the metal trades, boilermaking, waterfront work, the meat industry, and the white-collar callings.

Mr. Miller: How about the building trades?

Mr. BROMLEY: Yes, to a certain extent, but not as much as in the other callings I have mentioned. The situation on the waterfront is very bad. Bulk loading and the introduction of containerisation have reduced the number of men employed in all ports and at all wharves. The hon. member for Hawthorne said that not many

have been affected. I shall quote figures to prove that there has been a lot of unemployment on the waterfront alone. At one stage the number of men employed in the port of Mackay dropped from a daily average of 293 to 31. There are the facts and figures.

Mr. Kaus: They brought that on themselves.

Mr. BROMLEY: No, they did not; this is the result of mechanisation. That port dropped from an A-class port to B-class. I have been informed that, fortunately, it has regained its A-class status. The ports of Urangan, Lucinda Point, Innisfail, Maryborough and Bundaberg are virtually closed except for their sugar operations. I do not know whether the hon. member for Hawthorne has seen them.

Mr. Kaus: Yes, I had a look at them.

Mr. BROMLEY: One can see the effect that automation has had on this industry. The ports of Bowen and Cairns have had the same experience. According to the hon. member for Cairns, his port just managed to retain its A-class status.

I am not against these changes—indeed, I am all for them—but I am suggesting that something should be done to ensure that unemployment does not affect the economy of the State. I repeat that I am all for change because I believe that it will be for the good of the State in the long run. What I am pointing out is that something has to be done for the persons affected; we cannot simply bring these things in and leave everybody on the scrap-heap. That is not right.

Mr. Miller: Doesn't the increase in employment show that what you are saying is incorrect?

Mr. BROMLEY: I am referring to those industries only, and I intend to tell the Committee what can be done to help the situation. Townsville waterside workers have experienced a crippling reduction in earning capacity. In 1951-52 the number of registered regular waterside workers in all Australian ports was 24,735, of which an average number of 18,354 were employed daily. That number handled 24,687,000 tons of cargo, and the man-hours worked totalled 40,864,019. In 1965-66, about 14 years later, the average number employed daily was 13,679—almost 50 per cent. fewer—of a total number registered of 20,804, and they handled 37,268,000 tons of cargo. The number of man-hours worked was reduced to 28,953,000. One can see from those figures that 4,675 fewer waterside workers handled 12,581,000 tons more cargo in 11,533,019 fewer man-hours. I point out to hon. members that those figures are taken from the reports of the Australian Stevedoring Industry Association and are authentic. The result of mechanisation has

been that there are 4,675 fewer jobs daily and an increase of almost 33-1/3rd per cent. in the tonnage of cargo handled.

Mr. Miller: Aren't these men being absorbed into other industries?

Mr. BROMLEY: They are, but some type of training must be provided for unskilled men.

Mr. Miller: Do you agree with adult apprenticeship?

Mr. BROMLEY: No, I do not; but I do agree with adult training to combat the effects of mechanisation and automation.

I turn now to the effect that the installation of computers, or electronic data processing machines, as they are known officially, has had on clerical workers employed by two oil companies in Queensland. Of course, the staff in Queensland, South Australia, Western Australia, Victoria, and Tasmania, in the case of one company, and in New South Wales, Queensland, South Australia, Western Australia, and Tasmania, in the case of the other, have either had to go to Sydney or Melbourne or become redundant. In most instances they have become redundant. In fact, one of the companies dismissed almost all of its employees.

That brings me to the important question of full employment in these days of technological advances. The position is serious, because five years ago only five electronic data processing machines were operating in Australia, whereas today about 375 are operating, and orders have been placed for a further 200, which will be in operation within 18 months. These figures make it obvious, I think, that the matter must be considered urgently.

I believe that legislation similar to that introduced in other countries should be introduced in Queensland to ensure that the larger production of "cake"—hon. members may call it what they like—resulting from mechanisation is divided evenly amongst the people concerned. There is a Redundancy Act in England, and there are similar Acts in France and other countries. Australian Governments, both State and Federal, must be forced to see that these innovations do not result in the wholesale moving of sections of the community and that they open completely new avenues of employment. The English Act provides for that to be done; it provides also for redundancy payments and the shifting and continuation of pension or superannuation rights.

Legislation must be brought down in Australia to provide a properly planned basis for removing the insecurities created by the technological revolution. The Labour Party, the Labour movement generally and all Governments must work together for shorter hours and increased leave periods as one means of combating the effects of automation.

Both the Government and private employers must be shown that they have responsibilities in this direction, to compensate for redundancy and to provide retraining apprenticeships—and here I bring in the retraining of adults, of course, as well as young people. General all-round adult training and education must be undertaken to fit each and every person for a new position. As I replied in answer to an interjection, we must provide this education, if necessary, for those people who are to be replaced so that we can fit each and every one of them for new positions which undoubtedly will be created as a result of these advances.

I think we all will agree that the workers have a right to enjoy the highest living standard that any community can afford as the result of automation. This must also apply, of course, to those whose jobs are not affected directly by automation. Unless there is money about, business people will not benefit, there will not be any money with which to purchase goods and the general economy will suffer as a result. Do not let us fool ourselves that we will not have to consider the whole question of wages in the light of increased productivity and extra consumer goods to sell. If people are not receiving sufficient salaries or wages, many of them will not be in a position to purchase even the necessaries of life and the community will not receive any benefit as a result of the change of which I speak.

In some countries where mechanisation has reached an advanced stage, workers' wages are subsidised. I think this is something that will have to be looked at when we advance further in this direction. Workers' wages are subsidised to give them the purchasing power so necessary to stimulate the economy of the country. Whilst I make this request on behalf of the workers and the trade-union movement in consultation at all levels, I put forward the suggestion that a standing committee be established at Government, employer and trade-union level, with everybody represented, so that the definite and undeniable problems that are mounting every day with mechanisation and technological advances in this age through which we are passing can be combated. Otherwise, there is only one end—complete chaos in industry and employment, with the result that the technological advances will be of no avail.

We are not yet too late to tackle this problem. Deep thought should be given to this suggestion because, unless some long-range planning is undertaken and put into effect, there is no way in the world that the economy of any State or country can progress as it should. As I have already said, without purchasing power in the hands of the people, without ability in the people to buy the goods that are produced as a result of automation and technological change, we will not see, in this country anyway, the benefits that should flow as a result.

There were other matters with which I wanted to deal in this debate but it appears that time has caught up with me. I wanted to speak on the usefulness of the Red Cross and the tremendous work of that organisation throughout Queensland during the recent floods. I wanted to pay due credit to those people on a parliamentary basis and place on record our appreciation of the work they have done.

I also wanted to speak about the danger that results from accidents on bridges in which petrol-tankers are involved. If a petrol-tanker was involved in an accident on Victoria Bridge, imagine the holocaust there could be if petrol ran down both sides of the carriageway. If the accident happened in the centre of the bridge with resultant fire, motor-cars and their occupants and pedestrians would be unable to get away with consequent serious destruction of life and property. I make an appeal to the Government. Petrol-tankers should not be allowed to use any bridges across the Brisbane River during peak hours. The "Telegraph" of Monday, 28 August, indicated that traffic was in chaos following an accident on Breakfast Creek bridge in which a petrol-tanker was involved. Traffic was held up for five hours.

(Time expired.)

Mr. HUGHES (Kurilpa) (5.11 p.m.): Many aspects of the Budget have been canvassed in this debate. I think it has been a very pleasing exercise, particularly at this time in the State's history when Queensland has been ravaged by drought. It has often been said that the city lives on the back of the man on the land. I often think that too many times we, in the city, forget this. Until we go out into the back-blocks we do not realise the privation and problems that the man on the land has to face owing to the ravages of nature. Drought has frequently set this State back. We are not unsympathetic in these circumstances. As the hon. member for Albert is saying, this is where a Country-Liberal Government is a very good thing for the State. It has proved itself by good government, and has won the confidence of the people over many years.

Although many aspects of the Budget have been canvassed, education is one feature of it that has probably received greater attention than in past years.

Mr. P. Wood interjected.

Mr. HUGHES: If the hon. member listens he will learn a lot. Hon. members opposite should get the correct facts and figures. We are given figures that are conjured up in the imagination of those who should have done more homework. There are people in high places in this State, and in Canberra, who have been either misinformed or misled.

There has been greater capital expenditure on education this year than ever before, as there have been increasing amounts over the years. Unless one is statistically or mathematically minded, when there is an increase

in expenditure in one field it is hard to calculate 5 per cent. on 5 per cent. on 5 per cent., as it becomes cumulative and more difficult to attain. However, we can appreciate not only the progress that has been made but the consolidation that has been effected in many directions, not only in the field of education.

I could canvass many of the details and factors that are scrutinised and analysed in the Budget. Of course, criticisms can be made and credits given. Who is to say that this is the most perfect document and most perfect job that can be done, taking into account every known factor that may eventuate in the next 12 months? As far as man is able to project his thinking in budgeting for these factors, I believe that the Treasurer has come up with a good Budget. I recognise that he has brought down a Budget that generally does him credit.

Because there are so many features and facets to the Budget, I intend to confine my remarks in particular to two main subjects—the Public Service and education. I will deal with education first because it was referred to particularly by the hon. member for Norman. For many years Queensland has been disadvantaged at the hands of the Commonwealth, and because of its large, spread-out areas and decentralised population, this State has to face a more costly education programme than the southern States with closely concentrated populations. Apart from that, there is the grants system and the hand-outs by the Federal Government, about which much can be said in the way of inequalities and injustices affecting this State.

When introducing the Budget, the Treasurer referred rather scathingly to some of these points. This State has also had to deal with what I might describe as a tidal wave of students—young people seeking education—as a result of the large, post-war increase in the birth rate. There has been a tremendous, marked, dramatic, almost exciting change in education and its concepts in the last 15 years. In the last 10 years particularly, a great job has been done for the many young people who desire education. We had to provide the buildings, the services, and the teachers.

I should say that the criterion in judging what has been done is the end result. Much has been said by Opposition members—crying and weeping as they do—in this Chamber about the Government's failings in the field of education. I do not say that there are not some deficiencies and that in some way matters could not be improved, but I do say that education in Queensland is not in any calamitous state, as the Opposition seems to rather hope, in an effort to make political capital.

I repeat that the criterion is the end result turned out by our State and independent schools. I am sure that young people in Queensland can hold their own against any competition from Southerners. They do this by virtue of proceeding to higher education

and winning scholarships and, later in life, occupying prominent places in Queensland, in the southern States and overseas in professional fields. If we are to get a proper basis or criterion for judging we must look at the end result—the product of our Queensland schools. When we do this we realise that the Minister for Education, Mr. Pizzey, has done a particularly good job, and that he can be rightfully proud of what has been achieved.

Education, as I said, was referred to by the last speaker, but I think we should keep the record straight. Hon. members opposite should present factual details, figures and statistics rather than misleading figures and statistics, such as were quoted by the hon. member for Norman when he quoted from Senator Gorton's letter. Because of our interest in parents and citizens' associations at the various schools I think we have all become acquainted with what Senator Gorton said. I repeat that the record should be kept straight.

With the Treasurer's permission I will read a copy of the letter written by him to Senator Gorton following the letter which Senator Gorton sent to parents and citizens' associations. This was referred to by the hon. member for Norman. It is a pity that what he presented to the Chamber—in all honesty, no doubt—misled him, as well as many other people who do not know the full facts, which I will shortly disclose.

I will now read a letter from the State Treasurer, dated 18 September, addressed to the Hon. J. G. Gorton, Minister for Education and Science—I ask hon. members to mark that—at Parliament House, Canberra. It reads—

“Dear Senator Gorton,

“A copy of your letter dated 1st September, 1967, to Mrs. D. Lenton, honorary secretary, Aspley State School Parents and Citizens' Association, has been drawn to my attention. In your attempt to shift the full responsibility for the low level of education expenditure in this State to the State Government—”

Mr. P. Wood: Did the Treasurer say that there was a low level?

Mr. HUGHES: If the hon. member was listening he would hear me.

For the benefit of those who read “Hansard” I will repeat the quotation. This is the State Treasurer's letter to the Federal Minister for Education and Science. It reads—

“In your attempt”—

that is, Senator Gorton's attempt—

“... to shift the full responsibility for the low level of education expenditure in this State to the State Government, you neither mention nor consider any of the special factors involved in this State—indeed, you have not even seen fit to use correct figures in the enclosures to the letter.

“Let us first look at the figures included in the enclosure. Those figures which purport to show the current expenditure on education from the Queensland revenue budget fall some millions of dollars short in the later years on every test I can apply to find the correct figure. Your footnote states that the figures exclude Commonwealth grants tied specifically to education and it appears that in almost every year the total of such grants as set out in the schedule attached to your letter has been deducted. But of these specific grants totalling \$10 million in 1966-67 only \$4.5 million related to Revenue and \$5.5 million were capital grants which were not paid to Revenue. Why then should you deduct \$10 million from our 1966-67 expenditure on education from Consolidated Revenue?”

Mr. Hanlon: That shows that the Treasurer does not quote correct figures.

Mr. HUGHES: I shall digress to say that in this particular instance Senator Gorton is well off the beam, as is evident to those who know the position.

The Treasurer's letter continues—

“Obviously you have erred badly in your presentation and the figures you present are both distorted and incorrect. Again, you purport to show resources available from our own taxation leaving the impression that these resources could be used wholly for educational purposes, if we so desired. Your figures include such items as motor vehicle registrations, Fire Brigade Board precepts, etc., all of which are trust moneys and are unavailable for general expenditure purposes. You can imagine my disgust at such a distorted and unfair presentation.

“Leaving this point—and there is much more I could say—I consider it most superficial to argue that Queensland is spending less on education because it is spending more on other activities. Such an argument is premised on the basis that each State has equal financial opportunity, which is patently untrue. In quoting figures of Commonwealth financial assistance you show that Queensland receives higher grants than New South Wales or Victoria. You do not mention that these two States are much more highly industrialised and developed, with a much greater capacity for raising State taxation than Queensland. In this respect Queensland is more akin to the other outlying States, and the figures you give in your letter show the much higher levels of Commonwealth Financial Assistance grants to South Australia, Western Australia, and Tasmania. The excess over the Queensland per capita figure is \$10.55 for South Australia, \$28.53 for Western Australia and \$17.52 for Tasmania. Even taking the lowest of these levels, i.e. \$10.55 per capita for South Australia, this would represent a total increase of almost \$18 million per

annum in Queensland's Financial Assistance Grant from the Commonwealth. Consider what improvements we could make to our education system if this amount of additional money were available.

"By suggesting that Queensland has an equal financial opportunity with other States to spend in different ways, including education, you are at variance with the statement made by your former leader, Sir Robert Menzies, who said at the Premiers' Conference on 1st June, 1965—

"We believe that there is one State which as compared with others is clearly lagging in the financial sense. I refer, of course, to Queensland. Although in terms of sparsity of population, area and other similar factors it could scarcely be regarded as being better situated than South Australia, its per capita grant for 1964-65 is about \$63.34 as compared with \$74.86 for South Australia. We believe that there is a clear case for adjustment in the case of Queensland in order to improve her relative position."

"At that Conference the Commonwealth supported an improvement in Queensland's grant. While we appreciate the acceptance of this principle of improving our relative financial situation, it has been calculated that it will take 13 years at the present rate of escalation to catch up the lag to which Sir Robert referred. If we could catch up now and have the \$18 million which we lag behind South Australia, I suggest that Queensland's figures would be something of which we could all be proud. However, whatever action is taken to close the gap and however long that action takes, Sir Robert's words rather explode the premise of your letter to Mrs. Lenton.

"Another factor to which you do not refer is that some of the Commonwealth special assistance is on a matching basis which strains our resources and limits what we can spend in other directions. To rub salt into this wound, the continuing increases in university salaries are placing a heavy burden on State revenues, but not on those of the Commonwealth. Your Government has maintained its ratio of only \$1 Commonwealth contribution to \$1.85 State Grant and student fees, despite the fact that the income tax on the higher salaries fully recoups to the Commonwealth Government its share of the increased expenditure. The full \$1.85 of our share falls on our revenues or increased fees—and I know your published view on the matter of increasing fees.

"You referred also to capital expenditure from Loan Fund but you fail to take any account of the low Works and Housing allocation received by this State. With some 14½ per cent. of the six-State population we receive 12.65 per cent. of the total State Works and Housing Programmes approved by Loan Council. How could we spend

on the same level as other States when we start off with such an inequitable proportion of the available funds? I know we receive a high debenture allocation but this does not help us meet the capital costs of education. Moreover, we have the problem of sparsity of population, large areas and a high degree of decentralisation involving provision of facilities at many points and high costs. That these factors create a real financial disability is well recognized by the Commonwealth Grants Commission."

"You also mention Grants under Section 96 of the Constitution. This is a very sore point in Queensland in view of the particularly inadequate share received by my State over the last 20 years. Including the Snowy River Works, which benefit New South Wales and Victoria, together with all other Commonwealth payments for special developmental works in the various States, there have only been 3 years in the last 20 years in which Queensland's share of such expenditure has been above our percentage entitlement based on our population percentage. In 4 years we received nothing at all and prior to 1961-62 our highest percentage had been 3.06 per cent. Bear in mind that Queensland has about 14½ per cent. of the six-State population. Having reached reasonable proportions for 3 years, our percentage again declined after 1963-64 and on the estimates for 1966-67 had slumped to under 8 per cent.

"On this basis how could you expect us to carry out a substantial educational Loan Works programme? We have had to channel loan funds into developmental works vital for the progress of this State—and I again remind you that we receive less than our population percentage entitlement from the Loan Fund source. Your figures show a rise in the percentage of loan expenditure on education in the early 1960's culminating in the high figure for 1963-64. This peak was associated with the transfer of Grade 8 children to secondary schools for whom provision just had to be made. However, it was not possible to stay with this high percentage and continue to give over-riding priority to educational works. We have to try to secure balanced development. What use would it be having the best educated children in Australia without development to provide jobs for them to go to?"

In concluding his letter to Senator Gorton, the Treasurer says—

"I have not attempted in this letter to answer fully all the points you have made but you now force me to deal with some Commonwealth aspects of finance at some length in my Budget Speech next week."

This letter was written to Senator Gorton on 18 September.

The Treasurer continues—

"In the meantime I believe that since you appear to be misinformed, I must put before you some of the difficulties being

faced by my State, so that you will realise that it is not as simple a proposition as you have stated. In view of the need to correct any false impressions such as these, particularly when they have the prestige of a Commonwealth Minister to support them, I am writing to Mrs. D. Lenton, the Honorary Secretary, Aspley State School Parents and Citizens' Association. I do not mind fair criticism but I am not prepared quietly to accept unfounded and ill-informed criticism on the subject of education from one who holds the high office of Minister for Education and Science in the National Government, and from whom I would normally have expected co-operation."

It is signed by the Treasurer.

Mr. Hanlon: Isn't this the Senator Gorton whom the Prime Minister has appointed Leader of the Government in the Senate?

Mr. HUGHES: This is the Senator Gorton who has been in touch with so many parents and citizens' associations, and obviously the Labour Opposition and others have been misinformed about the position because they accepted the wrong information, conveyed by the Senator. I am putting the true position before them. If hon. members opposite had made themselves fully aware of and conversant with all the facts, as they should have, those who have spoken on education in this Chamber would not have done so in such an ill-formed way.

Mr. P. Wood: Will you read the Senator's reply to that?

Mr. HUGHES: There are the facts. The reply was an apology. Does the hon. member think that the Federal Government has been kind or unkind to Queensland? Does he think that the Federal Government has given this State the correct amount of tax reimbursement when it has had 14½ per cent. of Australia's population? Does he think that the Federal Government has been fair, just and kind to a State facing such tremendous problems as a sparse and decentralised population, endeavouring to cope with a tidal wave of students, and meeting its development requirements? Does he think that Queensland has been treated fairly and justly in view of the extent of the disadvantage highlighted in the Treasurer's letter to Senator Gorton?

Mr. Sherrington: Was it signed "Lovingly yours, Gordon Chalk"?

Mr. HUGHES: I am dealing seriously with a very important subject. Whether somebody always loves somebody is a question that could be put to a well-known singer who appears on a show on television.

In this instance the Treasurer has acted conscientiously in putting Queensland's case to the Commonwealth bluntly and factually. Although I have given credit to the Minister for Education for the wonderful job he

has done—we see evidence of this in the brick and mortar at the schools and in the end products of our education system—I think it is only fair to say that the Treasurer has really grasped the nettle, and he should be given credit for so doing. I hope that hon. members on both sides of the Chamber will support the case that the Treasurer has put to the Federal Government for more money, not only for education but also for housing and developmental works, so that Queensland will get a fair deal. This State has been labouring under a great disadvantage as a result of inequalities in the apportionment of moneys over many years.

Mr. Sherrington: It is apparent from what you say that you will not be campaigning for the Government in the Senate elections.

Mr. HUGHES: I will be campaigning for the return of the Liberal candidates, and I am sure that I will be on side with the majority of public opinion. I believe in the ideology and principles of the Liberal Party. Hon. members on this side of the Chamber can get up and present a case in their own way and vote as their conscience dictates. That is the beauty of being a member of the Liberal Party. We are not hamstrung; we are not gagged; we are not tied; we are prepared to speak in public forums as our conscience dictates. That is why the Treasurer has been able to put his case in this way, and I am sure that, as a result of what he has said on this occasion and any further submissions that he might make to the Loan Council, he will bring to Queensland a much bigger and fatter purse and that many more dollars will be available for use in the field of education in this State. The Treasurer has not only grasped the nettle, but he has had the guts to say what he thinks and to do something about it.

Mr. Sherrington: In the meantime, we have your assurance that you will be getting stuck into Mr. McMahon in the forthcoming campaign.

Mr. HUGHES: Mr. McMahon knows the needs and requirements of education in this State and he does not need me to tell him. A more capable person, in the Treasurer, can do this more capably and with greater knowledge than I can.

Very much has been said about education in this State—about the needs of the State and the shortage of funds—and we can understand why. We as a Government would have liked to spend more on education but here is a financial cake and you cannot carve more than is possible in fair distribution; you cannot channel everything into education at the expense of hospitals and the development of many other works and services of government. These things must be attended to, even though some departments require more funds than others. We agree that there are some deficiencies and some shortages, but even these have been made up to a great extent by this Budget

that has been presented by the Treasurer; and that in spite of the fact that the Commonwealth could well look with greater kindness, fairness, justice and consideration at the particular needs of Queensland.

There is merit in many of the statements and claims regarding some aspects of education and some of the deficiencies, but, taken by the yardstick of the results, the numbers of students and the education to which they are entitled—and which they fully receive at all levels—these deficiencies are of a somewhat minor nature when one considers generally the whole of the education system. However, regardless of this they are still pertinent and they still require full consideration and sympathetic attention. It has never been argued that the system is perfect and possesses everything that is required of it in terms of dollars and cents. More could be done, and more will be done. More could be spent, and this Budget provides very much in this regard. More is being done in this Budget; in fact, 10 per cent. more in the way of teachers this year and even a 50 per cent. increase in personnel when one looks at and analyses the expenditure associated with the institutes of technology.

The training programme at teachers' colleges was increased by a further year. This caused a backlog of teachers, but from now on we will see the benefit.

Education is now receiving the lion's share of income from Consolidated Revenue in this State—that is, the State's revenue income. It is receiving more than any other department of the 17 services. There is a remarkably significant increase in spending this year. I think it is right that we should quote some of these things, because they should be known not only to the Opposition but to the public at large. Under this Government the State has been able to channel funds, getting the best return for its dollar, where they are required and where they will do the most good. We have done this particularly in the Department of Education, where expenditure from Consolidated Revenue is spread over other Government activities and services.

Apart from the increase of 10 per cent. in teachers that I mentioned previously and the 50 per cent. increase in personnel associated with institutes of technology, education expenditure from Consolidated Revenue this year has risen by 12½ per cent. Under this Budget, education spending from Consolidated Revenue will total \$72,000,000, representing 21.23 per cent. of the total expenditure from the Consolidated Revenue Fund.

If we compare education with the railway business, which has always been lauded as the largest business in this State, with the largest number of employees, the largest programme and the largest budget—in fact, the largest of everything—it shapes up fairly well in this Budget. In fact, we are spending more money on education this year than on the railways.

The summary at the end of the Estimates indicates that \$90,270,935 has been allocated from the Consolidated Revenue Fund for the Department of Education, as against \$88,792,964 for the Department of Railways. This brings the Department of Education to the fore over and above the Department of Railways. If the railway business undertaking was excluded, education would take 28.71 per cent of Consolidated Revenue, compared with 24.6 per cent. last year. This shows the tremendous and marked increase in expenditure on education, and proves that this Government is not only aware of the needs of education but that it has taken necessary, real and active steps to provide for the needs of society.

Education expenditure from the State Loan Fund this year will total \$12,500,000, which is a rise of almost 10 per cent. over the previous year's expenditure. Of the total State Government Loan Fund expenditure, education will receive 14.8 per cent. In 1967-68 the Government will assign 52.28 per cent. of its total tax reimbursement to education. Therefore, we cannot be charged with failing to be aware of the need for, or to take the steps necessary to provide and improve, the requisite facilities to meet the demand of the citizens for the education of the children of this State.

The Minister for Education has said that education expenditure from all sources in 1967-68, including Commonwealth expenditure, will be \$98,000,000. This will be 15.17 per cent. more than the expenditure on education from all sources in 1966-67.

Let us not cavil at what has been done. Let us understand what has been done and give credit to the Minister for Education and the Treasurer for having been able to do so much at a time when the finances of the State have suffered as the result of the ravages of drought. We must remember the huge increase in the number of students at primary, secondary and tertiary level. There has been a much greater demand by students, because students are staying longer at school than in previous years. There have been tremendous requirements to meet in terms of finance, buildings, and teachers. Because of all that has been done, I think it can be said with no little modesty that the Minister for Education and the Treasurer—and the Government as a whole—have acquitted themselves very well in this important community matter. I admit that there are still some defects and that there will always be improvements to be made. but I think it can be said that we have the best that it is humanly possible to get within the limits of our available finance. I do not think this could have been emulated by any other form of Government or any other committee or group of persons handling public funds for the purposes of education.

I have been dealing particularly with State education. I do not cavil at any of these things; I support them wholeheartedly. But I wonder what thought we have given to the education needs of all the children in the

State—not just some of the children in the State but all of the children in the State. It is true that we represent 100 per cent. of the people, not just those who might have voted in the majority for a single member at an election. I consider that I represent 100 per cent. of the people, regardless of their religious or political beliefs.

We must not overlook the needs of children attending non-State schools. This was not done. In our previous Budgets we did not confine our activities in the field of education, or the money actually spent on education, to the needs of the State's education system. Last year we increased the grant for tuition fees. We made increased allowances towards tuition fees from \$36 a year for Grade 8, Grade 9 and Junior students to \$42, and from \$40 to \$46 a year for sub-Senior and Senior students.

We took this into consideration in our last election policy and increased the payments in an awareness of the needs of those attending independent schools. We made available a \$15 grant to non-State schools for every child in attendance where the school provided facilities of a standard approved by the department for secondary education. That grant was made for each child attending a non-State school complying with certain requirements.

In the past, we have not overlooked their needs. We took over the interest payments for science blocks that were constructed. As the Government, we took a very bold step. I take my mind back to my first speech in this Assembly; this was the subject of my maiden speech. I have pursued it ever since and I am very happy that as a result of my representations, together with those of my colleagues, the Government has accepted that ways and means must be found—and they were found—to implement a policy of taking over the interest payments, where applicable, for non-State schools.

In the past we have not overlooked the needs of the children who attend independent schools. We have an obligation to meet their needs in a fair and just way. We have done so in the past, and in doing so have done more than other Governments have. I think it is true to say that we have followed this policy not only in actual education but also in advisory services, films, subsidies for certain of the projects and certain of the goods that the parents and friends' associations at the non-State schools buy, and other subsidies. It must be remembered that the Government spends about \$500,000 a year in this way. Much has been done, but independent schools also suffer because of the increased costs of education with which this State has been beleaguered and belaboured. This has been a tremendous problem for the State and it has also been a problem for those who attend the independent schools.

Some people may say—in fact, I have heard it myself and other hon. members may have heard it too—that the education

requirements under the State school educational system could have been met, to some extent, at the expense of parents with children attending non-State schools. I should say that that is so. There have been deficiencies in the State system but we have plugged the gap in this Budget. From what I have quoted, and on the figures, we have achieved good results. Now, in fairness, we should consider the burden of increased costs faced by the non-State schools and consider the plight in which they find themselves.

I have some figures relating to independent schools which I went to some trouble to obtain. There are many independent school systems conducted by religious and other organisations. I think the largest would be the Catholic school system, and I will refer to the situation that operates there. I point out that I am in no way biased in this matter, as I am a Protestant.

I commend the Treasurer for the job he has done for the Government. I believe that in his Budget and Estimates, he has presented for the Minister for Education a well-balanced Budget in which he has met the demands and needs of education. I commend him for the job he has done in meeting the demands and needs of our State education system. He has also called on the Commonwealth Government for additional funds. I am vitally interested in and concerned for the education needs of children not only in the electorate that I have the honour to represent but in Queensland as a whole. Therefore, the information that I relate and the call that I make are impartial, fair, and just, and apply to independent schools.

The actual capital cost of erecting Catholic schools in the last five years was \$10,000,000. Generally speaking, that does not include the cost of acquiring land. The estimated capital cost of erecting schools in the next three years is almost \$6,000,000. There are 69,400 children attending these schools. The teachers, religious and lay, number 1,886. These figures were taken out some time ago, but even though they are not up to date they are accurate. The annual cost of employing the lay teachers is over \$2,000,000.

As the cost of educating each child in a State primary or secondary school, I have figures ranging from \$230, to \$240, to \$260. It is extremely difficult to obtain this information, and despite a considerable amount of effort, I have not been able to obtain this year's figures from the department. Taking the figures of \$180 per child at primary school and \$260 per child at secondary school, the total cost to the State of educating the 69,400 children now at Catholic schools would be \$13,680,000. From that must be deducted the 1965 subsidy to secondary students, which amounted to \$700,000. If the State provided the accommodation and facilities, apart from capital building costs and cost of acquisition of land, it would cost the State a net \$13,000,000. This is a telling argument.

We must look at this in a fair, unbiased and just way. We must see that we spread the State's finances so that everyone gets a fair share. We must be particularly certain of that when we spend money on education, on which we spend a great deal of money—52 per cent. of our resources and 28 per cent. of Consolidated Revenue in this year's State Budget. The State saves a tremendous amount of money, to some extent at the expense of those who, exercising their democratic choice, prefer to have their children educated at non-State schools. I say this in an unbiased way.

I quoted the Catholic school figures, and I have a tremendously high regard for the great work these people do in our community. I have children attending both primary and secondary schools, yet I recognise the need for these non-State schools regardless of their religious aspect. In our policy speech last year we increased the amounts payable to them. I am sincerely and firmly of the opinion that as a Government we have an obligation to do much more by way of finance and aid to non-State schools. The parents of children who attend non-State schools are exercising their democratic right of freedom of choice, and have burdened themselves with the cost of it.

It is fair to say that to some extent the State is helped to maintain a high standard in its system of education by the contributions made by the parents of children at non-State schools. The parents of children at primary and secondary level in such schools bear the cost of land, buildings, staff, materials and equipment that otherwise would be a full charge to the State. Being an anti-monopoly Government, we believe that a monopoly in education is not good. Freedom trammelled is no freedom at all—and much has been heard about freedom in recent weeks.

It will be of help to hon. members to know that a per capita payment of \$20 was made to children entering college when the basic wage was \$25. It is now over \$30.

Mr. Sherrington: It is not enough.

Mr. HUGHES: I agree, nor does it buy as much as it did when the amount was less. I have great sympathy with those who make many claims for wage increases before the Industrial Commission. When I finish this speech I shall leave to attend a meeting of the committee of the Queensland Ambulance Transport Brigade, and I would not oppose, and never have opposed, applications to the Industrial Commission by ambulance employees for wage increases. I have tremendous respect and admiration for the many housewives who manage to pay the rent and the electric-light bill, and provide clothing and all the needs of their families on the take-home pay of, for instance, a bus driver of \$34, \$36, \$38 or \$40 a week. I give them all the laurels, because I never really know how they manage to do it.

To return to the subject of education, those people with children attending non-State schools are exercising a democratic right of choice, and it should be recognised that they do it at their own expense, often by going without something else. Greater consideration and more financial aid should be given to the parents of those who attend independent schools. In this way we would be meeting nearer to 100 per cent. of the full educational needs of our children.

As I have said, when the basic wage was \$25 the per capita payment to children entering college was \$20. The basic wage is now a little over \$30. The present grant of \$42 a year is out of all proportion to the rise in costs. As the hon. member for Salisbury said, there has been a rise of approximately 600 per cent., and there has certainly been no similar increase in the allowance.

The standard of education at non-State schools is high and compares favourably with that in State schools. In England the Government pays 80 per cent. of all such costs, and in Scotland the costs of non-State schools are borne entirely by the Government. We in Queensland are lagging behind other English-speaking countries in this regard, and I believe that there is an urgent need for the Government to relieve the burden that is being borne by non-State schools. Charged as we are with the obligation of representing 100 per cent. of the community, I sincerely and earnestly plead for rightful recognition and alleviation of the problems and burdens borne by the authorities of non-State schools and the parents of children who attend them.

Queensland children also deserve, as of right, some Government assistance, and something that I think the Treasurer should consider is an allowance of \$12 a year to students attending non-State primary schools. Although other State Governments have seen fit to make such a payment, this is not done in Queensland. It is quite right that we should look after our children by a State system of education, but that cannot be done entirely at the expense of those who are prepared to pay for the education of their children at non-State schools. Their rights and needs must be recognised. I believe that the Treasurer should give consideration at the earliest possible opportunity to providing this aid to allow for at least \$12 a student at non-State primary schools.

[Sitting suspended from 6 to 7.15 p.m.]

Mr. HUGHES: Before the sitting was suspended for dinner, I was dealing with education and concluding my remarks relative to recognising the contribution made by parents who send their children to independent schools. These people have made it possible for the Government to do as much as it has for education in the State sphere and, for that reason, I hope that greater consideration will be shown to them. I remind the Committee that 90,000 children attend Roman Catholic schools in New

South Wales, and the opinion of the Government in that State was that if those children were to attend State schools it would have on its hands an insuperable problem.

In 1966, the Government of Queensland introduced a subsidy on interest payments up to 6 per cent., and the payment by it of \$100,000 meant that classrooms to the value of \$2,000,000 could be built by independent schools. In turn, this meant a further 150 classrooms that could be staffed by teachers paid by the independent schools, and that further lightened the load on the State. In effect, the State was saving by making that contribution to the independent schools. In my opinion, the case of the independent schools is fair and their need is plain, and I believe that sympathetic consideration should be given to alleviating their financial difficulties in the future by introducing a scheme for the payment of \$12 per annum for each child attending non-State primary schools, and increased aid to secondary schools.

I have very little time left in which to deal with the Public Service, but research that I have carried out on the Estimates of the Probable Ways and Means and Expenditure of the Government of Queensland for the year ending 30 June, 1968, shows that there is either feather-bedding or empire-building in the Public Service. I am inclined to think that it is more likely to be empire-building.

Mr. P. Wood: Which department is empire-building?

Mr. HUGHES: How can one say specifically when there is an increase of from 2 per cent. to 10 per cent. in every department other than the Railway Department?

Generally speaking, I have very great confidence in members of the Public Service, but I am inclined to think that empire-building is taking place.

Mr. P. Wood: I should like to see some more in the Department of Education.

Mr. HUGHES: There has been an increase of 50 per cent. in the technical education structure. I have referred the hon. member to that already.

Mr. P. Wood: Why do you call it empire-building?

Mr. HUGHES: I do not relate my remarks to additional teachers or nurses. If the hon. member will only curb his curiosity and impatience, I shall explain it to him. He should have done his own research on the Budget.

Although I have no doubt about the good record of integrity and honesty of endeavour of members of the Public Service, I think that we, as legislators, must guard against empire-building in Government departments. If there is an increase in the number of public servants disproportionate to the

increase in population—the ratio was 1 in 23 of the population in 1961-62 and much the same in 1966-67—we are being over-governed. I contend that there should not be a similar increase in the Public Service, particularly when one bears in mind the fact that the Government now has more work done by contract and free enterprise than was done five, 10, or 15 years ago, when most of the work was done by day labour. Of course, this makes the administrative and clerical section increase appear in an even poorer light.

Let us analyse the situation, as the hon. member for Toowoomba East suggested, and go into the matter a little more carefully.

Mr. P. Wood: I have not suggested anything; you are doing all the suggesting.

Mr. HUGHES: The hon. member should do his homework on the Estimates, which apparently he has not done.

The increase in Public Service staff as shown in the Estimates for the Premier's Department is 6 per cent., Treasury 5 per cent., Education 8 per cent., Health 2 per cent.—and this does not include hospitals—Industrial Development 5 per cent., Justice 7 per cent., Labour and Tourism 4 per cent., Lands 6 per cent., Local Government 5 per cent., Mines 4½ per cent., Primary Industries 6½ per cent., Transport 5 per cent., and Auditor-General 6 per cent., an average of 5½ per cent. increase in all departments.

The Railway Department is the exception, with a reduction of 2 per cent. The Department of Works and Housing had a decrease of two persons, but then the Estimates show that although there was a reduction of two in the outside staff there were many more in the clerical and general administrative section. The loss was of professionals and technical staff, which makes the situation even worse.

In 1962, there were 68,100 employees in the Public Service; in 1962-63, 69,021; in 1963-64, 68,960; in 1964-65, 68,892; in 1965-66, 69,772; and in 1966-67, 70,209. What this year's Estimates are I cannot say, and no-one seems to be able to find out. I should say that not even the Treasurer knows, and his adviser, the Public Service Commissioner, cannot give the figure either. So, taken up to 1966-67 there is an increase of 3 per cent. in the Public Service since 1961-62, while the population increased from 1,550,000 in 1962 to 1,667,000 in 1967, or by about 6 per cent.

I am not able to ascertain the budgetary provision for 1967-68 or the number of public servants budgeted for, and no-one in this Chamber could obtain this figure either; but it is certainly hoped that it will not follow the pattern of the Estimates and increase by 5½ per cent. There are always variations in the Budget to make provision for variations and for increases, and for what will happen in the next 12 months, such as vacancies, jobs starting on other works.

increases in expenditure on irrigation and water supply, dams, weirs and other works, main roads expenditure, Wilbur Smith works, and many other things. Who can say how many the estimate is for in 1967-68?

The Public Service Commissioner is advised by departmental heads and of course he, in turn, gives advice to the Treasurer. We can get the figure of the number of public servants employed under the Consolidated Revenue Fund. To me, the figure is somewhat alarming. It would be frightening if the total number of those employed increased by 5½ per cent., because we tend to have too many public servants, to be over-governed in many of the departments. This we must guard against.

The Treasurer prepares his Budget on the advice of departmental heads, with some vetting by the Public Service Commissioner and other advisers. Therefore, it is extremely hard for the Treasurer to slash a departmental head's suggested increase in staff; he does not really understand what is required and cannot refute the plausible arguments put forward. He cannot say, "You don't want so many clerks" unless he investigates the situation and finds that to be really so. This is something he cannot do.

However, from the official figures the trend should cause concern—an increase from 68,000 in 1965 to 70,000 in June, 1967. Just what the 1968 figure will be, no-one can say. Let us hope that there is economy and efficiency so that the position will be contained. If it continues as the figures indicate, the position will be alarming.

To my way of thinking, a Government committee should be formed to scrutinise, investigate and have the demands for increased staff justified by departmental heads. I suggest that the Treasurer give earnest consideration to this because—

- (a) It is not physically possible or entirely practicable for him so to do;
- (b) We, as members, are charged collectively with the need for good government;
- (c) We are obligated to have functioning a most efficient Public Service;
- (d) A Public Service must be conducted in the most economical manner consistent with the utmost in service to the public; and
- (e) We must prevent empire-building and get the most possible for the public dollar.

I commend those views and suggestions to the Treasurer in an attempt to stop any escalation of the numbers in the Public Service. We do not want the total numbers to go on a toboggan which will take us on a slide and result in the numbers becoming disproportionate to the real needs of the Public Service. The fact that we are spending, say, twice the amount of money this year that we spent four years ago does not necessarily mean that twice the number of public servants

are required. I am not being disparaging in my remarks against public servants, either individually or collectively. Indeed, I have the highest regard for their integrity and the work they do.

(Time expired.)

Mr. McKECHNIE (Carnarvon) (7.26 p.m.): I wish to take the opportunity that this Budget debate presents to deal with the following five matters, if time will permit—

1. Education;
2. The Collinsville Power House dispute;
3. The encouragement of New South Wales wheat into Queensland;
4. The improvement of rabbit control methods without increasing the precept; and
5. Water conservation plans designed for the future.

Before dealing with any of those subjects I should like to express my realisation of the complexity of the task the Treasurer has had to face up to in framing his Budget, and my confidence in the efforts he has made to give us a balanced Budget. Naturally I should like to have seen reductions in freight rates and similar items. On the credit side of the retention of the current freight rates for wheat we have the fact that the Treasurer has gone to considerable trouble to endeavour to obtain loan moneys to facilitate the provision of bulk-handling facilities for the wheat industry throughout Queensland. He has arranged for 50 aluminium bulk wagons to be built. Some of them are already in service. The other day the Minister for Transport let a contract to Scotts of Ipswich for 75 aluminium wagons at an approximate cost, from memory, of \$630,000.

I turn now to the subject of education. Most of what I say at this stage will have been said before, but I make no apology for repeating it. Time and time again we have had a repetition of the same type of attack on the Department of Education, a department which is, in fact, doing a wonderful job in this State. I will now repeat a few matters about education. In round figures the Budget provides for an increased allocation over last year of \$12,000,000 for education, an increase from \$80,000,000 to \$92,000,000. Since the then record of \$33,000,000 in 1957 we have seen the allocation for education rise to \$80,000,000 last year and now \$92,000,000 for this current year. For the same number of primary school pupils we now have 1,000 more teachers, so the pupil-teacher ratio must have improved considerably. In those days we had only 14,000 high-school students whereas today we have 72,000. That is partly due, of course, to Grade VIII students being catered for at high schools rather than at primary schools. We have a larger population but the most significant point is that there are high schools in places where they never were before, so that high schools are now available to the pupils. I can cite my own

electorate where, 10 years ago, there was not one high school. Many of the children in my area were denied a secondary education.

Mr. Hanlon: You would not say they were denied.

Mr. McKECHNIE: Many of them were denied a secondary education. The parents who had sufficient finance could send their children away for an education. They had to go to Eastern Queensland or into Northern New South Wales to get secondary education. That cost a lot of money so most of the children in my area were denied a secondary education, as were children in many other areas throughout Queensland.

There was not a bus service in the whole of my electorate. The hon. member for Norman said today that the cost of bus services had increased from \$500,000 in 1956-57 to \$3,000,000 today. I appreciate the increase because the number of services in my area rose from nil in those days to 18 today—12 primary-school and six secondary-school services.

Mr. Sullivan: You appreciate it, and I appreciate it, but the parents and children appreciate it much more, don't you agree?

Mr. McKECHNIE: Throughout areas such as those represented by the hon. member and myself the parents had the option of sending their young children away or giving them correspondence lessons. The buses took away the drudgery for the women in those areas who had to teach correspondence lessons. Some of the 18 bus services in my area are transporting children 70 miles a day—35 miles each way. As well as relieving the women in these areas of the drudgery of correspondence lessons, the buses are bringing the children to where they can have a better education, where they can have self-expression, mix with children and learn to play. They have meant a world of difference in these areas.

Mr. O'Donnell: Don't you think that if we were the Government we would have done the same?

Mr. McKECHNIE: I should say very tardily. Twelve of the services are for primary schools and six for secondary schools. They bring to school every day 1,000 pupils who would otherwise have to board or have correspondence lessons, and they have relieved the mothers of worry and responsibility. There is no doubt that the people in my area have been helped greatly. The Government not only provides buses to bring in the children but also pays allowances for the conveyance of children to the buses or the schools if they reside beyond a 3-mile limit. As most hon. members know it is \$21 a year if children have to be brought from 3 to 6 miles, \$30 a year if they are brought 6 to 9 miles; and, if the distance is over 9 miles, it is \$42 a child a year. I stress that this is in addition to the bus service. Some children are being brought

long distances to the buses and then conveyed to school. Hon. members can understand how grateful are the parents in my area. If the children live too far beyond these services, a remote-area allowance is paid.

Mr. O'Donnell: Who asked for that? I asked for it!

Mr. McKECHNIE: The parents of Queensland asked for it. Many hon. members, and many Government members, cognisant of this need, asked the Minister to provide this facility. The remote-area allowance means that the children in Grades VIII, IX and X, beyond the reach of school buses, are now eligible for \$160 a year if they board at a hostel, a private school, or wherever it may be. In addition scholarships are allowed for Senior in similar circumstances but the amount is increased to \$200. Pupils who have a reasonable chance of passing the Senior Public Examination receive this remote-area allowance.

Mr. Newton interjected.

Mr. McKECHNIE: It is not only in Carnarvon. It applies throughout Queensland and is appreciated by the people of Queensland.

A few comparisons have been drawn between education in Queensland and in New South Wales. The hon. member for Ipswich West said the other day that children whose fathers were transferred from Amberley to New South Wales were not impressed with Queensland education. She said there was some disparity, and her main complaint was that there was not uniformity.

Mr. Houston: When was this?

Mr. McKECHNIE: In this debate. I refute the claim that Queensland has second-class education compared with that of New South Wales.

Figures can be quoted to show that more per capita is spent in New South Wales, but a good deal of it goes into cavity-brick buildings and heating and on teachers' salaries which I admit are higher than those in Queensland. That is the main reason for the discontent and that is why the Queensland Teachers' Union took \$10,000 of the teachers' fees to wage this campaign. The union must accept responsibility for the fact that Queensland salaries are lower than those in New South Wales because it put a weak case for increases to the Industrial Conciliation and Arbitration Commission. This has caused discord within the ranks of the executive, the members of which are not happy with one another. Realising it put a weak case for salary increases, it put a really good case to the Commission for equal pay, and was successful.

Mr. P. Wood: On what do you base your statement that it was a weak case?

Mr. McKECHNIE: The counter accusations within the executive about what should and should not have been done. I understand that the union will shortly put another

case to the Commission for increased salaries, and in the light of its prior experience, it will probably be a good case. That is the correct thing for the union to do. I do not deny its right to go to the Commission and put a good case; that is its prerogative.

The factors I mentioned absorb most of the extra money spent in New South Wales. Let us look at what happens along the border in my electorate. The New South Wales Government and parents pay for school buses to convey 80 New South Wales children to my electorate to get the benefit of our schooling.

Mr. P. Wood: That is because there is no New South Wales school closer.

Mr. McKECHNIE: There is in some cases, but they prefer to come to the bigger schools in Queensland. In one case the school at Boggabilla is closer than the school at Goondiwindi, but they come to Goondiwindi. Two school buses are provided by the New South Wales Government, and the parents have to contribute because unlike us, the New South Wales Government does not pay in full for the buses.

To take the argument a little further, some people in New South Wales, who could just as easily send their children to school at Moree, board them in Goondiwindi so that they can attend school there. Let hon. members opposite refute that if they can. Of the students at the hostel at Goondiwindi, 25 per cent. are from New South Wales. In answer to the hon. member from Toowoomba East, admittedly it is more convenient for some parents to do that, but there are others who live closer to Moree, which is a larger town than Goondiwindi and has had a high school for many years, but who still send their children to school at Goondiwindi. Why would they not send them to schools at Moree if they are so much better, or even better at all, than Queensland schools? I make that point with confidence.

I have had personal experience with the standards of the two education systems. When the A.L.P. was in Government, people in my area had no option but to send their children to school in New South Wales or on the coast in Queensland. I sent some of my children each way. One of my daughters attended a high school in New South Wales. Because the Government of hon. members opposite provided no better facilities, there was no option but to send her away. When this Government provided additional high schools, I was able to bring one daughter back from New South Wales to Goondiwindi, where initially she found the change-over rather awkward but where she did much better under the Queensland system of education. She also liked it better. There is a very good high school at Goondiwindi, and I am confident that Queensland has a better system of education than has New South Wales and that the actual amount of

money spent on effective teaching in Queensland is at least equal to, if not greater than, that spent in New South Wales.

Digressing a moment, I pay a tribute to the A.L.P. for the establishment of a free hospital scheme, which is something that the Government of New South Wales does not have to provide. Along the border I am aware of the benefits of the free hospitalisation scheme, and I acknowledge that it was instituted by the A.L.P. Whilst paying that tribute, I also draw attention to the wonderful improvements that we have made in it. We have indeed come a long way. I was interested to learn whilst watching a television programme the other night that in New South Wales only 10 per cent. of ambulance funds are provided by the Government. The Queensland Government is much more generous than that with its 1 to 2 subsidy.

I note that in a circular letter recently received, I assume, by all hon. members the president of the Queensland Teachers' Union, Mr. Gavin Semple, said that education is as basic a necessity to the future of Queensland as is power, water or natural resources. Obviously he could not have looked into this matter very deeply, and I shall show why. If he believes that education is as important as water, why would he make that comparison when the Government is allotting \$92,000,000 to education and \$7,000,000 to water conservation? Surely he must have had the wrong figures. He could not have thought deeply about this matter.

Mr. P. Wood: You are misunderstanding him.

Mr. McKECHNIE: No, I am not. I do not think he has looked into the matter closely. He has not considered the other side of the question. He said that we should treat education in the same way financially as we treat water conservation.

Opposition Members interjected.

The TEMPORARY CHAIRMAN (Mr. Smith): Order!

Mr. McKECHNIE: Mr. Semple said, "Education is as basic a necessity to the future of Queensland as is power, water or natural resources." The point I am making is that he should have taken all the matters in their context and he has not done so.

The need for water is apparent. It concerns me as much as does the need for education. The amount of money to be used for water conservation has been increased by \$500,000 in the current financial year, which I admit is not enough. On the other hand, the State has a number of proposals before the Federal Government, and I am sure that the hon. member for Barcoo would use, if he could, as much pressure as I am using to secure the implementation of the four schemes on which we have asked for the assistance of the Commonwealth Government. I think I have made my point on that.

I referred to the story of Gavin Semple to draw the attention of the Committee to the fact that one must take a balanced view of the over-all picture. It is true that we want a better education system; but, as the Minister for Education said, we can never do well enough.

Mr. O'Donnell: You would not have a good education system without the Gavin Semples.

Mr. McKECHNIE: We all want a good system of education, and the Government is doing all it can to provide one. On the other hand, the State needs further reticulation of electricity and more water conservation schemes, and they must be built up together with education. As one hon. member said today, it is useless having the best educated children in Queensland if the State lacks basic needs and cannot provide employment for them.

I shall conclude my comments on education by referring hon. members to what the hon. member for Aubigny said in this Chamber in the Address-in-Reply debate. Hon. members will agree, I think, that the hon. member for Aubigny should have a balanced concept of education because he was Minister for Education in a Labour Government—and a good Minister, too. This is what he said—

“Those entrusted with the administration of the department are at least equal to any of their predecessors. . . and those educated in Queensland will continue to hold their own with those who are educated elsewhere.”

I wholeheartedly agree with him.

Mr. O'Donnell: We agree on that.

Mr. McKECHNIE: Good. The hon. member acknowledges my point that we are making good progress.

Mr. O'Donnell: I am not acknowledging your point. I said that I agree with what the hon. member for Aubigny said.

Mr. McKECHNIE: Professors at the university have acknowledged that Queensland has the best pastoral and agricultural education system in Australia. The hon. member for Barcoo will recognise that when he sees the beautiful college that has been opened at Longreach.

Mr. O'Donnell: We will wait and see what results the college achieves.

Mr. Chinchon: You agree that the concept is good?

Mr. O'Donnell: Yes.

The TEMPORARY CHAIRMAN (Mr. Smith): Order! there is too much audible conversation in the Chamber.

Mr. McKECHNIE: What the Government has accomplished in the past 10 years is evidence of its ability to make even better progress in the future.

In the Address-in-Reply debate I spoke principally about decentralisation in Queensland and the industrial development that should go with it, and I dealt particularly with the processing of apples in my electorate. I again emphasise the urgent need for industrialisation and decentralisation, particularly in such places as Warwick, Toowoomba, Dalby, Charters Towers, or wherever it may be. We are doing a good job along the coast, but we want to carry it into the inland. I am sure the hon. member for Toowoomba East will agree with me. I support Toowoomba's case wholeheartedly; it is a wonderful place and should be developed.

That was the constructive angle of industrialisation and decentralisation. The angle I wish to deal with tonight worries me considerably. We all know that we had industrial disputes in Mt. Isa which were eventually settled and are now a thing of the past. But what worries me now is that that was stage 1 and I am afraid that we have come to stage 2 with the Collinsville dispute.

Stage 2 of the dispute began on 27 October, 1965. The A.W.U. was dominant on the job in October, 1965 and it made application—

Mr. O'Donnell interjected.

Mr. McKECHNIE: It might interest hon. members to know that I have been a member of the A.W.U. I do not claim to know a lot about unionism, but I have belonged to three unions and I was quite proud, when I worked in the shearing sheds, to be acknowledged as a member of the A.W.U. So I know a little about the background of that union.

Mr. O'Donnell: Did you vote A.L.P.?

Mr. McKECHNIE: I voted A.L.P. on one occasion, and there was a particular reason for me to do so. It was a long time ago, before the present rot set in. Back in the late 1930's and early 1940's I had a lot of respect for the A.L.P., and I admit voting for Labour.

Mr. Thackeray: Did you like Paul Hilton?

Mr. McKECHNIE: Yes; I knew him well, and I liked him. As I say, I was once a member of the A.W.U. Now that we have cleared those two points up I think I can claim to know some of the background of the A.W.U.

In October, 1965, the A.W.U. on the job made a claim for a site allowance of \$25.20. It was pounds, shillings and pence then, but that is the equivalent amount. The Trades and Labour Council would not associate itself with that claim; it preferred to disrupt everything and stand clear of arbitration, and set out to create stage 2 of what had begun at Mt. Isa.

Mr. Newton: You do not believe in conciliation?

Mr. McKECHNIE: I believe in arbitration, and I know that the Trades and Labour Council would not face up to arbitration. These people preferred to disrupt, to hold up the development of Queensland. That is what worries me.

I am not concerned so much about expressing opinions on this subject; I am concerned to know where we are going and the extent to which the State will be disrupted and held up. I am concerned about how much the cost of living of the ordinary small man will be lifted, and what will be the cost of electricity that will result from such fiascos as occurred at the Collinsville Power House. That is where my worry is.

I want to give a brief history of what has happened. On 20 January, 1966, the Trades and Labour Council advertised in an effort to deter unionists from working at the Collinsville Power House, and set up a campaign to hold up this job. A.W.U. members were working quite happily on the site. In May, 1966, Mr. Commissioner Harvey granted an on-site allowance of \$5 a week and keep. The Trades and Labour Council was not too proud then to work with the A.W.U. and take the site allowance that the A.W.U. had fought to get. Shortly afterwards this system of disruption started. Short strikes occurred almost every day; most days were partly lost because of strikes. On Wednesday, 19 April, the Trades and Labour Council after a properly conducted ballot voted for a stop. The men did stop and then went back to work.

Mr. Newton: What is wrong with that?

Mr. McKECHNIE: That is all right. The legal requirements were carried out. I said that the men voted for a strike, had a strike and went back to work. They worked happily for a while and then started the same thing over again. Disruptive tactics upset the whole show. Eventually the employers were forced to stand these men down—sack them if you like—as they became unavailable for work by not turning up for work. This went on until all the men on the job were eventually out.

On 10 July, 1967, 48 A.W.U. men started on the job.

Mr. Chinchin: On legal wages and legal conditions.

Mr. McKECHNIE: That is correct. They applied for an extra site allowance at the same time. Again the Trades and Labour Council would not be associated with the A.W.U. on this matter. But look at the story when the site allowance was increased by \$10 to \$15. They jumped on the band wagon; they swooped in on the work of the A.W.U. that had got this extra money for them. On 16 August the Trades and Labour Council held a meeting in the town of Collinsville at which it condemned the A.W.U. It was decided that it was time to get rid of the A.W.U. On 5 and 6

September, work was commenced by A.W.U. and Trades and Labour Council unionists after compulsory conferences. That was all right, and things went pretty well for a while, but then the Trades and Labour Council unionists on the job decided to hold a mass meeting. It has never been clear whether members of the A.W.U. were invited to the meeting, coaxed there or went there on their own accord. But they went to this meeting and were well and truly bashed up.

Mr. N. T. E. Hewitt: Did you ever hear of Dr. Patterson raising his voice about this matter?

Mr. McKECHNIE: He never went to Collinsville to have a look. I would not know how many members of the Opposition went to have a look.

Opposition Members interjected.

Mr. McKECHNIE: The Minister for Justice was there on numerous occasions.

Mr. Sherrington: Who is the Minister for Justice?

Mr. McKECHNIE: Hon. P. R. Delamothe, O.B.E., M.B., B.S., member for Bowen.

Mr. Sherrington: Who is the member for Bowen?

Mr. McKECHNIE: The Minister for Justice. He went there on numerous occasions. As far as I know not one member of the A.L.P. was sufficiently concerned to go and see what was going on. I have never heard anybody claim that he did go there. I do not accuse hon. members opposite; I leave it to them. I leave it to them to say whether they went there. What about the right-wing members of the A.L.P.? Do they condone the Trades and Labour Council attitude towards the A.W.U.? They have not said they do, but do they condone it by their silence?

Mr. Bennett: Tell us what you mean when you talk about the right wing of the A.L.P.?

Mr. McKECHNIE: Those who support the A.W.U. Is that clear enough? On 13 October Alec Macdonald, the secretary of the Trades and Labour Council, said at a meeting of that council that the Collinsville Power House construction job dispute should not have lasted one month. He then blamed the A.W.U.

Mr. Newton: Of course it should not have lasted as long.

Mr. McKECHNIE: Should they have bashed them up in less than a month? Is that the hon. member's implication?

Mr. Newton: No.

Mr. McKECHNIE: That is how I see it. He set out to destroy the A.W.U.; he attacked the A.W.U. He said that it was nothing to do with a fight between the unions and then attacked the A.W.U. Alec Macdonald implied

that they should have bashed them up in a month and disposed of the A.W.U. I am worried about what the right-wing A.L.P. members are thinking. Are they going to let the A.W.U. expire? Are they going to destroy the A.W.U.?

An Opposition Member: Where do you get this right wing from?

Mr. McKECHNIE: Those who support the A.W.U.

An Opposition Member: We are all members of the Australian Labour Party.

Mr. McKECHNIE: I will make it as simple as possible by saying those who support the A.W.U.

There are many questions to be answered here, such as what is to happen to the A.W.U.? Where is the A.L.P. going? What are they going to do with the A.W.U.? Of even more importance is the question what are they doing to the State of Queensland by retarding these important projects, which in the main seem to be situated where they will assist decentralisation. I ask hon. members opposite are they opposed to decentralisation? These projects are situated where they will help decentralisation. Hon. members opposite must state whether they are opposed to decentralisation. Do they want the price of electricity to increase, because the price of electricity for the ordinary man will increase?

Mr. R. Jones: It has increased.

Mr. McKECHNIE: It could increase by 25 per cent. if the Opposition had its way. The hon. member is working in such a way that the price could rise by 25 per cent. judging by his disruptive tactics. I ask hon. members opposite one question: are they interested in developing Queensland?

I come now to the third item, namely enticing, encouraging and assisting New South Wales wheat to come to Queensland. New South Wales and Queensland both have 6,000 miles of permanent way in their railway systems.

Mr. Bennett: You are cutting off about a thousand miles a year.

Mr. McKECHNIE: At present we are adding 113 miles of exceptionally good line to service the coal trade. I do not see how that is reducing the length of line. We are adding 113 miles of new line to serve the Moura coalfield.

As I said, both States have 6,000 miles of permanent way, but New South Wales, with greater density of population and larger industries can achieve about three times as much use per ton-mile on her lines, consequently the system is choked at times with the wheat freight. Last year New South Wales had a very good wheat crop but some of the wheat harvested last November will not reach New South Wales ports until January, 1968. It has been in storage from November, 1966, to January, 1968. Well over a year will

elapse before it reaches port for export. Within 100 miles of the Queensland border New South Wales grows almost as much wheat as the whole of Queensland. It would be a relatively easy matter to encourage some of that wheat across the border. It could be hauled on our south-western line, which would carry a greater volume of traffic without congestion. This would mean a greater volume of exports through Brisbane and the wheat could be shipped at a cheaper rate than it can be shipped ex Sydney or Newcastle.

Mr. P. Wood: Would you bring them in on the pool rates?

Mr. McKECHNIE: No. For the benefit of the hon. member for Toowoomba East we would bring the wheat across via Goondiwindi. That is where most of it would cross. It would be the actual freight from Goondiwindi to Pinkenba. I do not suggest that they be given the pool rate because that would not be fair to the Queensland growers. I suggest they pay the actual freight rate which, from Goondiwindi to Pinkenba, is \$11.40 a ton or 10c cheaper than from Boggabilla to Newcastle. I shall come back to that later on because there is more benefit than that to be gained.

Mr. R. Jones: You are at cross purposes with the hon. member for Gregory who said that he took his wool to New South Wales to avoid paying road tax.

Mr. McKECHNIE: I do not think he did.

Mr. R. Jones: My word, he did.

Mr. McKECHNIE: I refute the claim that the hon. member for Gregory took his wool to New South Wales. It came to Brisbane and was sold at the same sale as mine, because we compared prices.

This season's New South Wales crop looked like being a record, but they have experienced worse drought problems this year than we have. Consequently they will not be gumming up the system as much as was anticipated. But this situation will arise in the near future. They will be shifting last season's crop until next January so they are still in a fair amount of trouble.

Provided this wheat comes through the Queensland State Wheat Board under normal conditions and is carried at normal freight rates it will be an advantage to Queensland because it will provide employment for railway employees. That line is not over-loaded. We already have the permanent way, and to cart another 5,000,000 bushels over it would not require the expenditure of any more capital than is already invested. Therefore the profit component from handling this wheat would be greater than that from handling the present wheat, which must carry the cost of the railway. Consequently, it would be the means of profit for the railways and/or reduced wheat freights, both of which are desirable.

At the moment I suggest that the wheat comes across the border by road and is loaded at various sidings adjacent to the New South Wales border. We are transporting New South Wales wheat within 30 miles of Texas. At present the Wheat Board does not wish to accept this wheat other than at Texas, and I hope it reverses its thinking on this matter. If a case is put to the board it probably will change its thinking in the interests of Queensland. It does not wish to clash with the Australian Wheat Board; but it is still an agent of that board and this matter could be tied up by conference.

For the benefit of the hon. member for Cairns, if this proves successful—I should like it to be—the missing link between Boggabilla and Moorooib on the eastern end of Goondiwindi should be provided to connect the New South Wales and Queensland systems. We must consider whether it would be more advisable to provide standard gauge or Queensland gauge line for these three miles.

Mr. Sherrington: I have been trying for seven years to get three miles of line into Inala.

Mr. McKECHNIE: There is not much wheat grown in Inala.

Mr. Sherrington: There are many people.

Mr. McKECHNIE: We are dealing with export at the moment. Northern New South Wales grows the only protein wheat in New South Wales, so we would not be reducing our standard by accepting it. There is a catch to it. At the moment a 20 per cent. rail freight subsidy is granted in New South Wales. If it was not paid on wheat conveyed to Queensland, the growers would be down about 5c a bushel. In Queensland, however, they would then receive the subsidy payable on all Queensland wheat, which is 10c or 12c a bushel, so that, even paying the full freight rate, they would show a net gain of 5c or 6c a bushel by selling through the port of Brisbane instead of Newcastle.

There is another problem in New South Wales. The port of Newcastle cannot handle all the wheat of northern New South Wales, and about 15 per cent. of it, or 9,000,000 bushels, has to by-pass Newcastle and incur freight charges for the 104 additional miles to Sydney. I think the whole matter is worth close investigation and I think we could well co-operate with New South Wales in this matter for the benefit of both States, and the port of Brisbane and the Queensland railways in particular.

Mr. Chinchin: Can anybody stop this happening now?

Mr. McKECHNIE: The Wheat Board could do it. There is nothing to stop the carriage of New South Wales wheat across the border, and in certain circumstances the Queensland State Wheat Board

accepts it. At the moment, facilities are not sufficient to handle all our own wheat, but the time will come when there is sufficient storage capacity in these areas to handle all the wheat available.

Another aspect of the matter is that there are Queenslanders growing wheat in New South Wales, which is not acceptable in Queensland. There is a trend in farming areas for people who grow grain crops only to live in towns only 3, 4, or 5 miles from their farms. By doing so they obtain the benefits of electricity, water, and other town amenities. In Goondiwindi, in particular, there are Queensland residents living in the town and growing wheat south of the border. We can be of no assistance to them because their wheat must be handled in the State in which it is grown. The type of co-operation that I have mentioned would, at the same time, overcome this problem.

As I mentioned earlier, 50 aluminium railway wagons for the handling of wheat are under construction—some of them are actually in use—and a contract has been let for the construction of another 75, by Scotts of Ipswich, for \$630,000-odd.

The fourth matter with which I wish to deal concerns the Rabbit Control Authority. It will be recalled that a little over two years ago Parliament set up the Rabbit Control Authority to deal with rabbits west of the area controlled by the Moreton and Darling Downs Rabbit Boards. At the time I think it was generally realised that there was not enough money in the appropriate fund to do the job as thoroughly as we would like it done. The Rabbit Control Authority collects, in round figures, \$200,000 per annum mainly in the form of precepts, but including \$32,000 from Consolidated Revenue.

Last year the expenditure was \$201,000, which meant a loss of \$1,000. When the authority was set up, it took over the assets and liabilities of the Leichhardt Rabbit Board which was in credit to the extent of \$60,000. That amount is held in reserve. Although it is expected that spending will exceed income, the books will balance for a while, but something will have to be done either to raise more money or reduce the cost of doing the job. I believe that that can be done. In fact, the Glenfield strain of the myxoma virus has done a good job recently. Although myxomatosis is having less effect generally, this has boosted its effectiveness a little and taken some of the pressure off for the moment. On the western slopes in the eastern areas of the rabbit country, there are not many vectors, such as mosquitoes, to disseminate the virus; consequently, poisoned baits must be used. The poison known as "1080" is being used for this purpose.

Mr. Sherrington: How much wild life does it destroy?

Mr. McKECHNIE: It is comparatively mild in its effect on bird-life and is not nearly as toxic as strychnine in its effect on wild-life.

Mr. Sherrington: What about small marsupials?

Mr. McKECHNIE: I do not know that, but I assure the hon. member that its effect on bird-life is very mild.

A method must be found by which the \$200,000 can be spread over a greater area. I agree with the health authorities that in no case should the poison sodium fluoroacetate, or "1080" as it is known, be allowed into the hands of landholders in its pure form. As most hon. members know, it is a deadly poison, the effectiveness of antidotes is doubtful, and tracing it raises big problems. However, I think landholders could be given the responsibility of distributing baits prepared by the authority. It could impregnate the carrots or crushed oats, whichever is used, with the "1080" and the landholder could then collect the baits. In fact, he could bring his own carrots to the centre and have them impregnated with "1080", if he wished, then take them back to his property and run his own trails, instead of leaving that work to the authority.

Labour costs of running trails on the various properties are responsible for 60 to 75 per cent. of the authority's over-all costs, and a man who is keen to keep his property clear of rabbits would be happy to accept the responsibility of laying the trails himself. Men of that type believe that they do a better job themselves, mainly because they can poison at the correct time. Rabbits have their peculiarities, and it is easier to poison them at certain times—for example, at certain times in their breeding cycle. Without going into all the peculiarities, I think that the owner of a property would make better use of the baits because he would be able to use them at the correct time, whereas the authorities have to work all the year round to cover the area. As I said earlier, 60 to 75 per cent. of the money spent in the field would be saved if the baits were handed over to individual owners who were keen to do the right thing by themselves.

Many of the problems associated with rabbit control arise from the fact that different men have different approaches. Some are keen to wipe out every rabbit; others are not so keen. Consequently, a man who is prepared to conduct an intensive campaign and keep his property free of rabbits will still have the problem of rabbits spreading from properties of neighbours who are not so enthusiastic. I think that is something we have to learn to live with.

Mr. Sherrington: With the world-wide shortage of meat it might be well to look at harvesting these and exporting them.

Mr. McKECHNIE: We harvest them. The freezing works at Stanthorpe is operating and quite a few properties supply rabbits to the

Stanthorpe freezing works. Some also go to Texas. There are about four trucks operating in the district. I do not know exactly how many they bring in but I should think at least 1,000 pair a day would be going into those works.

In the few moments left at my disposal I should like to turn briefly to the water policy that has recently been laid down throughout Queensland by this Government.

Mr. Newton: It has been a bad policy over the past 10 years.

Mr. McKECHNIE: I am happy to say that at least we have a policy by which we can see where we are going and, for the benefit of the hon. member for Belmont, I point out that the programme is to start on Kajarabie dam at St. George. That is getting under way at the moment. Not much has been done there but it is under way.

Mr. Newton interjected.

Mr. McKECHNIE: I think we all agree on the need for water conservation. I think that fact is established.

Mr. Thackeray: What about the Snowy Mountains Authority?

Mr. McKECHNIE: We are making good use of the Snowy Mountains Authority. We have been doing that for some considerable time. In the Budget before last the Government spent \$500,000 employing the Snowy Mountains Authority on these matters.

The programme, excluding the St. George Weir, which is now approved extends next to the Logan River Dam. That will be followed by Pike's Creek on the border, in co-operation with New South Wales. Upper Brisbane River is the third one, the fourth is the Pioneer River scheme, and the fifth is on Barambah Creek.

Those are all planned for the next 10 years at an expenditure of \$50,000,000 of State funds. That, I should say, is the bare minimum that should be done to just jog along but, as all hon. members would be well aware, the Commonwealth Government has made quite clear its intentions to come in and assist the States with various schemes throughout the Commonwealth.

Mr. Newton: They said that 12 months ago.

Mr. McKECHNIE: They said it 12 months ago, and this Government has submitted four schemes for consideration under that offer. They are the Nogoia scheme, the Kolan, Broken rivers, and the one in the Burnett. Those four schemes, at an estimated cost of \$104,000,000, are at present being considered in Canberra.

Mr. Thackeray: McMahon came up and Holt came up and virtually rejected the Nogoia scheme.

Mr. McKECHNIE: In reply to the hon. member for Rockhampton North, there are four schemes for which we have plans in

Canberra. It was only 12 months ago that the scheme was mooted and in that 12 months plans were prepared and forwarded to Canberra. They have been there at least a month and the Commonwealth Government will take them into consideration along with the proposals of the other States. I am hopeful that we might get a little more than our share of this money because New South Wales, Victoria and South Australia have had a pretty fair share with the Snowy and it is estimated that most of the rivers of Southern New South Wales have their best potential in the water already trapped. Consequently, the natural idea would be to move northwards.

I expect that we will see a Bill introduced very shortly which will indicate that New South Wales is prepared to amend the Border Rivers Scheme so that we can proceed with Pike's Creek Dam in 1970-71. I assure hon. members it will be a big help in that district.

(Time expired.)

Mr. DEWAR (Wavell) (8.25 p.m.): I am now in a position to be able to expound a theory that for some time I was prevented from doing by virtue of circumstances.

Firstly, I will make a few references to the Treasurer's Financial Statement. Most financial statements are fairly dreary documents. Everyone is happy when he sees a balance sheet that reflects well on the profit side; a balance sheet that shows losses worries businessmen, and they immediately start to look for the reasons. The Government is singularly fortunate in that it does not make money but spends it. At the beginning of the financial year a Government budgets as accurately as possible, the ideal being to finish the fiscal year with a balanced budget. Anything that is balanced is generally fairly agreeable because it does not excite much feeling either way.

The hon. member for Toowoomba West made some comments to which I feel I should make some passing reference. He mentioned the bringing in of outside capital and spoke of the incentives offered to Austral-Pacific Fertilizers Ltd., and expressed the hope that eventually this company would not be a problem to the local plant. I was rather surprised at this. I feel that he is either misled or does not realise what he said. As he understood it, the local plant is entirely of Australian capital. On that point I think it is well known that British international capital is very much tied up with it through I.C.I. I can see no reason why there should be any problems in the local plant or further larger plant that may become established in this State. It was made very clear at the time the legislation was before Parliament that it is internationally believed that we in Australia have not yet begun to learn how to use fertiliser. I firmly believe that the existing plant will double in size. I firmly believe also that the new plant that is coming in to utilise natural gas as feedstock will double in size within 10 years. Only then will this

great land of ours be utilised the way it has the capacity to be utilised for the production of foodstuffs for an exploding world population.

As to the hon. member's concern that incentives to Austral-Pacific Fertilizers Ltd. might be to the detriment of the local plant, I am at a loss to understand this. As I see it—of course, the way one sees something depends on how one looks at it—there are no incentives to this plant. For electricity the company is paying the Brisbane City Council the standard basic rate for an industry of its size. It is paying what is demanded by the Brisbane City Council for quite a considerable amount of water for daily use. It is paying wharfage dues and all the various other charges that any industry of this type would have to pay.

It was made clear at the time of the passage of the Bill that the only thing that might be interpreted as an incentive—I do not see it that way—was that the road from the entrance to the ferry through that part of Gibson Island which is owned by the Crown will be built by the Crown. If the cost exceeds \$100,000, the company will meet the excess. This road is surely a State responsibility. It is a road opening up Gibson Island, and the Government has seen to it that a part of the frontal site to the creek is reserved for public purposes. The public will have the use of this road to reach the picnic spots and the boat-launching ramps that will obviously develop in the future. I know of no incentives to the company.

An Opposition Member interjected.

Mr. DEWAR: I will deal with that later. I just want to point out to the hon. member for Toowoomba West that, in fact, there are no incentives that might be put in the category of inducements that will be detrimental to an existing industry. In fact, the reverse is the case. I will deal later with incentives given to industry in other States.

The hon. member for Toowoomba West referred also to Britain's entry into the European Common Market. I do not propose to say a great deal on this subject, but I firmly believe, having studied this question very fully two or three years ago, that Britain has no alternative but to enter the Common Market. The hon. member for Toowoomba West referred to the plight that might befall many of the Australian industries that are presently exporting to that part of the world. Any plight that might befall Australian industries is of comparatively recent origin, for the simple reason that when the Conservative Government was in power in Britain and initiated the first attempt to enter the European Common Market, goods from Commonwealth countries were protected. Today, French colonial goods are protected and have free entry into that market.

It is only with the advent of the Labour Government in Britain that this new phase of jeopardy to Australian industries has

ensued. This is one of the problems that is confronting Britain today under the socialist type of government that is the bane of any free-enterprise society.

I believe that the time is long overdue for the introduction of some sane thinking into the development of the Commonwealth of Australia. Our Federal system has been operating for more than 50 years. The chief authors of it believed, and many people today firmly believe, it to be the ideal form of government for this country, maintaining the autonomy and sovereignty of the States. However, there must be a change in the system to allow the States to operate or we will have decay that will result in all the Governments of Australia being centralised in Canberra. Other than in the most private thinking of members of the Labour Party, I do not believe that anyone in this country believes that that will be a good thing.

The most simple form of government at local government level, then at State Government level, and finally at Federal Government is the most humane type of government; it is the simple basic form of democracy and anything else will build up a huge autocracy with centralised power in Canberra. The way the money-purse of this country is being manipulated, and has been since the advent of the Australian Loan Council, this is what has happened, and the States are becoming paupers. I do not suppose that really matters a great deal. The residents of the State are also residents of the Commonwealth, and it does not matter very much whether the Commonwealth has a deficit of \$10,000 million or the States between them have a deficit of \$10,000 million; the same people—the same posterity—will have to repay the debt.

What concerns me is that in any normal business undertaking, whether it be large or small, primary, secondary, or tertiary, the businessman, primary producer, or merchant, at some stage of the fiscal year—generally at the end of one or the beginning of the next—looks at the results of his previous 12 months' work and if he finds that he has been running a number of lines, manufacturing or merchandising, that are absolutely uneconomic and he is losing money on them, or they do not even fit into the category of services to a client that may engender some other type of activity within his organisation that is economic, the obvious thing for him to do is discontinue the line.

I convey this into a wider sphere and shall quote figures showing the overseas import and export productivity of the States in the year 1961-62, which was not a good year, and in 1965-66 which is the last year for which figures are available.

New South Wales, in 1961-62, imported \$826,000,000 worth of goods and exported \$645,000,000 worth of goods, a deficit of \$181,000,000. In 1965-66 it imported

\$1,259,000,000 and exported \$781,000,000, a deficit of \$478,000,000, a worsening in five years by almost \$300,000,000.

Victoria, in 1961-62, imported \$611,000,000 worth of goods and exported \$574,000,000, a deficit of \$37,000,000. In 1965-66 it imported \$1,017,000,000 worth of goods and exported \$768,000,000 worth of goods, a deficit of \$249,000,000, a worsening in five years of \$210,000,000. The only other States with deficits were the Northern Territory and the Australian Capital Territory.

In 1961-62 the very small State of Tasmania had imports amounting to \$27,000,000 and exports of \$57,000,000, showing a credit balance of \$30,000,000 in overseas trading. In 1965-66 imports were \$44,000,000 and exports \$92,000,000, or an excess of exports over imports of \$48,000,000.

The next State on the ladder is South Australia. In 1961-62 its imports amounted to \$103,000,000 and its exports were \$244,000,000, showing a credit balance of \$141,000,000. In 1965-66 imports were \$198,000,000 and exports \$296,000,000, showing a credit balance of \$98,000,000.

Western Australia in 1961-62 had imports amounting to \$100,000,000 and exports of \$288,000,000, or a credit balance of \$188,000,000. In 1965-66 imports were \$176,000,000 and exports \$314,000,000, or a credit balance of \$138,000,000.

What do we find in the case of Queensland? As it has been doing for many years, it was virtually carrying Australia on its back. In 1961-62, which was a bad year, imports amounted to \$98,000,000 and exports to \$345,000,000, showing a credit balance of \$247,000,000. In 1965-66, when the very bad effects of the shocking drought that Queensland had suffered for many years were manifest for the first time, Queensland's imports amounted to \$240,000,000 and its exports to \$463,000,000, which represented a credit balance of \$223,000,000, or only \$24,000,000 less than the credit balance of 1961-62.

Hon. members may wonder why I have burdened the Committee with those figures. At the end of each fiscal year, all businessmen, whatever their level of activity, look at their trading for the year. They see what lines are uneconomic and, if they have any brains and there is no reason why they should continue with those lines, they get rid of them. I am not going to suggest getting rid of Victoria and New South Wales because they are uneconomic. There are a number of reasons why the figures that I have mentioned do not reveal the true productivity of those States. One simple reason is that all the aircraft imported to this country from America, Great Britain, Holland or elsewhere are imported by companies based in Sydney or Melbourne. These imports represent many millions of dollars, and they are shown as deficits in the figures of the importing States.

Insurance is another factor. I am not sure what that figure is, but it runs to many millions of dollars lost in overseas credit to

Australia. It astounds me that this situation has been allowed to drift to the extent that it has. Correcting it lies in the hands of every man who imports into this country. I think a sum approximating \$200,000,000—I am not quoting that as the correct figure, because I am not sure of it—is lost in exchange to this country in its imports during the year as a result of insurance placed overseas. Correcting this situation is in the hands of those who are importing the goods. Surely the buyer must be right some time, and it is in his hands to say where the insurance will be placed.

Mr. Hanlon: There is the control of shipping from outside, too.

Mr. DEWAR: The hon. member is quite right. I take it he does not mean in relation to insurance?

Mr. Hanlon: Well, to a degree.

Mr. DEWAR: That need not follow. I do not want to become personal in these things.

In the last month, in a very small way, I was able to see that some goods coming to Brisbane from America were insured in Brisbane. It is in the hands of every man in this country who has some regard for the overseas credit of Australia to take similar action, and a great deal of the drain on Australia's overseas exchange can be arrested by this simple method.

I know it will not be easy. I know, as the hon. member for Baroona said, that the powers who exercise control through shipping in countries that are big buyers of Australian primary produce are not going to like it. However, that atmosphere is disappearing and a change will take place in the future overseas trading of this country. Britain's entry into the European Common Market will precipitate that change. People in this country must have regard to the changing circumstances and recognise the problems that are inherent in them.

Mr. Hughes: Do you think we can take a lot away from London banking, too?

Mr. DEWAR: That is all part of the story. Australia is part of Asia. We must learn to live in Asia and to look upon Asiatics as our friends and our neighbours, because this is where Australia's markets will be in the years to come. We have to buy more from Asia if we wish to sell more to it. The cold, hard facts of life will force themselves upon us. If we do not accept them, we will not maintain the standard of living that this country has and that all its inhabitants hope will improve in the future.

I have given the Committee figures showing that in the year 1965-66 New South Wales had a net deficit in its overseas business of \$478,000,000 and Victoria a net deficit of \$249,000,000—just over \$700,000,000 in all—and despite the efforts of Queensland, South Australia, Western Australia, and little Tasmania, Australia ended with a net debit balance of \$221,000,000 in its overseas trading.

Why have I raised this matter? I have raised it because when a prudent businessman—I come back to him—finds that there is a loss in one quarter, if he wishes to stay in business—whether he is a man on the land, a merchant or an industrialist makes no difference—he looks at the things that are productive and says, "I will pour my limited capital into the things that are productive and disregard the things that are not productive." That is what a prudent man does.

As I said earlier, we cannot run a saw-cut through Victoria and New South Wales and turn them loose, but we can do something which, in my view, should have been done before. I do not take credit for thinking of it—no doubt it has been thought of before—but it is time that someone had the courage to do something about it. It is not much use talking about northern development or earning more export income—and on every hand, day by day, industry is being exhorted to enter the export market—unless some action is taken. As a man who comes out of business, I say that any businessman who has to ask a Government for help is well down the list, and 99 per cent. of businessmen do not go near governments.

We have the capacity in this State, and in recent years evidence has shown that Western Australia, in the areas north of Capricorn, falls into this category also. No doubt time will show that in the Northern Territory there are untold minerals that could earn precious dollars and pounds sterling in overseas exchange; but this State and Western Australia, as an accomplished fact, have the greatest capacity to produce and earn export income of any part of Australia.

In Central Queensland we have virtually unlimited capacity, with the proper harnessing of water, for the development of electricity. There will still be coal in Central Queensland when the world ceases to use coal. We have the capacity to produce cheap electricity and there is only one reason why it is not being done in this State: we have not had the wherewithal to do it.

I do not know who is to blame for this. I do not know whether the Queensland Government has failed miserably over the last 10 years to present a case. I do not know whether, if it did present a case, it presented it miserably; I was not in a position to know. But on the assumption that it has presented a case, then I believe that the Commonwealth Government has given very little thought to and shown very little foresight in carrying out the things that it has exhorted Australian industry to do, namely, to get out and earn export income.

Any money that has been spent in Queensland on developmental projects will do this very thing. It will do both things about which there is so much talk. It will bring northern development for a start,

and when I talk about northern development I talk about the whole of Queensland as being a northern part of Australia. Secondly, it will bring export income, because in Central Queensland, with the unlimited harnessing of water, that must be possible. We have only to consider the amount of water that ran down the Fitzroy River in 1956 when the Mayor of Rockhampton was rowing around the streets in a boat. We have only to consider that vast quantity of water—almost an ocean of it—that went out into the Pacific Ocean, which did not need it. With the harnessing of water in that region there must be unlimited capacity, and this could bring the ancillary benefits of production of various types of crops. It could add to the great possibilities that exist in the area for the production of cattle.

As I have said so often—and as others have—in a world that will probably double its population in 30 years, in a world where unless the production of foodstuffs is increased far more rapidly than at any time in its history the whole world will virtually have a starvation diet somewhere around the year 2000, all countries with the capacity to produce foodstuffs must exert every effort to do so.

In Central Queensland we have unlimited opportunities to develop the cattle industry and thereby build up our export income, together with the wheat and other grain that it is possible to grow in this great land. By spending money in that area, by using the coal at Moura, Callide, Blackwater, Theodore—

Mr. O'Donnell: There is no coal at Theodore yet.

Mr. DEWAR: There are enormous quantities of coal at Theodore, and it probably has the highest B.T.U. rating in Queensland. That is where I would put the next power-house if I had anything to do with it because there is water there, too. This area, with its unlimited coal, only needs money. If ever two Government activities in this State were starved for funds they are the Department of Irrigation and Water Supply and the department responsible for electricity supply. There will never be enough money to cope with the expansionary needs of those two departments. That is why it is absolutely imperative for someone to remove the scales from his eyes and start to look. He will be amazed at what he will see. If ever there is to be any rhyme or reason or common sense, a way will be devised to utilise the first lot of money in the areas of Australia where the greatest good can come from the spending of it.

Without equivocation, I say that at this stage of time that would be in Queensland and parts of Western Australia. In those areas there is the greatest capacity to produce what the world needs. No country can expect to maintain a reasonable standard of living unless it is able at least to balance

its exports against its imports, yet we see this debit balance of \$221,000,000 for Australia in one year. It is bad thinking. It must be realised that this drift can be arrested by the proper utilisation of the funds available to us in this country.

The first lot of money should go into developmental projects in Australia, irrespective of where they are. Whether they are on the Snowy River, at Oodnadatta, in the central part of Australia, in Western Australia, or anywhere else, those projects that have the capacity to produce the greatest result for Australia should get the first slice of the cake. Having determined on a programme that it is feasible to carry out in a given year, the Commonwealth Government, the Loan Council, or whatever it might be, should allocate that money first. What is left should be split up among the States according to whatever formula might be devised. I express the hope that it would be a better formula for Queensland than the present one.

Honourable Members: Hear, hear!

Mr. Pizzey: We lost ground in the early 1950's.

Mr. DEWAR: My word we did! I am afraid hon. members opposite should not be interjecting.

Mr. O'Donnell: We are not interjecting.

Mr. DEWAR: I thought I heard the hon. member for Rockhampton North say something.

Mr. Thackeray interjected.

Mr. DEWAR: What have we done about it? We could do nothing about it, because Labour established the modicum we would get by not taking all it was entitled to take.

Opposition Members interjected.

Mr. DEWAR: It is useless to say, "Oh, oh!" This is a cold fact—a matter of record. In the early days after the war Labour was entitled to a certain percentage. I suppose it was about 14 per cent. because it was pro rata, based on the population, but at no stage around the 1950's did the Labour Government of Queensland accept the money that was made available and was its due. Subsequent Governments have therefore had to accept the average of the previous five years' borrowings.

Mr. Pizzey: We have been losing every year since then.

Mr. DEWAR: We have lost every year since then. We have been able to get the amounts up a little each year, but we will never catch up because of the average for the previous five years. If we go on for 1,000 years we will not catch up to the figure we should be getting because of what happened in the late 1940's and early 1950's.

Mr. Pizzey interjected.

Mr. DEWAR: That is right. Some States would have to underspend, but the fact is that they are all grasping for more.

The Commonwealth Government must recognise that there are certain parts of Australia and certain projects in Australia that are capable of extraordinary opportunity for earning overseas income. If we are to allow New South Wales and Victoria to import capital goods that are building up the strength of their industrial potential and capacity, we must have more export income. A prudent businessman ceases to spend money uneconomically and spends it where it can earn the most for him. Australia can earn the most by spending money on developmental projects of the type that are available in Queensland.

On a slightly different note, I want to say that I am greatly concerned that, over the 10 years that we have been in Government, we have not made the progress that I, who sat in Opposition prior to that time, and many other people in this State believed and fondly hoped we would make. It is true that in that period of 10 years the proportion of the State's economy attributable to secondary endeavour rose from 37 per cent. to 49.2 per cent. in the year before last, and I believe that the figure for last year will be over 50 per cent. A great deal of this is due to the fact that once mineral resources are taken from the ground and processed in any way (such as the copper ingots that are made at Townsville and are rolled into wire) they become the output of secondary industry. But we have not made the developmental progress that I fondly hoped we would. By virtue of the cool winds that blew once the cobwebs of Labour were swept from the walls, we were able to—

An Opposition Member interjected.

Mr. DEWAR: The harp is a pleasing instrument. I do not mind that at all. Do not run away from it. I am a fairly good judge of the truth—not the newspaper, the truth.

Mr. Tucker: Not according to your Cabinet colleagues.

Mr. DEWAR: I may have a few words to say on immorality before I resume my seat.

We have lost those golden years of opportunity. There has been development in every State of Australia, and I believe we have slightly shaded the other States in many respects. We now have, and are getting, more of the basic-type industries that can engender the ancillary type of pursuits. These industries will ensue in the near future to the benefit of the State's and Australia's industrialisation. Anybody who visits Sydney and Melbourne cannot fail to be awestruck—that is a fair comment—at the progress that is being made in those cities and the skyscrapers that are going up, which can only reflect the economic stability of those areas.

Many Queenslanders are apprehensive for the future. I believe that this Government is in grave danger of becoming as complacent as the Labour Government, and heaven knows that was fairly complacent. Mrs. Holt was quoted as having said that it was time Queensland "got with it". I do not disagree with her.

An Opposition Member: She even drank in a pub.

Mr. DEWAR: I do not care what she did; that is her business. It is time we "got with it".

I shudder to think what will happen to this State if it gets into the hands of a Labour Government. It could not sustain the rate of progress it presently enjoys with any attitude of mind that is slightly reminiscent of that which existed prior to 1957. I do not feel happy about the attitude to free enterprise adopted by the Government today, and I have not been for some time. Free enterprise is no more mysterious than the feeling that exists inherently in the heart of every man, and I do not care if he works on a farm or in a sugar mill, or with a lathe, a milling machine, or a carpenter's saw.

There is in the heart of every man a desire to better himself. I know of no man in this Chamber who does not desire to better himself except those who, just prior to the last election, decided not to accept the salary increase. But this is free enterprise. I do not begrudge or deny the right of any man in industry to demand more money for his services. That is free enterprise. I will not accept any situation that allows a Government or anyone else to deny to any man in this country the right to set out for himself. Provided he observes the laws of the land that is his inherent right, and it is free enterprise.

I believe in the free-enterprise system, and I am sure that the workers of this land believe in it. I become concerned at legislation such as the Trade Practices Act of the Commonwealth, a copy of which I have in my hand. It is commonly known as the "Restrictive Trade Practices Act". I am still trying to read it and find out what it means. Some of the most restrictive practices that I know of in this country are perpetrated by Governments. When a man who buys peanuts and crushes them cannot call the product "peanut butter", that is a restrictive practice and a denial of the free-enterprise system. I might even call it immoral.

I tried, without success, to have this situation corrected a year ago, because I know the problems facing the industry in this matter. I know of one industry in Queensland that exports a considerable quantity of the output of its factory. Everything has to be duplicated. Labels have to be duplicated; there must be "peanut paste" labels and "peanut butter" labels. Cartons have to be duplicated. Handling is doubled, and costs are doubled. The amount of capital required

to finance these operations is doubled. To suggest that my wife, or any other man's wife, on entering a grocery store and seeing in a glass jar (a jar, mind you; it is not marketed in paper packs) a brown substance called "peanut butter" will be confused to the point of thinking it is butter, is begging the question. That sort of thing makes a farce of the actions of Governments who think in that way.

I am surprised that the Government allows the manufacture of saccharine, because it may conflict with sugar. Much the same arguments apply to the manufacture of margarine. We could have in this State an industry manufacturing this product entirely from Queensland-grown materials. The restrictions imposed by the Government prevent this from happening. All of these things are going on under the guise of free enterprise.

I believe that the Queensland Government and the Australian Government have one singular task, and that is to provide the basic services required and to keep out of projects for which private enterprise can provide the necessary money. Money for the development of the brigalow land could have been found by private enterprise and the State funds saved could have been applied to correcting deficiencies in the Department of Education and giving a better deal to nurses.

Mr. Mann: How would you establish brigalow blocks without the use of Government funds?

Mr. DEWAR: There was private money available to do it. Government finance was put into public abattoirs, yet other governmental activities were short of money. Private enterprise will provide money for this sort of industry. There is a role for Governments and a role for private enterprise, and "never the twain shall meet". There cannot be half-baked Socialism. It is either Socialism or a free-enterprise system; there cannot be an illegitimate mixture of the two.

Mr. R. Jones: What about the aerodromes and the roads?

Mr. DEWAR: Those are basic services that are the responsibility of Governments. The development of industry should be left to private enterprise, because there is finance in this country for that development.

When Governments run short of money, the popular thing for them to do is to impose another tax; but there is a great moan when costs increase as a result.

Mr. Mann: When you were a Minister, you did that.

Mr. DEWAR: I was not a tax-gatherer. They had the right idea about tax-gatherers in the olden days.

Sales tax is one of the most iniquitous taxes that exists in this country. I do not say that on the basis of whether or not it is a fair tax, but on the basis that it is a tax in respect

of which industry has to work for the Government. Industry has to be the tax-gatherer. It has to provide all the machinery and do all the paper work—admittedly, the monthly return is printed for it—and it does not get one brass cent for the effort it makes.

Mr. Mann: Why did you support that?

Mr. DEWAR: I have never supported it. When I was interested in the manufacture of leather goods, there was the shocking anomaly—I do not know whether it still exists—that a child who wanted a leather schoolbag had to pay 12½ per cent. sales tax, whereas a bottle-o who wanted harness for his horse got it free of tax. It galled me to think that a leather schoolbag was a luxury.

Sales tax today is one of the most garbled procedures confronting industry. Not very long ago a prominent businessman in this city said, "For heaven sake, will someone please explain sales tax so that industry can understand it." I should like to know—I know not—how much the collection of, and attending to inquiries relative to, sales tax is costing the Commonwealth authorities, and whether in fact it is worth the effort. It certainly is the most confusing taxation that exists today. The position could be simplified if the Government struck a small tax and taxed everything at the one level. Everyone would then be better off. There are so many exemptions, and industry has to supply so many forms. The man who is purchasing does not, but the man in business has to print literally dozens of different types of forms relative to exemptions that might apply to certain items. Different rates of tax apply to goods for use and goods for resale, and the inquiries that go back and forth between industry and the Taxation Department would be counted in thousands and there is nothing but confusion.

In effect it is a double tax, because it is a tax on industry, which has to pay the whole of the administrative costs and is not even entitled to a 2½-per-cent. rebate on the amount collected to reimburse it for the expense in which it is involved.

Mr. Hanlon: Very often businesses pay the tax before they are paid by the customer.

Mr. DEWAR: I am glad the hon. member for Baroona has reminded me of that. In a business that is running on a 30-day accounts system, the businessman may be lucky to be paid within 60 or 90 days. He has to complete a return of sales for the month of October by 21 November. On a 30-day accounts system he may be paid six, seven, or eight days later, and in the meantime he has to pay the tax to the Taxation Department. Not only does he do the work without being paid for it; during the time it takes him to recoup the tax, he is financing the Federal Government, without interest, because he pays the tax before he receives it from the person who has purchased the goods. No matter how one looks at it, it is an iniquitous tax and it is being applied in a very unfair and ridiculous way.

The whole thing could be simplified. With the striking of a lower rate of tax, or the introduction of two categories, one very low for basic essentials and one reasonably high for luxuries, the Commonwealth would get more revenue at half the cost and without any of the present-day problems to industry.

Mr. Chinchen: Do you think it is worse than payroll tax?

Mr. DEWAR: Payroll tax is a vicious and iniquitous tax in that it taxes incentive. It has quite a similar type of effect on incentive in industry, but it has not the worrying effect of sales tax, particularly in small offices. The amount of paper work that is involved in sales tax in a small office is voluminous.

I believe that the opportunity exists for the Governments of this country to have another look at the various aspects of how this country is financed. It is long past the time for smugness and self-complacency to be thrown out. We can make no progress in an atmosphere in which we believe we are doing all right. It is said that the squeaky wheel gets the grease, and I believe that if there is an approach to government that recognises that there is a basic job for Governments to do and a basic job in which free enterprise can exist and operate, then we in this country can make a great deal more progress than may be apparent at this stage.

I believe that Queensland has the greatest capacity for development in this country. The hon. member for Toowoomba West said today that someone had talked about potential and that every time he heard him speak he mentioned this word "potential". I agree with the hon. member; I hate the word. I would not allow it to be used during the time I was a Minister of the Crown because it was something that was freely bandied about when the Labour Party was in power. That is all that was done about it then—potential, potential, potential, but nothing was done about it.

There is a great opportunity for this State to get on with the job of providing a standard of living for the people of this and subsequent generations. There is no room for the industrial lawlessness that has become the pattern in Queensland in recent times. Industry is wondering why the Government does not face up to this problem. It is a sad thing, in discussion with so many businessmen in the South whom I endeavoured, over a long period of time, to encourage to bring some industrial activity to this State, to hear that Queensland is still looked upon as very much of a socialist-ridden and union-ridden State.

Mr. Carey: It is a sad thing to hear you saying it.

Mr. DEWAR: It is a sad thing that it exists. It was said to me only three months ago.

Mr. Bennett: You did not say it when you were a Minister.

Mr. DEWAR: I did say it.

Mr. Bennett: You did not report it to this Parliament.

Mr. DEWAR: I have reported it to this Parliament. The hon. member will find that I have said that there has been a southern feeling that this is a union-ridden State. I will find the reference and let the hon. member have it.

Mr. Carey: "Union-ridden" is totally different from what you just said.

Mr. DEWAR: I said both—that the feeling exists in the South that this State is a socialist-ridden and union-ridden State.

We can make no real progress without a "get-up-and-go" spirit. There must be realistic thinking on the part of the Commonwealth Government towards problems of a developmental character in this State which, if solved, can help overcome the problems of Australia by providing the overseas earnings that this country badly needs. The years that I mentioned are not just two years of bad deficits in New South Wales and Victoria; it has ever been thus. No matter what we look at, the overseas earnings of New South Wales and Victoria show chronic net deficits.

(Time expired.)

Mr. R. JONES (Cairns) (9.26 p.m.): Suffice for my comment on the Treasurer's Financial Statement to conjure up a picture or, in effect, a cartoon with the State of Queensland as a rather too-steep hill. Stalled on this hill is an old jalopy marked "Budget". The Treasurer is at the wheel in the driver's seat. He is wearing a cavalier hat and he has his foot jammed hard down on the brake. There are a couple of fellows pushing from behind, one named Frank, assisted by the aspirant Premier, who is named Jack. They have their heads down and tails up and are pushing like blazes. The roadway is quite boggy and slippery underfoot. Jack says to Frank, "Keep your feet sliding in the mud. They'll think we're still moving. We'll call it the 'Push Ahead' even if we can't 'Budge it'." So there they are, giving a semblance of movement, with no foot grip in the mud, treadmill-like, continually in a pushing attitude but getting nowhere. They are being urged by about six fellows leaning over the fence at the side of the road—the Porter push, or the radicals or the rebels. They are leaning on the fence at the side of the road and calling to Gordon, "Take your foot off the brake, Gordon." Gordon says, "I can't. If I do, we'll roll backwards down the hill." They keep on urging him, "Go on, she's right. Take your foot off the brake, she's right. After you've run over them we'll help push her up the hill." Driver Gordon is on the horns of a dilemma—still with his foot on the brake. If he takes his foot off the brake and runs downhill, who knows where he will end up?

I thought someone on the other side would want to know where the Labour Party is. They are coming up the hill at a very fast rate in the very latest model. They will soon overtake the old jalopy and beat it to the top of the hill. It is enough to put the National Turkey Association in full flight!

The hon. member for Wavell spoke about his Government not being able to remedy a situation which he claimed has existed in the Commonwealth Loan Council, of Labour's making, since the early 1950's. This reflects pretty poorly on the capabilities of this Tory Government's bargaining powers, if that is the situation that has existed over this long period of time.

In Committee of Supply on 28 September, 1967, the Treasurer indicated that \$2,121,000 had been allocated for Weipa harbour and township facilities and \$1,340,000 for Gladstone town and harbour development. The hon. member for Wavell indicated that this Government should not assist private enterprise, that private enterprise should go it alone, yet here we see a typical example of what has been included in Budgets for a long time. Great sums of money have been allocated to these works to assist, in effect, private enterprise. If the previous speaker was sincere in saying that they do not need this money I should like, once again, to make a plea for the harbour projects and developments in Cairns, for which I believe we need amounts allocated similar to the sums I have mentioned and which the community needs up there—not private enterprise, but the community.

Twelve months ago, during my Budget speech, I drew attention to an article in "The Courier-Mail" of Wednesday, 28 September, 1966, which said that Cairns was going to be the "hot spot" for fishing. It was indicated in this Press article that we had created a world record for an 80 lb. line, in catching a black marlin weighing 1,064 lb. It was also stated that this type of fishing would attract the attention of game fishermen throughout the world; that game fishermen, particularly Americans, would fly anywhere to catch fish like this. I think Cairns will become world famous. At that time that record broke the existing world record set with an 80-lb. breaking-strain line for an 834 lb. marlin caught at Cabo Blanco, Peru. The biggest marlin on record is one of 1,560 lb. also caught off Cabo Blanco with a 130-lb. breaking-strain line. However, it is suggested that bigger fish have been hooked and lost in the Cairns area. We have broken the Australian record several times in the last 12 months.

The largest fish to be caught in Cairns this season, as reported in "The Cairns Post" of 28 September, 1967, was an Australian all-tackle record for black marlin of 1,208 lb. It was said that this was an eventful day as the man who caught this fish lost a couple of giant marlin off Euston Reef, fish which could have been between 1,500 and 2,000 lb. Big-game fishing off Cairns is so good as to be almost unbelievable. It is also stated by people in the game-fishing world in Cairns and throughout Australia, who should know, that this area is the best game-fishing ground in the world.

The point I wish to make relative to the port facilities and moneys allocated is that until better facilities are provided for fishermen, other charter-boat owners will not help to support the sport in Cairns. The majority of big-game fishing resorts in the world have between 20 and 30 charter boats operating to encourage this sport to its fullest.

Mr. Chinchin: Is there no local interest in this?

Mr. R. JONES: There is quite an amount of local interest; there is any amount of local interest.

I have been given a brief by such people in the Cairns area covering the big-game fishing sport during the period from August, 1966 to 21 August, 1967, with an addendum from 29 July, 1967 to 5 October, 1967.

Commencing with "Studies in Tropical Oceanography No. 2" on the Distribution and Relative Abundance of Bill Fishes (Istiophoridae) of the Pacific Ocean, conducted by John K. Howard of the Institute of Marine Science, University of Miami, and a Japanese Regional Fisheries Research Laboratory published in the Institute of Marine Science, in July, 1965, University of Miami Press, this publication shows the months of relative prevalence of migration as being heaviest in the world from October to December. In practice, our scale shows an even more remarkable lengthening of the season from August to January. The first run of 40 to 90 lb. come inside the reef in July and the first fish this year was 260 lb. This season now extends to January and three charter boats are operating in the area. I believe that with proper facilities we could attract people there from all over the world and promote our tourist industry on a world-wide scale.

The black marlin is the biggest and goes up to 2,000 lb. This summary of bill fish given to me by the local Game Fishing Association lists the Australian record as being broken on 1 September, 1966, with a mackerel weighing 60½ lb. caught on a 20-lb. breaking-strain line. Other Australian records were set on 25 September, 1966, with a black marlin weighing 1,064 lb. caught on a 80-lb. breaking-strain line; on 1 October, 1966, by Dolly Dyer the radio and TV personality, with a black marlin weighing 655 lb. on a 130-lb. breaking-strain line; on 30 October, 1966, by B. Mitchell, with a marlin weighing 777 lb. on a 130-lb. breaking-strain line; on 7 November, 1966, with a barracouta; on 20 January, 1967, with a dolphin weighing 29½ lb. on a 80-lb. breaking-strain line; on 8 March, 1967, with a large-scale tuna weighing 12 lb. on a 50-lb. breaking-strain line.

During the previous 12 months there were caught in our area 53 mackerel, 3 blue fin tuna, 11 barracouta, 4 mackerel tuna, 3 dog tooth tuna, 2 bonito, 15 dolphin fish,

6 wahoo, 3 turrum, 6 yellow-fin tuna, 1 large scale tuna, 46 black marlin, 12 sailfish, and 2 blue marlin.

Those Australian records indicate to people in our area who know the game and the reef that a boat harbour of 10 acres would be suitable for a start. A jetty is urgently required with full fuelling facilities and possibly the provision of piles inside the jetty for mooring launches. Recently a harbour was provided at Urangan where possibly a handful of whiting were caught last year. Cairns is doing things on a big scale, on a world scale, and deserves better facilities.

During this week I circulated a pamphlet indicating that we were conducting this week the International OK Ocean Race and the Pacific Championships in Cairns. We like to use the term "IOKOR", which is coined from the initials. We have encouraged Olympic-style yachtsmen from the United States of America, Sweden, Japan, Canada, Denmark, Holland, and New Zealand. This race was instigated in 1963 by a few keen members of the Cairns Amateur Yacht Club who initiated the sailing of these dinghies to Green Island. That is no mean feat with such a small craft.

The length of the boat is only 4 metres, or 13 feet 2 inches. It has a beam of 4 feet 8 inches and a sail area of approximately 90 square feet. The height of the mast is 20 feet 6 inches, with a weight restriction of not less than 18½ lb. The weight of the hull is also restricted; it must not weigh more than 158½ lb.

For the information of hon. members, the OK Dinghy was designed in 1958 by two famous Danish helmsman, Axel Damgaard Olsen and Knud Olsen. The principal idea behind the design was that the boat be used as a training class for the Olympic Finn Monotype, which was designed in 1949 by Richard Sarby. However, the OK Dinghy proved far better than expectations. It was light of helm and easy to handle for a trained dinghy sailor. As it is very hard to learn to sail a Finn Dinghy properly, and difficult to tune the mast and sail, the popularity of the OK class spread rapidly throughout the world. Today more than 5,000 OK Dinghies in over 30 countries compose this universally accepted class.

Hon. members can thus see the potential of the ocean yacht race that we have pioneered in North Queensland. The first leg has already taken place between Cairns and Green Island. At present the entrants from all the countries that I have mentioned are sailing an Olympic-type course on the inside reef from Green Island, and they will return to Palm Cove Beach near Cairns, next Sunday, 22 October. Here we have an international race, and I believe that within two years this could be built into a world series.

It was stated in an American magazine, "Offshore Yachtsman"—

"Baseball has the World Series, horse racing has the Grand National Steeplechase and auto racing has the Grand Prix de Monte Carlo, but for OK dinghies it's got to be the International OK Ocean Races. And in all sport, few spectacles can equal the final ocean race to the mainland. With the surf pounding the shore, and thousands of people crowding into the sea, each dinghy made a run through the breakers. A dozen of Australia's finest lifesavers then surrounded each boat deep in the surf and thrusting it upward carried both skipper and dinghy fully rigged and still sailing across the sea of heads and lowered each beneath his national flag."

This is something that I believe could be encouraged in Australia. More interest should be stimulated in this event. Few southern yachtsmen participated in this world-class event. It is not only for wealthy yachtsmen, or even privileged ones. It has been found in Cairns that, generally speaking, local yachtsmen build their own boats, conforming rigidly to the specifications laid down, at a comparatively modest cost of between \$400 and \$600. The OK Dinghy was designed as an inexpensive yet sophisticated racing craft which could be used as a trainer for Olympic competition. It is no coincidence that many of the men who sail them in more than 30 countries throughout the world represent their nation's best.

Because we can attract competitors from overseas for this yachting event and to fish the big-game areas, we say that the Government has an obligation to ensure that the facilities for boating in the Cairns area are of world standard.

The other day I noticed an article in a newspaper of 22 December, 1966 headed, "Welsh remain cheerful despite trials." It attracted my attention because Wales is the "Land of my Fathers". It reads—

"The hills of Wales are so steep that most Welshmen go through life with a permanent list. It gives them a hunched look as if they were carrying the world around on their backs."

I am beginning to look a bit like that, too, because I have made so many representations for the North that have not borne fruit. Later I shall make a comparison between England and Wales.

The article continues—

"Considering that the annual rainfall is the heaviest in Britain,"—
again the analogy is similar—

"that the unemployment rate at 3.5 per cent. is twice the national average,"—

I could draw an analogy there, but I do not wish to play politics—

"and that coal-mine disasters are all too common, the Welsh remain a remarkably cheerful lot."

And so do Northerners. It continues—

"You can visit any Welsh pub on a Saturday night, if you can get in, and you'll find yourself swept along in a wave of singing and hwy! . . ."

If hon. members do not know what that means, it is a Welsh expression meaning spirit. We have plenty of good spirit in North Queensland; in fact, it is peculiar to that part of the State. The only problem is—I think the Minister for Primary Industries will agree with me on this point—that people in North Queensland are becoming a little too insular in their attitude. I think this is the result of their unsuccessful appeals for attention to be given to their situation.

The article continues—

"Wales has a population of just 2½ million compared with the 48 million in England."

Taking Northern Australia as a whole, and still in comparison, only 375,000 people live in the area north of the Tropic of Capricorn. In contrast, 10,510,000 people live in the area south of the Tropic of Capricorn. Is it any wonder that our outlook is insular? Is it any wonder that Governments are not taking any notice of us? We are only 3.6 per cent. of the population; we are not a voting power. That is why Governments are not taking any notice of us.

Mr. P. Wood: There is nobody in Wales like Gordon Chalk.

Mr. R. JONES: That is probably true. However, Prime Ministers of England have come from Wales, and there is always the possibility that one of the sons of North Queensland will eventually become Prime Minister of Australia. Perhaps he will then be able to get the message of the North across to the people living south of the Tropic of Capricorn.

To support my submission, I refer to an article in the "Telegraph" of 14 September, 1965, under the heading "Mirages are not Hiley's First Aim". It says—

"The Deputy Premier of Queensland, Mr. Hiley, said today he would sooner see £100 million (\$200 million) spent on development in the north of Australia than 100 Mirage fighters."

So the hon. member for Mt. Gravatt can put that in his pipe and see if he can smoke it!

The TEMPORARY CHAIRMAN (Mr. Hodges): Order! The hon. member for Cairns will address the Chair.

Mr. R. JONES: I am sorry, Mr. Hodges; I was carried away.

Mr. Chinchin: Will you explain the point you were trying to make?

Mr. R. JONES: For the last few minutes I have been trying to point out that I am

supported by a former Treasurer of this State in my submission that more money should be spent in North Queensland.

To support my case still further, I refer to an article in "The Courier-Mail" of Wednesday, 15 March, 1967, under the heading "Loder beef road report held up by Government." It says—

"In moving the urgency motion, Dr. Patterson (Lab., Qld.) said the report would not be tabled because it would be critical of the Queensland Government, because the Government would be involved in funds to counter the injustice of northern transport, and because it would be favourable for northern development.

"Dr. Patterson said it was obvious that the report was critical of the Queensland Government's 'absurd' rail and road freight rates.

"He said that the northern and central railway lines were subsidising rail operations in Brisbane, and were being used to provide highways, such as the one to the Gold Coast from Brisbane.

"But there had been savage increases in September last year of up to 15 per cent. in rail charges, and up to 87½ per cent. in road charges."

Mr. Chinchin: Who said this?

Mr. R. JONES: Dr. Rex. Patterson, M.H.R. Subsequently and surprisingly, after the urgency motion was put to the Federal House, out came the Loder report. I will go on and show what the Loder report did, in fact, say. Officially it is called "The report of the committee of investigation into transportation costs in northern Australia". Though it was dated September, 1965, hon. members will notice from "The Courier-Mail" report that efforts were still being made to have the report tabled on 15 March, 1967. Finally it is here, having been officially tabled, and it says, in clause 19 on page 7—

"The Northern and Central Divisions of the Queensland Railways operate at a profit and the Southern Division shows a loss. The system as a whole has an operating surplus, so that, in effect, the Northern and Central Divisions subsidise the South. The Queensland Government might well consider remedying this situation by re-adjustment of freight rates or other means.

"On contract freight rates—

(a) Alleged discrimination against south-bound traffic is more apparent than real. The Committee, nevertheless, notes that in the next contract period from 1st January, 1966, the Queensland Railways will allow contracts on south-bound as well as north-bound traffic.

(b) The Committee understands that to assist northern industry, the Queensland Railways will consider special rates for potential manufacturers in the North on raw materials and finished products. The Committee hopes that the rates will

provide real encouragement to northern industrial development and not be struck solely to meet competition.

(c) The claim was made that railway contract rates unduly favour southern producers and militate against some northern industries. This could be closely examined by the Queensland Government.

"It would seem that the historical reasons for the higher rates in Schedule IIA of the Queensland Railways' rates book no longer apply. The principal effect of the Schedule appears simply to be higher revenue on the substantial volume of goods moving to and from the North not covered by contracts or concessions. It seems that these high rates apply principally to small isolated communities which do not have the contract rates offered wholesalers and retailers in larger northern towns. Abolition of this schedule appears justified both by the need for northern development and on the grounds of equity.

"The use in the western areas of feed supplements in the spring when pastures decline in nutritive value would increase pastoral production. The Queensland Government might give further consideration to the proposal that the supplements be carried at concessional rates in any empty west-bound wool trucks during those seasons."

I was ridiculed by Government members in 1965. At that time the hon. member for Baroona was in my electorate to assist me in the by-election and he will confirm this. We stood in the street in Cairns and urged the establishment of canneries in Cairns and North Queensland. Here it is now in a statement in the Loder report.

Mr. O'Donnell: The Premier promised one in 1957.

Mr. R. JONES: We had one in 1958, but it was closed down by this Government. The report states—

"The establishment of fruit and vegetable canneries in the far north could assist the expansion of labour-intensive horticultural production. The Queensland Government might investigate the desirability of assisting this development."

And so it goes on!

I will give a typical example of the type of thing that goes on in North Queensland, showing how we are being exploited through freight rates, even though some concessions in contract rates have been granted to firms in North Queensland. I have here two advertisements that appeared in "The Cairns Post" on 12 October, 1967, and in "The Courier-Mail" of the same date. They are identical advertisements for the same chain store, except for the prices listed. This is not the only firm that places identical advertisements, except for prices, in Brisbane newspapers and "The Cairns Post". Half-gallon tins of ice-cream are advertised at 75c in Cairns whereas the same commodity so popular with kiddies

is advertised as a special in Brisbane at 55c or as low as 49c. In Brisbane 59c is the standard price but in North Queensland we are paying 75c as a special. If this is the way we are being robbed in specials, what about the thousands of other lines we purchase in Cairns to meet our daily needs? These are the specials—the things they are going to give us cheap. I will list the Cairns and the Brisbane prices of the various commodities according to these advertisements—

	Cairns Price \$	Brisbane Price \$
Kream cornflour ..	0.18	0.15
Ovaltine, 8 oz. ...	0.30	0.28
Ovaltine, 14 oz. ...	0.45	0.42
Dawn toilet tissues (twin pack) ..	0.26	0.24
Websters biscuits ..	0.15	0.13
Betty Sydney cake mix ..	0.26	0.23
Sunshine powdered milk, 12 oz. ...	0.37	0.34
Sunshine powdered milk, 3 lb. ...	1.26	1.18
Jets dog bits, 1½ lb. ...	0.28	0.24
Jets dog bits, 4 lb. ...	0.67	0.56
Dixie chicken ..	1.60	1.35
Branettes ..	0.17	0.16
Rosella cream style sweet corn, 8 oz. ...	0.14	0.12
Rosella cream style sweet corn, large, 16 oz. ...	0.23	0.20
Blue Omo, economy size	0.43	0.39

And so it continues. I intend to proceed in this vein to make sure that it appears in the record so that the general public will realise how disadvantaged we are, paying through the neck for rail freights, road freights, and sea freights. I continue with the list of grocery lines—

	Cairns Price \$	Brisbane Price \$
Sorbent lunchwraps ..	0.30	0.27
Golden Circle fruit cocktail, 15 oz. ...	0.21	0.18
Bear brand milk, 14½ oz. ...	0.19	0.16
Colgate tooth-paste (Gardol) ..	0.37	0.35
Colgate tooth-paste (Fluorigard) ..	0.39	0.37
Maxwell House (TV coffee) ..	0.38	0.36
Maxwell House, 6-oz. size ..	1.02	0.99
Eta peanut paste, smooth or crunchy ..	0.36	0.33
K.y halves or Pear halves ..	0.34	0.28
50 ft. half-inch hose, assorted colours ..	1.48	1.39
Dessert Maid prunes ..	0.30	0.27
Orange-flavour cordial extract ..	0.22	0.19
White Wings jelly crystals (3) ..	0.24	0.21
Websters sultana bread ..	0.38	0.34
Lavender disinfectant ..	0.21	0.17

These are classic examples for hon. members to read so that they may know I am correctly claiming that we are disadvantaged. If hon. members sit down and do their home-work they will find that, in a week's grocery order, we are paying exorbitant prices because of the location of Cairns. In the North, we get weekly divisional allowances of \$1.05 for males, 80c for females and 53c for juniors. We are certainly well behind the eight-ball with North Queensland prices.

I want to read a rather lengthy submission on freight rates to let hon. members know the situation in Cairns and to show how freight rates affect existing industries or those in the course of establishment.

A Government Member: Why not take it as read.

Mr. R. JONES: I wish I could take it as read, but, adopting the Chairman's ruling that it has to be read to be included in "Hansard", and as I want it included, I intend to read it.

Few areas in Australia suffer disabilities comparable with those suffered in the Far North when it comes to industrial development, or competing in the markets which contribute to such development. It is one of the unfortunate geographical anomalies that we are 1,043 rail miles from the State capital. We are 892 air miles from Brisbane. We are the seventh city in Queensland with a population of 29,190. Therefore we are not a "hick" town. Cairns is one of Australia's 25 largest cities. We deserve more consideration than is presently being given to us by this Government in rail freights. We are 1,043 rail miles from the capital city which puts us in somewhat the same position, on a comparable basis, with a community just outside the South Australian border that has to depend on communication with Perth to survive.

It is the considered opinion that the major factors inhibiting industrial development in our northern area are as follows:—

1. (a) High production costs; and (b) Inability to penetrate the high-density population markets on a competitive basis.

2. Transportation costs. These are aggravated by high and sometimes discriminatory freight rates favouring southern industries that already enjoy close proximity to large volume markets allowing high volume production and low-unit production costs. A classic example of that was given by the hon. member for Townsville North in his Budget speech on the freight rates payable on fabricated steel for the Army contracts in North Queensland. During the debate last year on the Estimates of the Department of Industrial Development, or in my Budget speech last year, I drew attention to local contractors tendering on a national basis, with high freight rates and the steel having to be transported to North Queensland to be

fabricated and then sent to the stores in Brisbane for use on high schools, one of which was in Ingham.

The factors continue—

3. Incentives. To overcome these disadvantages and to encourage northern development, assistance should be afforded to northern industry by the application of a suitable intermix of the following incentives—

(a) Availability of suitable industrial sites and a remission or reduction in rates, service charges, etc., during the period of establishment and development and patterned along the lines of an industrial estate subsidised or financed by the Government;

(b) A tax concessional period during establishment and development of new industries (not already established);

(c) Abolition of sales tax on all goods produced north of the 26th parallel;

(d) Abolition of pay-roll tax on companies situated north of the 26th parallel;

(e) Preferential freight rates on goods produced north of the 26th parallel;

(f) The extension of capital city equalisation prices on basic materials, for example, steel and glass, to ports north of the 26th parallel;

This could be extended throughout the length and breadth of Australia. I cannot see why, with a responsible Government, we cannot have similar prices charged in North Queensland, Cunnamulla, and anywhere else. If we pay the same price for a gallon of petrol in those places, why can we not pay the same price for a tube of tooth-paste, fabricated steel, or anything else we want to buy? It is surely not beyond the capability of any Government to see that that is done.

The incentives continue—

(g) Protection of local northern markets from southern penetration for goods produced above the 26th parallel; and

(h) assistance to northern producers to penetrate southern and overseas markets on a competitive basis.

4. Securing markets: The applications of various combinations of the above would assist in securing markets for northern production with the end result of building up production volume and reducing unit cost.

5. Transportation costs—

RAIL

At present rail freight rates appear to be designed to hold out northern production from southern markets whilst affording every assistance to southern manufacturers to overcome the disadvantages of distance from northern markets as indicated by the examples of current anomalies of freight rates.

6. A brief exposition of these examples follows, and, to point up the differences, the rates shown on a ton-mile-carried basis, 1965, add 20 per cent. increase from the introduction of the 1966 Budget.

7. Bottled beer: Rail freight rates are pitched to allow penetration of northern markets by southern breweries whilst preventing northern breweries from access to southern large-volume markets due to higher production costs and concomitant higher invoice prices.

8. In all fairness, at least such rates should be based on a common denominator of X pence per ton-mile carried, which should at least secure northern markets to northern industry, and the application of rates preferential to northern industry could allow some penetration of southern markets.

9. Malt: This simply points up the discrimination in favour of southern manufacturers in that the rate on an essential raw material to Cairns is greater than the rate on the finished product, Brisbane to Cairns. These rates should be in inverse proportion for northern development.

10. Malt: This indicates that it is cheaper to transport malt Brisbane to Cairns than Toowoomba to Cairns on a ton-mile-carried basis.

11. Cement: The difference in invoice price Darra and Stuart shown below is a possible indication of differential units costs between the two areas and a potential reason for freight rates of a common denominator per ton-mile carried on preferential rates to northern industry—

	Per ton		
	£	s.	d.
Darra Cement ex Brisbane ..	9	4	6
Freight Darra to Townsville ..	11	6	9
Landed Townsville ..	£20	11	3
Stuart Cement ex Townsville ..	14	12	6
Freight Townsville to Malanda ..	5	6	9
Landed Malanda ..	£19	19	3

12. Bitumen: A further example of how transport costs can nullify the advantages of local production in the North.

13. Sawn timber and joinery: These indicate that where competition from sea is operating, the railways will reduce this rate to meet this competition. (1.7d. per ton-mile carried). This is commendable, but where there is no competition rail freights are high (joinery 10.23d. per ton-mile carried.)

14. This indicates that timber can be cut to joinery lengths in the North, shipped south assembled and sold as joinery. This effectively prevents manufacture of joinery in the north for sale in southern markets. I have another appendix dealing with that.

15. Feed mash and other grains: The real point of interest here is maize, an Atherton Tableland product. Rail freights per ton-mile carried are—

	d.
Brisbane to Townsville	3.3
Atherton to Townsville	4.8
Atherton to Longreach	4.21
Atherton to Sydney	3.58

Rates, Atherton to Townsville or Longreach, or anywhere else in the North, should be at least not greater than the rate Brisbane to Townsville, and preferably less.

ROAD

16. The advantages and economics of road transport for certain types of freight, and particularly short to medium hauls, are well known and do not need repeating.

17. Present restrictive transport policies operate against decentralisation of industry.

18. Road transport should still be required to contribute to the cost of road maintenance, but new roads and increasing the capacity of existing roads to handle a greater volume of faster and heavier traffic should be proceeded with at a far greater rate than in the past.

19. I refer specifically to the plight of the Atherton Tablelands, which are capable of filling all the fresh vegetable requirements of the communities from Mackay north if given equitable freight opportunities. However, the Road Transport Act is pushing these growers out of business in its present form, and the Press has given many instances of growers, in desperation to get their product onto the Townsville market at a reasonable price, endeavouring to defy the Road Transport Act and being fined very heavily in the process. Hon. members will recall the case of Mr. Jonsson. This defiance of the law seemed to be the only answer to their problem.

SEA

20. The problems associated with coastal and overseas shipping are complex. I outlined the situation quite recently in a question that I directed to the Minister relative to overseas shipping companies refusing to call at Cairns for cargoes unless they were in excess of 500 tons.

21. The main matters of concern in this instance are—

(a) Inability to enter markets in New Guinea and the islands to the Near North together with the Philippines, Indonesia and Malaysia. We are 1,000 miles closer to those markets, but we cannot compete

with southern industries when freight rates to and from overseas ports are the same at all Australian ports.

(b) The poor service afforded by present shipping arrangements under these conditions. For example, although Cairns is the last Australian port of call on a regular run to New Guinea, and the first Australian port of call on the return journey, most ships go direct to Brisbane or Sydney and do not call at Cairns.

(c) New Guinea and the other islands to the north of Queensland can buy more cheaply in the South and transport at the same cost as from Cairns.

(d) Ships call at Cairns only if sufficient loading is available and if the ship has space available.

(e) Lack of regular overseas services for general cargoes, both import and export, increases costs to northern producers because they have to import and export through Brisbane or Townsville and meet the additional costs of transshipping at and transporting to and from these ports.

(f) Under these conditions, equalised freight rates on overseas shipping cannot be utilised.

(g) Being on the end of the line, so to speak, Cairns incurs the highest shipping rate in importing from and exporting to the South. This results in the cost of raw materials and machinery and production and marketing costs being in excess of those in southern areas and prevents competitive marketing in those areas. An absurd instance is that it is cheaper to consign maize to London or Tokyo than it is to consign it to Sydney and Longreach, as shown in serials 1 and 12 of Appendix "A".

Summarising the submissions, I say that the North needs considerable assistance from Government sources in the field of transportation costs. Every endeavour should be made to ensure that local resources are fully utilised and processed locally, not shipped out as raw materials for southern processing; in fact, they should be processed at the point of production. The need to be competitive in southern and overseas high-density population markets is paramount. Industry should be encouraged to establish in the North, and every incentive should be offered to it for that purpose, as I said earlier.

The essentials are: a source of cheap raw materials, which we have. Then, cheap power and water and other services: we have any amount of power in Cairns and in the hinterland, and plenty of water. All that is needed is that it be harnessed. Low-establishment costs: this is something that can be done with the assistance of the Government. Cheap land: I am sure this can be and will be available in the future. Other essentials are low production costs, established markets and volume production.

I submit that this is not necessarily parochial. In the instances that I have provided we see some form of discrimination. We are also concerned for local prosperity and security of the area. We are a northern outpost which needs building up with industries. We need a building up in population and we know also that we can do this if we get some assistance and sympathy from the Government.

We must not lose sight of the fact that defence-wise, North Queensland is the last port of call to, or the first port of call from, the Near North.

To prove that this can be done and to what extent if we could get this assistance, I have here a cutting from "The Cairns Post" of Friday, 6 October, 1967, which shows the launching at Cairns of the Army's new craft AB 1050, of which the Army took delivery. It is the first of 11 contracted for by NQEA, an engineering firm in Cairns which tendered on an Australia-wide basis and won the contract. I have here a photograph of the first ship being launched. It is a formidable little craft. It is constructed of steel, it is 70 feet long and has a 20-foot beam. It is powered by four diesel engines and can travel at 10 knots with a 60-ton cargo. It was built to a design currently used by the United States Navy and Army. It is one of a series of craft known as "Landing craft mechanised (LCM 8)", and this one, AB 1050, was the first of 11 that will cost more than \$1,000,000.

This is a local industry that has been developed in Cairns by locals and, by its own initiative it is able to compete on a nation-wide basis and win contracts against all comers. How much more would industry be encouraged if we were able, Government-wise, to achieve freight concessions which should be enjoyed by all industries in North Queensland and which would encourage the development of industry there!

It was my intention to draw attention to some of the problems in education in our area and I wanted to finish by correcting the Minister, who almost unprecedentedly entered the Address-in-Reply debate to defend the education system. In reply to an interjection of mine, he implied all sorts of things about the action of the Queensland Teachers' Union and the Opposition. I thought they were rather silly accusations at that stage, and only went to further discredit the administration. He endeavoured to twist my interjection.

(Time expired.)

Progress reported.

The House adjourned at 10.27 p.m.