

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 10 DECEMBER 1968

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

QUESTIONS

ELECTRICITY CHARGES, MOURA, BLACKWATER AND GOONYELLA COALFIELDS

Mr. Houston, pursuant to notice, asked The Minister for Mines,—

(1) On the coalfields at (a) Moura and (b) Blackwater, what is the cost per unit for electrical energy for (i) lighting, (ii) the dragline and (iii) other purposes?

(2) In the case of the dragline, is the charge based on the maximum energy required for the dragline under load, or some other basis? If so, what is the basis?

(3) Has any arrangement been made for electricity charges on the Goonyella field? If so, what will be the cost per unit for (a) lighting, (b) the dragline and (c) other purposes, and on what basis will the charge for the dragline be made?

Answers:—

(1 and 2) "Electricity used on the coalfields at Moura and Blackwater for all purposes is charged at the Capricornia Regional Electricity Board's Tariff 'G' for high voltage supply. This is a two-part tariff with separate charges of \$45 per annum per kilowatt of maximum demand and 0.50 cents per kilowatt hour, the price per unit varying according to the load factor of the supply. There is an additional charge at Moura to take account of extra costs due to the widely fluctuating load of the large dragline and its effect on the Capricornia Board's system. There is a minimum charge at Blackwater based on the capital cost of providing this supply. It is not the practice to make available details of the cost of electricity to individual consumers where special conditions are involved. The basis of the charge for electricity used at Moura and Blackwater is at present under review by the Capricornia Regional Electricity Board and the State Electricity Commission with a view to determining a standard tariff for supply to large draglines."

(3) "No arrangements have yet been made for electricity charges on the Goonyella field."

EFFECT ON MEAT PRICES OF LICENSING OF PRIVATE ABATTOIRS IN METROPOLITAN AREA

Mr. Houston, pursuant to notice, asked The Minister for Primary Industries,—

Since the licensing of private abattoirs in the metropolitan area, what is (a) the amount and (b) the percentage of saving to

the purchasers of household meats as promised by private companies and endorsed by the Minister when enabling legislation was introduced?

Answer:—

"No records are maintained by my Department which would enable me to supply the precise information sought by the Honourable the Leader of the Opposition, and it would now be a major task to attempt to collate even an approximate amount or percentage. However, reference to the Queensland Year Book for the years 1964 and 1968 indicates quite clearly that increases in the retail prices of meat have been below the level of increases in the Consumer Price Indices—food group and all groups, during this period."

PRICES OF CROWN LAND SOLD AS RESIDENTIAL ALLOTMENTS

Mr. Houston, pursuant to notice, asked The Minister for Lands,—

(1) For each of the years ended June 30, 1966, 1967 and 1968, what was the (a) maximum price, (b) minimum price, (c) average price and (d) upset price of Crown land sold to the public as residential allotments under freeholding tenure in (i) Brisbane, (ii) Townsville, (iii) Gladstone, (iv) Bribie Island, (v) Moura, (vi) Rockhampton, (vii) Dalby, (viii) Roma and (ix) Longreach?

(2) What was the total number of allotments—(a) available for sale and (b) sold, in each of the areas in each of the years?

Answer:—

(1 and 2) "For the Honourable Member's information I have had statistical information compiled in respect of localities where estate preparation has been undertaken by my Department during the period under reference. Expenditure for each of the three years in some of the localities is also outlined. This includes expenditure on estate preparation not only for residential purposes but also for allotments for the Queensland Housing Commission and land for public purposes, reserves, etc. The information is in schedule form and is rather voluminous and I now table the relevant schedules (3)."

Whereupon, Mr. Sullivan laid upon the Table of the House the Schedules referred to.

CAPITAL RAISINGS OF OVERSEAS MINING COMPANIES

Mr. Tucker, pursuant to notice, asked The Minister for Justice,—

From the latest available figures in relation to the following companies—Thiess Peabody Mitsui Coal Pty. Ltd., Utah Development Co., Commonwealth

Aluminium Corp. Ltd., Queensland Aluminium Ltd., and Austral Pacific Fertilisers Ltd.—

(1) How much capital has each of the companies raised overseas?

(2) How much capital has each of the companies raised (a) by way of Australian shareholdings, (b) by debenture issues, inscribed stock, etc., within Australia and (c) by loans from financial institutions within Australia?

(3) What is the total amount expended on imports by each of the companies since they were founded?

Answers:—

(1) "Thiess Peabody Mitsui Coal Pty. Ltd. is incorporated in Queensland. There are three shareholders, Mitsui & Co. Ltd., Peabody Coal Pty. Ltd. and Thiess Holdings Ltd. Of these only the last-named is a locally incorporated company, and as a consequence it is not possible to ascertain from records in the Registrar's Office the extent of overseas capital contributions. In addition to share capital, the company has executed a trust deed and an assignment in favour of Mellon National Bank & Trust Company for U.S. \$16,600,000. Utah Development Company is incorporated in the United States and being a foreign company registered in this State is not obliged to file a list of shareholders in the Companies Office. There are no charges registered. Commonwealth Aluminium Corporation Ltd. is incorporated in Queensland. There are five shareholders, viz.: Clay Products Pty. Limited—Not registered in this State. Comalco Industries Pty. Ltd.—Incorporated in Victoria. Comalco Products Pty. Ltd.—Incorporated in Victoria. Kaiser Aluminium & Chemical Corporation—Incorporated in Victoria. The Zinc Corporation Ltd.—Incorporated in Victoria. As the companies are incorporated outside this State, it is not possible to ascertain the extent of overseas investments. Queensland Alumina Ltd. is incorporated in Queensland. There are five shareholders, viz.: Alcan Queensland Pty. Ltd.—Incorporated in Queensland. C.R.A. Alumina Pty. Ltd.—Not registered in this State. Kaiser Aluminium & Chemical Corporation—Not registered in this State. Kaiser Aluminium Australia Corp.—Incorporated in U.S.A. Pechiney Compagnie de Produits Chimiques et Electrometallurgiques—Not registered in this State. Alcan Queensland Pty. Ltd. has three shareholders as follows: Alcan Aluminium Ltd.—Incorporated in Canada, 399,998 \$1 shares. John Phillip Lee—Point Piper, New South Wales, 1 \$1 share. Selwyn Henry Warner Shand—Graceville, Queensland, 1 \$1 share. In addition to share capital, the company has executed a number of trust deeds. Austral Pacific Fertilisers Ltd. is incorporated in Queensland.

There are \$20,000,000 shares issued, of which \$16,579,995 are held by overseas interests. In addition to share capital, the company has executed a mortgage debenture and a number of trust deeds."

(2) "Thiess Peabody Mitsui Coal Pty. Ltd. (a) As indicated in my reply to Question (1), one of the shareholders is Thiess Holdings Ltd. This company holds 440,000 \$2 shares in Thiess Peabody Mitsui Coal Pty. Ltd. Its own shareholding consists of more than 8,000 shareholders and in the time available, it would not be possible to ascertain the extent of the Australian shareholding. (b) This information is not available with any degree of certainty. (c) Four equitable mortgages and one bill of sale have been executed in favour of the Bank of New South Wales as follows:—Bank of New South Wales—Equitable mortgage dated August 31, 1962, not exceeding \$1,340,000; Bill of sale dated October 17, 1962, not exceeding \$1,400,000; Equitable mortgage dated June 14, 1963, not exceeding \$1,340,000. Equitable mortgage dated May 8, 1964, not exceeding \$1,400,000; Equitable mortgage dated June 2, 1965, not exceeding \$5,400,000. Utah Development Company—(a) Not available. (b) No debenture issues have been registered. (c) No charges have been registered. Commonwealth Aluminium Corporation Ltd.—(a) Not available. (b) No debenture issues have been registered. (c) An equitable mortgage to the Commonwealth Trading Bank of Australia secures all cash credit accommodation granted and to be granted, and all debts and liabilities arising under the provisions of the equitable mortgage. Queensland Alumina Ltd.—(a) Not available. (b) The following trust deeds have been executed:—General debenture trust deed dated May 23, 1967, amount secured, US\$135,000,000; trustees—Queensland Trustees Limited. Fourth supplemental trust deed dated April 2, 1968, A\$5,000,000; trustees—National Nominees Ltd. Third supplementary trust deed dated April 2, 1968, US\$25,000,000; trustees—Mellon National Bank & Trust Company. Second supplemental trust deed dated May 23, 1967, US\$20,000,000; trustees—Morgan Guaranty Trust Company of New York. First supplemental trust deed dated May 23, 1967, US\$135,000,000; trustees—Mellon National Bank & Trust Company. Amending deed No. 1 to general debenture trust deed dated May 23, 1967, US\$20,000,000; trustees—Queensland Trustees Limited. (c) a debenture to the National Bank of Australia Ltd. secures money owing or to be advanced. Austral Pacific Fertilisers Ltd.—(a) There are \$20,000,000 \$1 shares issued, of which 3,420,005 are held by Australian interests. (b) General trust deed covering advances from time to time from The M.L.C. Nominees Limited first supplemental trust deed for \$7,532,000 from The M.L.C.

Nominees Limited and The M.L.C. Nominees (Vic.) Pty. Limited. Second supplemental trust deed for US\$7,875,000 from The M.L.C. Nominees Limited and Queensland Trustees Limited. (c) No charges have been registered."

(3) "Particulars in this regard are not available."

CO-OPERATIVE HOUSING SOCIETIES

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

What is the total number and the names of co-operative housing societies set up in (a) Brisbane and (b) other parts of the State for financing the buying of existing homes?

Answer:—

"Thirty-one Co-operative Housing Societies have been set up to finance the buying of existing homes (not being homes erected within the twelve months preceding the date of acquisition and never occupied)—(a) Capital Co-operative Housing Societies Nos. 12 and 15 Limited. Metropolitan Mutual Co-operative Housing Society No. 14 Limited. Red Comb Co-operative Terminating Housing Society No. 10 Limited. Mayfair Co-operative Housing Societies Nos. 2 and 6 Limited. Brisbane Co-operative Terminating Housing Society No. 9 Limited. The Strand Co-operative Housing Society No. 10 Limited. The Moorvale Co-operative Housing Society No. 4 Limited. Stanley Co-operative Terminating Housing Society No. 10 Limited. Australia & New Zealand Co-operative Housing Society No. 1 Limited. The Laurels Co-operative Housing Society No. 7 Limited. Waratah Co-operative Housing Society No. 3 Limited. Maple Co-operative Housing Society Limited. Acacia Co-operative Housing Society No. 1 Limited. Regent Co-operative Housing Society No. 1 Limited. Mt. Gravatt Co-operative Housing Society No. 8 Limited. Civic Co-operative Housing Society No. 1 Limited. Australian Netherlands Co-operative Housing Societies Nos. 14 and 17 Limited. City and Suburbs Co-operative Housing Society No. 1 Limited. (b) Wide Bay Co-operative Housing Societies Nos. 1 and 3 Limited. Maryborough Co-operative Housing Society No. 9 Limited. Garden City Co-operative Housing Society No. 10 Limited. Nambour District Co-operative Terminating Housing Society No. 5 Limited. The Townsville Co-operative Housing Society No. 16 Limited. Gympie Co-operative Housing Society No. 5 Limited. Limestone Co-operative Housing Society No. 5 Limited. Ipswich Co-operative Housing Society No. 5 Limited. Fitzroy Co-operative Housing Society No. 1 Limited."

APPLICATIONS FOR FISHING LICENCES,
GULF OF CARPENTARIA

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

(1) How many applications are presently lodged with his Department for licences to fish in the waters of the Gulf of Carpentaria and, to date, how many have been granted?

(2) Of the applications lodged, how many envisage using mother ships and how many propose using shore-based depots?

(3) In view of the uncertainty which appears to exist in the minds of many applicants who wish to spend hundreds of thousands of dollars on installations in the North, will he make a statement in regard to (a) Gulf fishing and (b) the need or otherwise for shore-based depots in the Gulf area in order to establish a priority?

Answers:—

(1) "Fishing in the waters of the Gulf of Carpentaria is open to all Australian licensed fishermen. No special application is required from licensed fishermen to fish in these waters."

(2) "There were forty-eight applications for approval to establish processing or part processing establishments in the Gulf of Carpentaria. These applications could be grouped as follows—(a) Processing Plants, where the full processing effort is carried out at a shore-based plant in the Gulf, 14; (b) Depots, where prawns are held for delivery either unprocessed or partly processed to a processing plant elsewhere for full or final processing, 15; (c) Processing Vessels and Carrier Vessels. Applicants have not made it clear in all cases what role the particular vessel will play. The processing vessel will fully process prawns taken by an attendant fleet whilst the carrier vessel will transport prawns from an attendant fleet in the Gulf to a processing plant elsewhere for processing, 19."

(3) "I am well aware of the substantial investment attracted to this new industry in North Queensland but I am still awaiting advice from the Commonwealth Government. I would refer the Honourable Member to my Answer to a Question asked by the Honourable Member for Cairns on November 29 last."

ALLEGED USE OF RACIALIST AND
COLONIAL TERMINOLOGY

Mr. Lonergan, pursuant to notice, asked The Minister for Lands,—

(1) Has his attention been drawn to an article in the *Telegraph* of December 5, in which the Queensland Council for the Advancement of Aborigines and Torres Strait Islanders has criticised the Honourable Member for South Brisbane for his ignorant racist and colonial terminology?

(2) Will he assure the members of the Council that the Government in no way condones or endorses the comparison made by the Honourable Member?

Answer:—

(1 and 2) "I have seen the article, and regret that such a term, which can be offensive to Aboriginal Queenslanders, has been used. The Government respects all Queenslanders, irrespective of racial origins, and does not condone nor endorse such odious comparisons."

REPORTS OF MEETINGS, QUEENSLAND
NURSES' BOARD

Mr. Melloy, pursuant to notice, asked The Minister for Health,—

(1) Further to his Answer to my Question on December 3, what are the numbers of the parts, sections and clauses of the relevant Acts and regulations which preclude individual members of the Queensland Nurses' Board from making reports of Board meetings?

(2) Are groups of members, as distinct from individual members, similarly precluded?

(3) Are the three members nominated by the Royal Australian Nursing Federation (Qld.) precluded from reporting to that body?

Answer:—

(1 to 3) "Section 10 of *The Nurses Act of 1964*" states that the Board shall conduct its business in such manner as may be prescribed or, in so far as it is not prescribed, as it may from time to time determine. The Solicitor-General has advised that there appears to be no provision in the said Act and/or Regulations that the meetings of the Board shall be public. He has stated that the Board is obliged to communicate with the Governor in Council only and that members would not be free to make reports or to make available minutes of Board meetings to outside bodies."

BUILDING MATERIAL SENT BY GOVERN-
MENT TO KILLARNEY

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

In the period between November 23 and December 3 was any building material, other than that arranged for prior to November 23, sent to Killarney by any Government authority? If so, has any of the material been made available for the repair of private buildings or dwellings?

Answer:—

"In the period between November 23 and December 3 building material other than that arranged for prior to November 23 was sent to Killarney by the Department of Works. As at December 3 none of such material was made available for the repair of private buildings. For the information of the Honourable Member there has been little demand for building materials available at Killarney to those persons with entitlement to assistance under the Government's Relief Scheme."

RADAR UNITS ON NEW FOUR-LANE SECTION, SANDGATE ROAD

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

(1) How many radar traps were located on Sandgate Road between Virginia Golf Links and Nudgee College in the period between the opening of the two new traffic lanes in the section and December 6?

(2) How many motorists were issued with tickets for breaches of the traffic regulations in this section of Sandgate Road during the period?

(3) Is it intended to raise the speed limit in this four-lane section to facilitate the flow of traffic? If so, when will the new limit come into operation?

Answer:—

SUBSIDY PAYMENTS—BRISBANE CITY COUNCIL

—	(a) Roads and Bridges	(b) Water Supply	(c) Sewerage	(d) Mis- cellaneous	Total
	\$	\$	\$	\$	\$
1965-66	1,083,167	543,808	1,003,930	178,688	2,809,593
1966-67	993,068	660,460	1,257,429	265,428	3,176,385
1967-68	1,028,144	672,841	1,305,465	317,074	3,323,524
Estimated 1968-69 ..	1,807,737	914,400	2,097,365	64,261	4,883,763 "

DEVELOPMENT OF FORMER LOCKHART RIVER ABORIGINAL RESERVE

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

(1) What is the area of the old Lockhart River reserve?

(2) Are there any plans to lease or develop the area or part of it for settlement or for any other purpose?

(3) What is to become of the buildings and installations at the old Lockhart River site?

Answers:—

(1) "Four radar units have operated on Sandgate Road between Virginia Overpass and Northumbria Street between 5 p.m. on November 26 and December 6, 1968."

(2) "Fifty-nine Traffic Offence Notices were issued as a result of the operation of radar units as outlined in Answer to Part (1) of the Question. Data as to traffic enforcement by other police will not be available until traffic accident reports, breach reports, etc., are received and dealt with."

(3) "The section referred to is normally considered too short for speed zoning. However, because of particular conditions associated with this length of road, the Main Roads Department intends to conduct a speed study. It is hoped that this will be commenced about the end of January, 1969."

GOVERNMENT SUBSIDIES TO BRISBANE CITY COUNCIL

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

What amounts of Government subsidies were paid to Brisbane City Council for the years 1965-66, 1966-67 and 1967-68, and what are the estimated amounts for 1968-69, in each of the following categories (a) roads and bridgeworks, (b) water supply, (c) sewerage and (d) miscellaneous?

Answers:—

(1 and 2) "As I indicated in Answer to the Honourable Member's Question on December 6, the area of the Lockhart River reserve, assumed to be that referred to by the Honourable Member as 'the old Lockhart River reserve', and including the 'old' residential site, was 588,400 acres, which is being increased by 920 acres resumed from the Line Hill Holding to provide a suitable resettlement area. The plans detailed in that reply have application to both the original and the additional areas."

(3) "All buildings and installations at the 'old site' are virtually useless, but it is proposed that a workforce will recover whatever material is usable and at the same time establish a holiday home on the 'old site' to enable those who so wish to return there for holidays periodically, to tend the last resting places of their loved ones, and generally to pursue any of their ethnic rites, customs and/or cultures they may desire, which practice is in accord with the Government's policy of consultation with the people and their involvement at all times in their progressive development and well-being. As part of that salvage exercise, it is intended that the 'old site' will be generally cleared up."

ENCOURAGEMENT OF ABORIGINES TO MAKE WILLS

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

In view of the extreme difficulty experienced by next-of-kin in receiving a distribution of a deceased estate when there is no Will and no Certificate of Birth, will he take the necessary action to ensure that assisted Aborigines are safeguarded in such circumstances by insisting that they make a Will?

Answer:—

"The Honourable Member in asking this Question has overlooked the provisions of section 31 of the Aborigines' and Torres Strait Islanders' Affairs Act which was inserted for the purpose of overcoming difficulties such as the absence of a Certificate of Birth and Proof of Relationship. The Director does follow the Statute of Distributions applicable in an intestate estate wherever possible but section 31 confers power on him to determine who shall be entitled to succeed in the estate of a deceased assisted Aborigine or assisted Islander who dies intestate. He, of course, only exercises this power sparingly. It is the essence of the right of a person to make a Will that he should be entitled to do so of his own free will. There is no intention of altering the law to provide that it shall be compulsory for any one or any person of a particular class to make a Will."

ELIMINATION OF RACIALIST TERMINOLOGY IN PLACE NAMES

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

In view of the expression by the Aboriginal community of their dislike of the term "blackfellow" and further to my Question concerning the names of creeks, e.g., Nigger, Blackfellow and Black Gin, will he now consider the elimination of these names, which are prevalent throughout Queensland?

Answer:—

"The question of the alteration of names in this State is a function of The Queensland Place Names Board, a statutory body constituted under "The Queensland Place Names Act of 1958". As yet, the Board has received no specific complaint in regard to the existence of place names incorporating such words as Nigger, Blackfellow and Black Gin and no such request to alter such names has been made to the Board. However, any request to the Board by a local authority or other responsible local body for the specific alteration of any particular name will always be considered. It is pointed out that the alteration of any names, particularly creek names forming property boundaries, requires numerous alterations to be made to existing deed and lease documents, maps and plans and road signs, and a considerable amount of time and expense is involved. Having regard to all the circumstances, the elimination of all these names does not seem warranted at the present time particularly as many of them have an historical significance."

NEW EIDSVOLD HOSPITAL

Mr. N. T. E. Hewitt, pursuant to notice,
asked The Minister for Health,—

Further to his Answer to my Question on August 28, when will tenders be called for the new Eidsvold Hospital in accordance with the plans as modified by his Department?

Answer:—

"Sketch plans have been approved for the proposed new hospital at Eidsvold and it has been ascertained from the Department of Works that that Department is negotiating with a private firm of architects to undertake the preparation of working drawings and specifications for the new hospital at Eidsvold. The Department of Works estimates that the preparation of these documents will take six months following which tenders will be invited."

TENDERS FOR DREDGING AND RECLAMA- TION WORK, CAIRNS HARBOUR

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

(1) What were the tender prices submitted for the dredging and/or reclamation work for the Port of Cairns in July, 1965, by (a) H.A.M. (Hollandsche Annemings Maatschappij), (b) Westminster Dredging Australia Pty. Ltd., (c) Australian Dredging and General Works Pty. Ltd., (d) V.D.L.M. (Vianini Dragaggi Lavori Marittimi) and (e) Western Contracting Corporation?

(2) In view of the time lag, will authority be given for the calling of new tenders in advance for channel and harbour improvements at Cairns?

Answers:—

(1) "Tenders were invited for a number of alternatives and are as follows:—

TENDERS—DREDGING PORT OF CAIRNS

1. As part of tender for dredging at Weipa, Townsville and Cairns—

		\$
For dredged material to be dumped at sea	H.A.M.	736,050
	W.D.A.	967,554
	V.D.L.M.	1,196,700
	W.C.C.	637,150
For dredged material to be partly dumped at sea and partly pumped ashore	H.A.M.	840,740
	W.D.A.	1,256,622
	V.D.L.M.	1,288,884
	W.C.C.	No tender.

2. As part of tender for dredging Weipa and Cairns—

For dredged material to be dumped at sea	H.A.M.	760,250
	W.D.A.	980,054
	V.D.L.M.	1,219,100
	W.C.C.	No tender.
For dredged material to be partly dumped at sea and partly pumped ashore	H.A.M.	864,940
	W.D.A.	1,269,122
	V.D.L.M.	1,311,282
	W.C.C.	No tender.

3. Tender for dredging Cairns only—

H.A.M.	No tender.
W.C.C.	No tender.
W.D.A.	\$992,554 for dredged material to be dumped at sea.
W.D.A.	\$1,281,622 for dredged material to be partly dumped at sea and partly pumped ashore.
V.D.L.M.	\$1,434,300 for dredged material to be dumped at sea.
	\$1,525,484 for dredged material to be partly dumped at sea and partly pumped ashore."

(2) "I refer the Honourable Member to my Answer to his Question asked on September 25 last."

HOME-BUILDING COSTS

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

What are the present comparative building costs for a three-bedroom, approximately 10½-square house in (a) Brisbane, (b) Gold Coast, (c) Toowoomba, (d) Dalby, (e) Charleville, (f) Quilpie, (g) Cunnamulla, (h) Rockhampton, (i) Longreach, (j) Townsville, (k) Mt. Isa, (l) Winton (m) Cairns, (n) Atherton Tableland and (o) Boulia?

Answer:—

"The Honourable Member will appreciate that requirements and services differ among the towns named. For example Brisbane has a multi-purpose water supply whereas at Longreach it is customary to have rain water tanks, reticulated river water and reticulated bore water. In some towns sewerage is reticulated to the site by the local authority while in others this does not apply. The following are

costs in the various towns as shown by the last tenders for groups of timber-framed houses—

Town	Year	Average per house	Average area per house
		\$	Square Feet
Brisbane (Riverview)	1968	6,960	1,107
Gold Coast (Nerang)	1968	7,682	1,033
Toowoomba	1968	6,241	1,032
Dalby	1968	7,157	1,021
Charleville	1965	7,206	912
Quilpie	1965	6,988	866
Cunnamulla	1963	6,872	918
Rockhampton	1968	8,061	1,027
Longreach	1966	8,278	991
Townsville	1968	8,254	1,068
Mount Isa	1968	8,789	1,020
Winton	1965	7,720	872
Cairns	1967	7,389	1,045
Atherton Tableland (Mareeba)	1965	6,721	933
Boulia	1966	7,984	775"

HEALTH CHECKS OF SCHOOL CHILDREN

Mr. R. Jones, pursuant to notice, asked The Minister for Health,—

What arrangements are made in State and denominational schools, primary and secondary, for health checks, including hearing and eye tests, and what is the extent of the arrangements?

Answer:—

"Highly trained and experienced sisters of the School Health Services examine primary school children at all State and Convent Primary Schools. Other denominational schools are visited upon request. Children are examined for hearing, vision, posture, herniae, skin conditions and the like. Checks for heart murmurs are also made by medical officers during routine inspections. Any disability found is notified to the parents with a recommendation that their own medical practitioner or the local public hospital be contacted. The examination of secondary school students for visual or auditory defects is being undertaken and will be extended as more staff becomes available."

SEALING OF ROADS CONTROLLED BY MAIN ROADS DEPARTMENT

Mr. Armstrong, pursuant to notice, asked The Minister for Mines,—

As at June 30, 1957 and 1968, what was the total length of bitumen-sealed (a) highways, (b) main roads and (c) other roads under the control of the Main Roads Department?

Answer:—

	June 30 1957	June 30 1968
(a) Highways	2,924	4,543
(b) Main Roads	1,588	3,050
(c) Other roads	229	2,853
	<u>4,741</u>	<u>10,446"</u>

TRADING HOURS OF SERVICE STATIONS
IN METROPOLITAN AREA

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

(1) Does the law provide that service stations selling petrol in the metropolitan area close at 6 p.m.?

(2) If so, what provision allows Barnes Auto to operate in Adelaide Street selling petrol 24 hours a day?

(3) Is it possible to police this garage and, if not, will the Department allow all service stations to operate on a 24-hour-day service?

Answers:—

(1) "Yes. This closing hour does not apply to the R.A.C.Q. for the purposes of roadside service, nor to owners of taxi-meter cabs selling to those cabs from their service stations. However, there is no restriction on the supplying of fuel from automatic coin-operated pumps, providing that the proprietor, his employee or agent does not do any work in connection therewith."

(2) "Barnes Auto operate a parking station, towing service and service station in Adelaide Street. An automatic coin-operated pump is installed on the premises and, in accordance with the provisions mentioned, petrol may be obtained from such pump twenty-four hours a day seven days a week. Parking stations may also operate unlimited hours."

(3) "It is possible to police these premises. This has been done, and proceedings taken where offences have been detected. All service stations are policed, as necessary. Any service station, where an automatic coin-operated pump is installed, can and does provide a twenty-four-hour-day service of petrol. There are over one hundred such pumps in Brisbane. The hours and conditions under which service stations may sell petrol are prescribed in trading hours orders made by the Industrial Commission in its role as an independent Trading Hours Tribunal, which is free from political interference or control. The Department has no authority to vary the provisions so made. Nevertheless, it is open to any organisation, whether registered with the Industrial Commission or not, to make application for a variation of the present trading hours relating to service stations, whereupon any person may seek leave to be heard in regard to that application."

ROCKHAMPTON HOSPITAL STAFF;
TRAINING OF MALE NURSES

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

(1) Has Rockhampton Hospitals Board written to him or the Department of

Health requesting the introduction of a course for male nurses at Rockhampton? If so, what was the decision?

(2) If consideration has been given to the request and no course for male nurses will be introduced, what is the reason?

(3) Is the Rockhampton Hospital understaffed as far as the actual staff establishment is concerned? If so, by how many and in what categories?

Answers:—

(1) "Yes. The Board was advised that it was not proposed to proceed with the training of male nurses in Queensland public hospitals at the present time."

(2) "I would refer the Honourable Member to my Answer in the House of September 4, 1968, on the question of training of male nurses. At that time I stated that the Repatriation General Hospital, which is a recognised hospital for training of male nurses, had since its inception as a training school in 1953 admitted only three to training and none had completed the course. In view of this and the information obtained from other States of the poor response from prospective students there is little encouragement for my Department to introduce such training facilities into Queensland general training hospitals."

(3) "The secretary of the Rockhampton Hospitals Board has advised that the following vacancies exist at the Rockhampton General Hospital and Thoracic Annexe—Medical staff, 1 part-time paediatrician; trained nurses, 4; general student nurses, 14 (13 assistants in nursing are however employed in lieu of students to maintain establishment); physiotherapists, 3; social worker, 1; occupational therapist, 1; part-time dietician, 1; total, 25. The total approved establishment is 378."

ELIGIBILITY FOR COMMONWEALTH
BENEFIT OF SENILE ANNEXE,
WESTWOOD HOSPITAL

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

(1) What is the numerical strength of the staff of the senile annexe of the Westwood Hospital?

(2) Will the hospital be eligible for the extra Commonwealth benefit of \$5 daily as from January 1, 1969? If not, why not?

(3) What staff numbers must certain hospitals have in order to benefit under the grant?

Answers:—

(1) "The total staff employed as at December 9, 1968, was 67."

(2 and 3) "Commonwealth legislation does not require the hospital itself to be approved to enable additional nursing home benefits to be paid from January 1, 1969. The increased benefits will be paid by the Commonwealth with respect to those patients who are approved by the Commonwealth as requiring intensive nursing home care. Staffing necessary to meet the requirements of the Commonwealth will vary, dependent on the number of patients eligible for the additional benefits."

TEACHERS RE-APPOINTED AFTER FIVE-YEAR ABSENCE FROM TEACHING

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

How many teachers presently employed by his department had not taught for five or more years prior to their last appointment to the department?

Answer:—

"To obtain this information it would be necessary to examine the records of all teachers in the service. The diversion of staff from their normal duties to undertake this tremendous task would not, in view of the man-hours involved, be warranted."

MT. LOFTY SENILE ANNEXE, TOOWOOMBA GENERAL HOSPITAL

Mr. P. Wood, pursuant to notice, asked The Minister for Health,—

(1) How many patients are at present accommodated in the Mt. Lofty annexe of the Toowoomba General Hospital?

(2) What are the details of the number of qualified nursing staff and all other staff employed at the annexe?

(3) What are the arrangements for medical treatment of the patients?

Answers:—

(1) "The secretary of the Toowoomba Hospitals Board has advised that as at December 9 there were 97 patients in the senile annexe at Mt. Lofty."

(2) "As at the same date, the staff employed were 1 matron, 5 trained nurses, 7 assistants in nursing, 12 orderlies, 2 cooks, 1 kitchenman, 4 wardsmen, 9 domestics, 3 laundrywomen, 1 laundryman, 1 seamstress, 1 gardener and 1 maintenance man."

(3) "A medical officer from the Toowoomba General Hospital visits the annexe each Tuesday. Medical officers at Toowoomba General Hospital are however available at all times for any necessary medical treatment required and patients who become acutely ill or require surgery are transferred to Toowoomba General Hospital."

NET FISHERMEN'S LICENCES

Mr. Inch for **Mr. Graham**, pursuant to notice, asked The Treasurer,—

As a great deal of confusion exists in the public mind, especially amongst the fishing fraternity, regarding the future of this industry and particularly the granting, renewal and continuance of net-fishing licences, are any restrictions to be placed upon the issuing of net licences within the foreseeable future?

Answer:—

"The issue of net fishermen's licences—that is licences permitting the use of nets by amateur fishermen—will cease on January 1, 1969. I draw the Honourable Member's attention to my Answer to a Question asked by the Honourable Member for Rockhampton North on October 17 last. No restrictions are proposed within the foreseeable future on the issue of licences to commercial fishermen."

DRIVING LICENCE TESTS

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

(1) What is the average waiting time from the time of application to the time of a test for a car-driving licence in Brisbane?

(2) What is the average number of (a) tests carried out per day, (b) failures per day and (c) tests per application before finally passing?

Answers:—

(1) "Three to four days."

(2) "(a) Sixty. (b) Twenty-seven. (c) No record is kept of the average number of tests per application before finally passing."

SCHOOL ENROLMENTS

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

(1) For the years 1966, 1967 and 1968, how many children were enrolled in—
(a) State primary, (b) non-State primary, (c) State secondary and (d) non-State secondary schools throughout Queensland?

(2) What is the anticipated enrolment in each of these categories for 1969?

Answers:—

(1) "School enrolments on the census dates in 1966, 1967 and 1968 were—

	1966	1967	1968
(a) State primary	197,492	202,713	206,181
(b) Non-State primary	54,800	55,190	55,487
(c) State secondary	71,078	74,835	77,442
(d) Non-State secondary	29,693	31,006	31,940"

(2) "The anticipated school enrolments for 1969 are—

- (a) State primary 209,100
- (b) Non-State primary 56,170
- (c) State secondary 80,150
- (d) Non-State secondary 32,650"

IN-SERVICE COURSES FOR SCIENCE AND BIOLOGY TEACHERS

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

(1) Has his attention been drawn to an article in *The Courier-Mail* of December 5 wherein a Brisbane science teacher calls for more extensive in-service education courses for science teachers?

(2) Is a one-week course for a biology seminar adequate for the training of biology teachers since biology was the new subject for students and teachers?

(3) Will intensive follow-up seminars of suitable duration be given in order to evaluate the work covered and to prepare for the next aspect of the course in relation to in-service seminars for science and biology?

(4) Is a one-week in-service training sufficient? If not, will he increase the time of in-service training?

(5) As three weeks' training was given in Victoria, why could not such a system be followed in Queensland?

Answers:—

(1) "Yes."

(2) "The purpose of this seminar was not to train teachers of biology, but to introduce them to new topics in this field of study and to new teaching techniques."

(3) "Steps are being taken to ensure that there will be continual evaluation of this work by means of inspectors' visits; to assist teachers, work-shops will be arranged throughout the State."

(4 and 5) "Yes. Advice from the Education Department in Victoria is to the effect that preceding the introduction of the B.S.C.S. Biology course in that State a one-week seminar was held."

DEVELOPMENT OF OLD WOOLLOON- GABBA RAILWAY YARDS

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

(1) Is a Government Printing Office to be erected in Woolloongabba railway yards? If so, will the decision be reconsidered so that the area can be given over to public park and recreational development?

(2) As there is an inadequate amount of open space available in South Brisbane and in the Woolloongabba area for recreational

development, will this last piece of ideally situated and available land be kept clear of public buildings?

(3) Is it possible to construct a civic centre there with an oval, swimming pool and other facilities available for public enjoyment?

(4) As the construction of further public buildings on the land will cause additional traffic congestion at Woolloongabba Fiveways, will he reconsider the decision so that the development will not interfere with the flow of traffic through Main and Stanley Streets to all southside suburbs?

Answer:—

(1 to 4) "As the Honourable Member for South Brisbane was advised by the Acting Premier in a letter dated November 26 and as indicated in recent Press reports, it has been decided to erect a Government Printing Office in portion of the old Woolloongabba railway yards. Apart from certain landscaping and associated road-works, no final decision has been made regarding the future use of the balance of the area."

HIGH COURT JUDGMENT ON DUTY OF CARE IN GIVING ADVICE

Mr. Davies, pursuant to notice, asked The Minister for Justice,—

(1) In view of the decision in the case of *Evatt v. M.L.C. Ltd.*, will he inform the House and warn Members in the giving of advice to be very careful to make it clear that they take no responsibility for the correctness of their advice if they do not want to be liable in damages and to make it obvious that the inquirer acts upon the advice at his own risk?

(2) Are Members of Parliament culpable if they give a reference to a person indicating integrity or honesty relying on relatively light acquaintance and that person subsequently proves dishonest?

(3) In view of the decision, are stock-brokers responsible for losses by clients who act on their advice?

Answer:—

(1 to 3) "The matters raised by the Honourable Member are matters in respect of which if a person has any doubt he should take legal advice. The legal advice will depend on the circumstances of the particular case."

EMPLOYMENT OF NURSING AIDES

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

(1) As there are approximately 1,296 assistants in nursing employed in Queensland Government hospitals, why is it that Queensland is the only State in Australia in which a course for nursing aides is not

conducted, especially as the Royal Australian Nursing Federation has made numerous requests to the Nurses' Board of Queensland and his department to establish a course and enrol qualified nursing aides?

(2) As Part IV of the Nurses Act of 1964 contains a provision for the enrolment of nursing aides, have regulations been brought down to implement the provision? If not, why not?

Answers:—

(1) "My Department is not opposed to the introduction of a course for assistants in nursing. However there are many problems associated with this course and these are being considered at the present time."

(2) "Regulations regarding enrolment are dependent on the outcome of the considerations mentioned in (1)."

APPEALS TO LAND COURT ON WILBUR SMITH PLAN RESUMPTIONS

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

Regarding my recent Question on the matter of resumptions under the Wilbur Smith plan, is he now in a position to supply the details of Land Court appeals?

Answer:—

"The information as requested by the Honourable Member in his Question of November 21, 1968, is as follows:—(a) Cases placed in Land Court, 99. (b) Home owners, 62; Business, 36; Church, 1. (c) (i) None to the present time. (ii) One case was determined by the Land Court but was unsuccessful on the owner's part. The owner has now lodged an appeal against that decision. (iii) Settled prior to the cases being heard, 60; (iv) Not proceeded with or withdrawn, 60."

AUTONOMY FOR COLLEGES OF ADVANCED EDUCATION

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

In view of the statement contained on page 3 of the Documentary Case for Autonomy for the Colleges of Advanced Education in Queensland prepared by the Darling Downs Association for Advanced Education, which seeks general support for him in his efforts to have the very important principle of autonomy accepted in Parliament, what administrative or legislative efforts has he made to have the principle accepted?

Answer:—

"The matter of autonomy of colleges of education is under active consideration. At the appropriate time I shall seek the advice of the Technical and Agricultural Advisory Councils as indeed I have already done in the case of the Teacher Education Committee."

PAPERS

The following papers were laid on the table:—

Orders in Council under—

The State Electricity Commission Acts, 1937 to 1965.

The Southern Electric Authority of Queensland Acts, 1952 to 1964.

The City of Brisbane Acts, 1924 to 1967.

The Forestry Acts, 1959 to 1968.

Regulations under the Public Service Acts, 1922 to 1965.

Statute under the University of Queensland Act of 1965.

Audited Balance Sheet and Revenue Account as at 30 June, 1968, of the Parliamentary Contributory Superannuation Fund.

FORM OF QUESTIONS

Mr. BROMLEY (Norman) having given notice of a question—

Mr. SPEAKER: Order! If the hon. member has finished giving notice of his question, he will please resume his seat. I think the question is out of order. I will have a look at it.

Mr. HANSON (Port Curtis) having given notice of a question—

Mr. SPEAKER: Order! The question is not in order in its present form.

Mr. R. JONES (Cairns) having given notice of a question—

Mr. SPEAKER: Order! The last part of the question will have to be looked at very carefully.

MINING BILL

THIRD READING

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

MINES REGULATION ACT AMENDMENT BILL

THIRD READING

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

CENTRAL QUEENSLAND COAL ASSOCIATES AGREEMENT BILL

SECOND READING

Hon. J. BJELKE-PETERSEN (Barambah—Premier) (11.57 a.m.): I move—

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

At the introductory stage, I gave hon. members a very comprehensive report on all the details of this agreement. The

Treasurer and the Minister for Mines, Main Roads and Electricity also extensively covered the agreement, and gave hon. members a clear picture of its provisions.

The hon. member for Mirani, in his usual practical manner, lent his support to the agreement, and spoke of the great benefit that would accrue from it not only to his electorate but also to Queensland generally.

The hon. member for Mt. Coot-tha, as I would expect, also showed a very positive approach to the measure.

The hon. member for Toowong raised some very pertinent points. He asked members of the Opposition, "Do you want development, or do you not?" It was interesting to hear the attitude that was expressed by members of the Opposition to that question, which is a very important one. The hon. member also stressed the need for overseas capital investment in our State. I completely agree with him that overseas capital investment is vital to Queensland. Many of us who have been associated in a small way with developmental work realise that the obtaining of capital is of primary importance. It is surprising what can be done once capital has been obtained. For instance, equipment and heavy machinery can be purchased. When development of the magnitude that will be debated today is considered, it is obvious that the investment of overseas capital is necessary. It is important that we develop our State, and now we are presented with the opportunity of doing so.

As the hon. member also said, it is interesting to note that, because of its very high standing throughout the world today, Queensland can get overseas capital of the scale and magnitude disclosed in the measure now before us.

A great deal was said by the Leader of the Opposition about the lateness of the introduction of this important legislation. The fact of the matter is that, having regard to the progress of the negotiations, which were completed only on 14 November, and the time needed for drafting and printing the Bill, it was quite impossible to introduce it before Tuesday last. In any case, hon. members have been given an entire week in which to study the legislation and they should be well able to debate the provisions of both the Bill and the schedule.

In raising this matter, the Leader of the Opposition asked if we knew where we were going. In reply, I ask hon. members opposite if they know where they are going. We know that, with a socialist outlook and policy such as they have, they are heading towards a greater degree of chaos as the years go by. To illustrate my point, I need only note what is happening under the Labour Government in England at the moment. The more Mr. Wilson takes away from the people, the more unemployment he creates. That is what we expect to

see under a socialist Government. When I was in England various people said to me, "How can we expect to get onto a sound economic basis when, on the one hand, we take from the people and create unemployment and, on the other hand, give it back to them in social services?"

In answer to the statement by the Leader of the Opposition, I emphasise that we of the Government know where we are going. Hon. members have only to consider the land development in this State to realise that. They have only to look at the industries that have come to Queensland to know clearly and distinctly that we, as a Government, know where we are going. That is obvious to all, and it is important to Queensland. I say also to hon. members opposite that, with their policy and outlook, we know where they are going.

The Government's goal is to build a better Queensland for Queenslanders. That is what we have been doing, and it is what we are doing by this Bill—building a better Queensland for Queenslanders. The Leader of the Opposition criticised the provision for Orders in Council. Surely we must make provision for eventualities that are unforeseen at this stage. All the hon. gentleman's criticisms were entirely without foundation. I felt that, on the one hand, the Opposition wanted to oppose the measure but they could not find any valid reason for doing so. They knew very well that if they did so they would look completely foolish in the eyes of the public and would be classed as "knockers". Those are some of the reasons that prevented them from completely and utterly opposing the measure. It was with some reluctance that they grudgingly gave their support.

In order to give hon. members ample opportunity to speak on the second reading of the Bill, I do not propose to recapitulate everything that I said in my introductory speech. However, the Bill is so important as to warrant my repeating some of its main features. The interests of the developing companies in this project are: Utah Development Company, 85 per cent., and Mitsubishi Development Pty. Ltd., 15 per cent. The total capital investment to be made by them is in the vicinity of \$100,000,000.

The project consists of a township at Goonyella, a railway line from Goonyella to Hay Point, south of Mackay, capable of handling up to 5,000,000 tons of coal per annum immediately, and a new port and port facilities at Hay Point. Except for a debenture allocation of \$500,000 per annum over four years for port purposes, the whole of the capital required will be found by the companies.

The railway and the port will both be available to users other than the companies, and can and will play their part in the general development of the State.

This developmental project, apart from providing over-all advantages to the State, will provide a source of additional income, especially from the profitable operation of the railway system, towards which Government negotiators have worked specifically.

The agreement itself (which forms the Schedule to the Bill) is, of course, the most important part of the legislation, and hon. members, now having read it, will realise and appreciate the time and energy that have gone into its negotiation, drafting and printing.

The companies are granted a new authority to prospect over the areas presently held under an authority which comprises approximately 1,333 square miles. The companies are limited to not more than four special coal-mining leases totalling 175 square miles, and there is a limit on the quantity of coal which may be mined and exported.

The companies are empowered to mine and export 150,000,000 tons and an additional quantity of 150,000,000 tons, provided the additional quantity does not exceed 30 per cent. of the recoverable reserves of coking coal in the area covered by the authority to prospect. The special coal-mining leases expire on 31 December 2010, but there are rights to two renewals of 21 years each.

Annual rental is \$1 per acre until 2010, after which it has to be agreed to, or, failing agreement, it will be that specified in the Coal Mining Acts.

Royalty on production up to 2010 will be 5c per ton and after that it will be as agreed to or, failing agreement, as determined by a tribunal which may be constituted under the agreement.

Hon. members opposite have spoken on the royalty aspect of this agreement. It is not only a question of profit to the Government. We, as a Government, have far greater concern for helping to establish such an industry. We want to boost employment, to provide housing and to develop our State. There will probably be many hundreds of people employed in the initial stages, and 800 at a later stage in mining and other activities.

I say to Opposition members that either they do not want progress or they are against the workers getting pay-packets and homes. After hearing the earlier criticism raised by Opposition members, I cannot help but arrive at that conclusion. Can hon. members opposite name one project with overseas investment that has not been of benefit and great assistance to Queensland and to Queensland people and workers generally?

A great deal was made of the fact that these companies will benefit. They will. And are they not entitled to benefit? Will not this whole project also help Australia and the Australian economy? Of course the companies will benefit, but we in Queensland will also benefit.

A great deal of criticism was levelled at the Government and at the agreement, by the hon. member for Mackay, for instance,

in allowing the companies to choose the harbour site. What a narrow, restricted outlook the hon. member displayed when he adopted that attitude and spoke the way he did.

We know the importance of an undertaking such as this to our economy. All these factors must be taken into account to make the undertaking successful. I was surprised that hon. members opposite spoke against this new northern development. I can understand now why industry was not interested in coming to this State in days gone by.

The railway provisions in this agreement are similar to those in the Thiess Peabody Mitsui Agreement. There are, of course, variations to suit the circumstances applicable to the new agreement, and especially the fact that the companies are called upon to find the whole capital cost and not a portion only, as provided in the Thiess Peabody Mitsui Agreement.

It will be a 3 ft. 6 in. gauge railway, and locomotives and rolling-stock are to be progressively supplied to handle 2,000,000 tons during the first year and 4,000,000 during the second and subsequent years.

Mr. N. T. E. Hewitt: Is it to be a common carrier, the same as the Gladstone-Moura line is?

Mr. BJELKE-PETERSEN: Yes. It will serve a very useful purpose in the area.

There is the right to the companies to request an increase in the tonnage, but 5,000,000 tons per annum and tonnages beyond that level are subject to further agreement.

The whole of the capital will be provided by the companies, and the moneys will be advanced by way of security deposit. This will be refundable over a period of 12½ years from the date that regular shipments commence with interest at 5½ per cent. per annum, provided that the annual quantity shipped is not less than 2,500,000 tons.

The hon. member for Salisbury spoke, as he said, with disgust and dismay at some aspects of the introduction of the Bill.

Mr. Sherrington: When did I say that?

Mr. BJELKE-PETERSEN: It is in "Hansard"; I read it there. If the hon. member gave serious thought to the great team-work that, over a considerable time, has gone into producing this agreement, he should give the Government, especially the Treasurer and the Minister for Mines, Main Roads and Electricity, credit for its initiative in the matter.

Mr. Sherrington: I challenge you to say that I used those words. I think you are entirely confused. You are referring to the Mining Bill.

Mr. BJELKE-PETERSEN: I read that passage in my office this morning, and that is how I construed it. However, I shall be interested to check it again later. The hon.

member was, of course, critical of the payment of interest at the rate of $5\frac{1}{2}$ per cent., and he said something to the effect that if he had \$33,000 he would like to receive $5\frac{1}{2}$ per cent. interest on it. This is not a matter of money being placed by a company at fixed deposit. Big money is being risked, which is why I take exception to the criticism levelled against companies such as the ones concerned with this agreement. Here are companies of international standing which are prepared to come here and risk large sums of money, and it surprises me greatly to hear them subjected to so much criticism. What does the State get out of such an agreement? It gets housing, jobs, and decentralisation, as can be seen by what has happened in other areas where such operations are taking place today.

One Opposition member said that the companies may make a profit of \$100,000,000 in the long run. That is looking a long way into the future. I say that any company is entitled to just rewards for its initiative. For example, the Esso organisation stands to lose at least \$10,000,000 as a result of what is at present happening off the Victorian coast. That illustrates the risk that these large companies take. In the days when the royalty was 1c. a ton, there were no "takers".

As I pointed out at the introductory stage, these moneys are lodged as a security deposit refundable only on a proper performance by the companies. I do not think anything better or fairer could be obtainable by the State in that regard. The performance and forfeiture conditions are shown in the agreement.

Freight rates are on a sliding scale, reducing as tonnage increases, to a maximum rate of \$1.80 per ton where the annual tonnage exceeds 4,000,000. Beyond 4,250,000 tons the freight rate will be determined by agreement and, failing agreement, by the Minister. Again that it fair enough to the State.

There is provision also for a variation in the freight rates if the capital cost differs from the estimated level, or if the mileage of the built line varies from the preliminary estimate. There is also provision for escalation of freight rates by agreement or, failing agreement, by application of a formula. I think that a great deal of credit and recognition should be given to all who have been associated with the making of the agreement and its many detailed provisions to meet all situations that might arise. I give full credit to the officers of the various departments.

Mr. Houston: It would take a long while to check it, wouldn't it?

Mr. BJELKE-PETERSEN: The drawing-up of the agreement has been a long process.

Mr. Houston: And it would take a long time to check it, too, wouldn't it?

Mr. BJELKE-PETERSEN: I know what the hon. member is driving at. He is going to say that the Opposition needs a long time to check it. I say to him that it is an

entirely different proposition to have an agreement put before him that is completely worked out and checked.

Mr. Houston: Don't tell me that we did not have to check these figures.

Mr. BJELKE-PETERSEN: That is an entirely different proposition from endeavouring to reach agreement on the figures.

As I said at the introductory stage, I do not propose to disclose the profit margin that the Government will enjoy, for it has further negotiations in train with other interests. These should not be prejudiced. Suffice it for me to say again that the agreement, and particularly this portion of it, will provide a very lucrative addition to the State's revenues, which will grow as the years go by. I am sure that hon. members opposite do not appreciate aspects of the agreement such as these.

Care has been taken to ensure the orderly development of the harbour and the need to design it so as not to prejudice any future harbour works. Action will be taken to define and name the harbour at Hay Point and to constitute a harbour board.

As mentioned earlier, the State's commitment is in respect of debenture allocations totalling up to \$2,000,000 over a four-year period, which will be applied towards the cost of the harbour and harbour works other than those works for the exclusive use of the companies. The full cost in excess of the sum of \$2,000,000 will be provided by the companies by way of security deposit, and the arrangements, therefore, will be modelled on those included in the railway agreement.

Harbour dues levied by the board will be at least sufficient at all times to cover the full costs of the board. Provision is made for other users of the port and for public use of the harbour and harbour works, but such use must not unduly delay shipments of the companies' coal. Every endeavour will be made, also, to avoid undue competition with other ports.

As I mentioned in my introductory speech, the companies have the liberty to apply to the Minister for Local Government and Conservation for all the companies' lands to be included in the one local-authority area, and in such a case that part of the local-authority area comprising the companies' lands will constitute a separate financial division of the local-authority area in question. The Treasurer dealt with that matter at considerable length last week.

In respect of water, the companies are given the right to obtain up to 8,000 acre-feet of water per annum from any river, stream or underground source within the Isaacs River catchment, excluding the catchment of the Connors River and its tributaries. The agreement sets this out in more detail. The companies have the right to build dams, weirs and other structures on rivers and streams in the catchment area as defined, and to construct, maintain and operate pipelines,

etc., for the purpose of obtaining water in connection with their operations under the agreement.

In so far as a larger storage is concerned, the State has the right to negotiate an agreement with the companies should they wish to proceed in this connection. In that event, the companies would contribute to the cost.

The rights of persons residing or travelling in the vicinity are protected in so far as their domestic and other requirements are concerned.

The Minister for Lands is empowered to resume land for the companies' purposes if they satisfy the State that they are unable to purchase such land under reasonable terms and conditions. Costs will be payable by the companies. Appropriate land tenures and rents will be fixed by the Minister for Lands.

The companies are required to compensate the State for any injurious affection or loss arising out of outlays made by the State in respect of the Fitzroy River Basin land development scheme.

The general provisions of the agreement follow very closely the provisions of the Thiess Peabody Mitsui Agreement, and the State has undertaken to provide and maintain educational and police facilities required for any town or towns constructed by the companies. These, of course, are normal State functions.

Hon. members will have observed that the agreement is to apply only to that part of Authority to Prospect No. 6C north of latitude 23° South. As indicated earlier, the area of this is approximately 1,333 square miles and, after five years from 1 January, 1969, the companies are to reduce it to not more than 175 square miles of leases. The remainder of the land is then to revert to the State.

On the subject of reserves of coal, which was mentioned at the introductory stage, it is interesting to note that measured reserves of coal in Queensland have been estimated to be about 1,000 million tons, compared with present annual production of about 7,000,000 tons a year. In addition, there are indicated reserves of about 900,000,000 tons of coal and large inferred reserves.

Reserves of coking coal included in these estimates are about 300,000,000 tons measured, 600,000,000 tons indicated and large inferred reserves. As exploration continues, the measured reserves are expected to increase greatly.

After considering our present knowledge of Queensland's reserves of coal, it was decided, as I have mentioned earlier, to limit the initial right of the companies to export coal under this agreement to 150,000,000 tons of coking coal and an additional quantity of up to 150,000,000 tons, provided that this additional quantity does not exceed 30 per cent. of the recoverable reserves in the 1,333 square miles of land to which the agreement applies.

In addition, the Government has informed Utah Development Company that the coal in Authority to Prospect No. 6C south of latitude 23° South is reserved for Queensland industry. The holders of the authority to prospect may continue to explore under it with a view to making to the Government proposals for establishment in Queensland of a major new industry based on these coal seams.

The prices being paid by the Japanese steel industry for Australian coal seem to be comparable with those being paid for coal of similar quality and quantity from other countries, taking into account reliability of supply and the time when the contracts were negotiated. The Japanese steel industry is apparently also prepared to pay a high price for relatively small quantities of coal from countries such as China, U.S.S.R. and Poland, possibly as a guarantee of continuity of supply.

It is hoped that the agreement will be signed during this month and the necessary contracts finalised in Japan soon after. Planning of the project is already under way, and with the signing of the contracts it will be intensified and orders placed. Construction is expected to commence in the first half of 1969. Employment on construction is expected to reach a peak of more than 1,000 persons working on mine preparation, erection of plant, buildings and houses, construction of railway, port, roads, pipelines, transmission lines and other services. The construction work required for the initial contracts is expected to be completed by 1971.

When in the initial phase of production, it is expected that the mining part of the project will provide permanent employment for at least 400 persons. This is apart from those employed on the railway and at the port.

I repeat that this project will mean much to the economy of the State, not only in its own context, but in the progress and growth which it will generate in many other ways. I mentioned this in some detail in my introductory speech, but it is worth reiterating.

To have a new, self-contained community of people in this part of the State, with long-term employment for the wage-earner ensured, is further evidence of the part that mining is playing in the decentralisation and settlement of Queensland. In this respect, I would like to compliment the hon. member for Mt. Coot-tha on his speech during the introductory stage, when he emphasised in a special way the importance and value of this aspect of the agreement. This is very important indeed, and should receive the full support of all hon. members. The development of resources is the first and major requirement in any policy of decentralisation, and this requirement has been the basis of the Government's thinking and actions since it took office.

Just think broadly about the benefits that this project will bring to Queensland. Apart from the community settlement, to which I have just referred, Queensland will gain a new State railway line and port and will also enjoy the revenues and profits from the agreement. Coupled with the wonderful achievements in the southern part of Central Queensland, this project at Goonyella will provide further support for the unlocking of the industrial potential of the whole of Central Queensland. The region that is covered by these coking-coal projects is fast becoming known throughout the world for the remarkable role that it is playing in the development of this part of Australia, and at the same time, those projects are clearly demonstrating the potential for rapid and solid industrial development.

I have previously referred to the part that this project will play in greatly assisting Australia's overseas balance of payments position, so that it is important to bear in mind that the benefits will accrue not only to the State but also to the Commonwealth as a whole.

It is not out of place for me to mention again the untiring and invaluable efforts of my colleagues, the Treasurer and the Minister for Mines, Main Roads and Electricity, both of whom worked long hours with their officers to bring this agreement to completion. I should like to emphasise the part that they played. On their shoulders rested a large part of the responsibility for negotiating this agreement, which the Government and I believe—I doubt whether members of the Opposition believe—will be a very good one for Australia, and particularly for Queensland. Now that the Bill has been printed and is available for public viewing, I am sure that every true Queenslander and Australian will feel the same way.

Mr. HOUSTON (Bulimba—Leader of the Opposition) (12.28 p.m.): The Premier's introduction of this Bill, which relates to an agreement between the State of Queensland of the one part and Utah Development Company and Mitsubishi Development Pty. Ltd. of the other part, was quite remarkable. The Premier showed that he did not possess a very great understanding of the contents of the Bill, and when subjected to interjections and questions was unable to answer them very clearly. In fact, he went so far as to indicate that he did not know very much about the Bill and its background, and that he would be calling on the Treasurer and the Minister for Mines to explain certain matters for him.

A Government Member: Who wrote that speech for you?

Mr. HOUSTON: Never mind who wrote it. The point is that that is what the Premier said about the Bill.

In his second-reading speech, how much further did the Premier go? He set off on the Government's old hobby-horse, as soon

as the Opposition got him on the run, of abusing members of the Opposition. Of the Government members who abuse the Opposition, the Minister for Mines is one of the worst in this regard. He made statements such as, "You are not intelligent enough." He would be one of the greatest "nongs" in the House. How can he speak such rubbish? Then he says that we are opposed to development. Again that is a lot of nonsense. Past Labour Governments have developed this State, and we are very proud of the things that they did. There would not be one member of the Government parties who has not made a good living from private enterprise under a Labour Government. Since this Government came to power, many of them have found it necessary to seek parliamentary occupations to help supplement their income from the land.

The Premier then referred to Labour's socialist policy. I do not deny the Labour Party's background in any way, but when the Premier spoke about socialism he proved that he did not know what socialism really means. He does not understand.

A Government Member: We don't want to know, either.

Mr. HOUSTON: Of course the hon. member doesn't. If something hurts the Government, it runs away from it. It does not want to know anything about it, or to understand it. How would Government members describe the Prime Minister's action in instituting the overseas shipping service? Is that not socialism?

Government Members: No.

Mr. HOUSTON: Of course hon. members opposite say it is not, but what is it? How would they describe it? What have they to say about the Federal Government's interest in the alumina project at Gove? Is that socialism?

Mr. Porter: Of course it isn't.

Mr. HOUSTON: The hon. member says, "Of course, it isn't." What have Government members to say about the old-age pension, T.A.A., the Commonwealth Bank and the State Government Insurance Office? And the hon. member for Carnarvon advocated the use of day labour? These are the enterprises that the Premier tried to criticise. The Government will use every possible means to gain an end.

The Premier then spoke about what happened while he was in England. How long was he in England? How many people did he talk to? Apart from getting there and leaving, the time he spent there was so short that he would not even have seen the pavement, let alone talk to anyone of any consequence.

Let me now consider some of the other comments made by the Premier in his second-reading speech. He said that a week

was long enough for the Opposition to consider the legislation. I say it is not enough. I think hon. members should have had an opportunity to look at Hay Point. We should also have had an opportunity to look at other possibilities in the area. However, the Treasurer decided that we would only have a week to consider the measure. I assure the House that I have no time, while the House is sitting, to watch cricket matches. If the Treasurer thinks that we have had sufficient time to consider the measure, I assure him that we have not. We consider that we have a responsibility to be in the House while measures are being debated.

The Premier then referred to "knockers". This is a great old cry of the Government. Anyone who opposes the Government or says that a Bill is not as good as it should be, or suggests, as we are on this occasion—

Mr. Hanson interjected.

Mr. DEPUTY SPEAKER (Mr. Hooper): Order! The hon. member for Port Curtis is not in his usual place in the House, although he is interjecting.

Mr. HOUSTON: When we say that this is not the best agreement procurable, we are classed as "knockers". I say, on behalf of the Opposition, that we have never "knocked" a project that is in the interests of Queensland and Queenslanders. But we will criticise the Government's attitude. I am glad that the Treasurer is here, because he said that the Moura agreement proved to have weaknesses in it and that he corrected them. I am not opposed to his doing that, but when the Moura agreement was before us he told us it was the best possible agreement and that it could not be amended or improved.

Mr. Chalk interjected.

Mr. HOUSTON: The Government says that this agreement cannot be improved, but is it not logical to assume that it could be improved in the future? If we criticise the agreement we are called "knockers", but I am sure that the people of Queensland will not judge our actions in that way when we bring to light the many things that must be said not only about this agreement but about other measures as well.

I have dealt with the main part of the Premier's second-reading speech. The rest of it was only a re-hash of his introductory speech, and again he would not accept interjections. This legislation concerns an agreement between the two mining companies mentioned and the State for the winning of coal for export to Japan. It relates to the construction of a railway line for the transport of the coal, and the charging of freight rates. It also concerns the development of the port and the provision of port facilities, the creation of a township and the provision that the township and the mine area will come under one local authority.

For a project such as this to be really worth while to the State, we must also consider future developments in the areas that are being opened up. For this reason, I feel that the Minister for Industrial Development should have been included in the negotiations. A full explanation should have been given to Parliament of the circumstances, operation and future hopes of this legislation. One would have expected that the Premier, the Treasurer, and the Ministers for Mines, Railways, Industrial Development and Local Government should have said something of the part they played in this agreement. They should be informed on all matters pertaining to the agreement.

It was rather strange, in a sense, to find in the introductory stage that after the Premier spoke, back-bench members of the Government tried to explain the legislation. That is not only my claim, because the Premier himself gave them full credit for their explanations.

The main contribution to the debate by the Premier and the Minister for Mines was to go back into the past history of the State and, in an effort to justify their own acts, to compare this legislation with legislation introduced by a Labour Government under entirely different circumstances and conditions.

Mr. Chalk: You are reading from "Trend".

Mr. HOUSTON: That is right. It will eventually appear in "Trend"; let there be no doubt about that.

Mr. Camm interjected.

Mr. HOUSTON: If the Minister reads it, it will be common sense that he is reading and he will learn something about what is going on in this State.

Mr. Hanlon: That is why the Treasurer called "Divide" on the introduction of the Bill.

Mr. HOUSTON: That is right. It shows the Treasurer's inconsistency. He does not know where he is going. He is utterly confused over the whole matter.

Mr. Chalk: You are confused.

Mr. HOUSTON: Oh, no. We know exactly where we are going.

The Treasurer and the Minister for Mines did not do a bad job of contradicting the Premier, who said that it was not known who would build the houses in the proposed town. The Treasurer said that the company would build some and that the State would build others.

Mr. Chalk: Isn't that right?

Mr. HOUSTON: That is right, but the Premier said that he did not know who would build the houses.

Mr. Chalk: He did not negotiate all the agreement.

Mr. HOUSTON: He introduced the Bill, and he is the person whom I expect to know the answers to these simple questions.

Mr. Hanlon interjected.

Mr. HOUSTON: The hon. member for Baroona might have the right answer, namely, that the Treasurer wanted to keep it to himself and did not tell the Premier.

The Premier said that the Utah Development Co. approached the then Premier (now Sir Francis Nicklin) in 1963—five years ago. I do not doubt that that is true. But the Minister for Mines claimed that he fostered the sale, particularly since his elevation to Cabinet rank in 1965. On the one hand we have the company coming to the Government five years ago—not the Government going to the company—and on the other hand the Minister for Mines claiming that he set the whole thing up and got it under way.

The Minister for Mines said that the hon. member for Mackay should have got the port at Mackay. The Minister for Mines did not do much good as the representative of that area until the companies said that they wanted to build the railway line, and then it was left to them to decide where they wanted the line to go. But the Minister could not do much good three years ago.

The Minister for Mines said that it was proper for the Premier to introduce the Bill as he is also the Minister for State Development, and, as such, is responsible for introducing legislation involving different Government departments. That is fair enough. The late Honourable E. M. Hanlon, some time ago, introduced the Bill that the Treasurer criticised. Let us look at what happened on the introduction of the Thiess Peabody Coal Pty. Ltd. Agreement Bill in 1962. That was a similar agreement, but did the then Premier (now Sir Francis Nicklin) introduce it? No, he did not.

Mr. Camm: Mr. Evans did, as Minister for Development.

Mr. HOUSTON: He was not the Minister for State Development. The Premier was the Minister for State Development. This is the way that hon. members opposite tell half the story.

Mr. Sullivan: Why don't you do your homework?

Mr. HOUSTON: All right. What happened in 1965, when an amendment to that legislation was brought in? Did the Premier introduce it, or was it introduced by the present Treasurer, who was then the Minister for Transport? It was the Treasurer, who was then in charge of railways, who introduced that Bill in 1965. Don't try to tell me that the former Premier was not Minister for State Development in 1965! No matter how hon. members opposite may try to get out of it, the Premier introduced this Bill for one purpose only—to try to get some prestige from it.

Mr. Chalk: Do you admit that there is a lot of prestige in it?

Mr. HOUSTON: The Premier thinks so, and the Treasurer thinks so, just as Country Party members think that there is some prestige to be gained from going to the races and the trots to meet the people. The Treasurer knows as well as I do that the people at those meetings are flat out trying to make a "quid," and they do not want to talk "shop" to the Premier or anybody else. I have heard nothing more ridiculous than the talk about going to those places to meet the people. If hon. members opposite want to go to the races, let them go to the races, but do not let them try to turn it into a propaganda medium.

I tell the Government quite clearly that the Opposition is not greatly concerned with what has happened in the past, because it was not known to us in clear detail what the circumstances were in those days or what factors were considered when agreements were drawn up, and what problems were associated with the carrying out of work in the nature of contracts with overseas countries. It is true, however, that money values in 1948 were four times greater than they are today. The Government cannot deny that. In other words, 5c, or 6d., in 1948 would be equal to 20c today.

Mr. Chalk: For 1,000,000 tons.

Mr. HOUSTON: That is not the argument that the hon. gentleman used at all. The Treasurer said that it decreased to 3c, and then to 1c.

Mr. Chalk: Two cents.

Mr. HOUSTON: All right—down to 2c. Four times 2c makes 8c, which is more than the 5c being charged now.

Mr. Chinchin: Who wrote this speech for you?

Mr. HOUSTON: In answer to some Government back-benchers who are asking who wrote this speech, I say that I have been privileged to be able to write my own speeches ever since I have been in this House. I think I can say that I do not need to have prepared briefs. I do not criticise the Premier or any other Minister for reading prepared speeches when introducing Bills to keep their thoughts logically in line, and naturally I expect to be given the same privilege. I do not have something on which I can lean and glance at occasionally. However, if anyone wants to challenge me to debate publicly any subject on which I speak in this House, he is at liberty to do so. I also point out that I shall be in the electorates of most Government members during the coming election campaign, and they will be quite at liberty then to ask me any questions they wish.

At that point of time in the past, I do not think that the people of Queensland were looking at the Japanese nation in the

light in which they see it today. I therefore do not think that any arrangements made in those days should be binding on this Parliament, nor should it even be considered that such arrangements were then applicable. As this agreement covers a future period, I think it is a waste of the time of the House for Ministers even to try to compare this legislation with anything that has happened in the past. In fact, in 1948—this is a matter on which I should like to reply to the Minister—the then Opposition had at its disposal a full report on the Blair Athol mine and the investigations that had been carried out over a long period. Although members of the Opposition had, as the Treasurer said, only two days in which to look at the Bill, there was not at that time one word from the Leader of the Opposition, Mr. Nicklin, as he then was, in opposition to it. Therefore, the argument that the Treasurer put forward at the introductory stage that the Opposition in those days had only two days to study the details, whereas hon. members on this side of the Chamber have had a week on this occasion, is completely without basis.

The simple fact of the matter is that the Government's main purpose is to give contracts to foreign-owned companies to sell coking coal. It is so keen, for propaganda purposes, to tie up the contracts, that it is prepared to go to virtually any lengths to have signatures put on the document.

The Premier tried to argue that the Opposition is not in favour of overseas investment. That, of course, is nonsense. He knows it is; I am certain that the people of Queensland know it is. Members of the Australian Labour Party have never run away from the fact that they believe that overseas investment is necessary for this State's development. But there is a limit to how much overseas capital should come in without local participation. The Liberal-Country Party Federal Government recognises that; but the State Government is suffering from dollar blindness and the yen itch.

In Queensland, overseas capital without local participation is taking over the natural resources of the State, and that is why the Opposition is so concerned about the future of the State. The A.L.P. wants Australian participation—private, public, or Government—and, although the Japanese Government is prepared to participate in Queensland's development, the State Government is not. As the Minister knows, the company with which this agreement is being made has not one cent of Australian capital in its possession.

In addition, the steel that will be produced in Japan can be sold at a price that will undercut the price of Australian-made steel. That became clear when steel wagons were bought in Japan by a Western Australian company. The difference in price is particularly noticeable when one takes into

consideration that a duty of 47½ per cent. is imposed on the entry of coal wagons from overseas into Australia. In spite of that, the company in Japan was still able to undercut the price quoted by a Queensland company for the manufacture of those wagons.

Mr. Chalk: No.

Mr. HOUSTON: An answer to that effect was given in the Senate in reply to a question asked by Senator Milliner.

Mr. Chalk: You are wrong again.

Mr. HOUSTON: No, I am not. It is in "Hansard"; I suggest that the Treasurer make a check.

Mr. Chalk: 47½ per cent. was the duty.

Mr. HOUSTON: 47½ per cent. was the duty.

Mr. Chalk: That is right.

Mr. HOUSTON: And a Queensland company tendered for the contract—

Mr. Chalk: That is right.

Mr. HOUSTON: —and it did not get the contract.

Mr. Chalk: Because the duty was lifted.

Mr. HOUSTON: That is not what the senator said.

Mr. Chalk: I do not care what the senator said.

Mr. HOUSTON: It looks as if, again, there is a split in the Liberal Party. That has occurred in this House time and time again.

Mr. Chalk: According to Stanaway.

Mr. HOUSTON: I know that the hon. gentleman is worried about Stanaway. There is no doubt that he is one of the best reporters in this State.

Mr. Knox: He is not a good speech-writer. He should get his facts right.

Mr. HOUSTON: You were not game to come into the debate at the introductory stage.

Mr. SPEAKER: Order!

Mr. HOUSTON: The Minister for Transport knows so little about the contract that he was not game to get up in this Chamber and say one word about the railway arrangements and agreements.

Mr. Knox: Are you game to answer a question on the facts?

Mr. HOUSTON: The Minister for Transport is afraid that if he says anything it will be used as evidence against him. He has decided that discretion is the better part of valour and he is not saying anything.

In my view, the agreement now under discussion is very generous to the companies concerned. They have been able to press the Government to the last ounce of generosity, and I think that future generations of Queenslanders will condemn the Government for giving away the assets of the State without a just return to the State, either at this time or in the future.

The next fact that becomes very obvious is the attempt by the Government to get money for the State because of the niggardly and unrealistic attitude adopted by the Federal Government towards Queensland. Its failure to make money available through normal loan allocations and Federal grants makes it necessary for the Government—I am not criticising it on this point—to attempt to get money from other places to develop Queensland.

That shocked the Treasurer, didn't it! The point is that the Labour Party wants development—let there be no doubt about that—but, as the Treasurer has said, and as I have said on many occasions, on many of these projects the Federal Government does not come to our assistance as it should. I am sure that the Treasurer, in making notes as he is, will not deny that.

I condemn the Federal Government for forcing this Government into the position of having to find another money-lender to make money available. Naturally, the terms and conditions of the private money-lenders are not as favourable as this State should expect from our own Federal Government, particularly as this railway project is a purely developmental one, as the Premier himself said. Not only has the lack of Federal participation in this nation's development required the States—particularly Queensland in this case—to borrow money privately, but it has also caused the State Government to give to this company concessions and power that I believe are not desirable. I will make these things clear as the debate proceeds.

On re-reading the speeches by the Premier and his two Cabinet colleagues at the introductory stage, it becomes very obvious that some of the terms used have different meanings from those normally accepted. For instance, the Premier referred to \$100,000,000 capital coming into Queensland for the development of this project.

Mr. Chalk: You had better write your own speeches; it was \$98,000,000.

Mr. HOUSTON: All right, \$98,000,000, give or take a couple of million, as was said by one of my learned opponents on the Government side. If we speak to any banker and ask him if money that has to be repaid for a project is capital or loan, he will quickly assure us that it is not developmental capital but loan money for developmental purposes.

Mr. Chinchén: What is the difference?

Mr. HOUSTON: There is quite a difference between the two, because a loan has to be repaid, and with interest.

The \$36,000,000 required for the building of this railway line has to be repaid at 5½ per cent. interest. I asked the Premier what the total repayment would be, but he saw fit to ignore the interjection. Of course, the total repayment is just under \$50,000,000 and, when we consider the earlier interest payments made during the first period of the loan, we find that the total amount that the State will pay for this railway line will exceed \$50,000,000. I do not think the Treasurer will deny that, either.

Mr. Chalk: We do not deny that; we get a railway line.

Mr. HOUSTON: But the Treasurer did not say so in his introductory speech, nor did the Premier in his second-reading speech. They wanted to make out that they would be getting the railway line for \$36,000,000. That is the old tactic that the Government uses. Now they are admitting they will be paying \$50,000,000 for it.

Mr. Chalk: What happens when you buy a motor-car on terms?

Mr. HOUSTON: The Treasurer did not say it. He and his colleagues allow some of these money-lenders to charge anything at all. It will require quite a lot of freight profit, royalty and rent to compensate for that. Of course, the Government is arguing, in this whole debate, that the State is making its profit from the operation of the railway. This remains to be seen. However, for a just return to the State from our natural wealth, I think it is wrong to rely on some business undertaking that is concerned with the processing or transporting of our natural resources.

There should be two separate and clear identities, one of which is the return to the State as a result of Nature providing us with the natural resource. This is our heritage. In this case, the coal is there and it should have a certain value to the State. Once that has been established, then anything else that comes out of the carrying of it or the processing of it will be paid for in the usual business manner, and the State will make a legitimate profit from carrying out any business undertaking concerning the item with which it is associated.

The Opposition is completely opposed to the idea of giving the State its profit from the trading establishment and not from the item itself. As is well known, at times even the best-run businesses get into difficulties, and the return to this State from its natural resources—in this instance, coal—should not in any way be coupled with the rise or fall, or the prosperity or business ability, of those controlling a business undertaking.

Let me make it very clear that the Opposition believes that royalties should be kept separate and apart from everything else.

I know the Government says that no royalty should be paid. The Government would like to implement a scheme under which no royalties are paid, so in this Bill it has imposed the payment of merely a token royalty that has no real significance in money values.

Mr. Camm: This Government imposed a royalty five times as great as the one that a Labour Government imposed.

Mr. HOUSTON: That is a lot of nonsense. The Minister will be given the chance of making his speech, and he can rest assured that the Opposition will not apply the gag, as the Premier did on another occasion. The Minister will be given every opportunity to make his speech. Probably he will say that under the proposed formula the freight rates will ensure that the transport of coal is a profitable venture. But this is only a matter of opinion.

Mr. Chalk: A matter of opinion?

Mr. HOUSTON: It is only a matter of opinion, and the Government has not been game enough to back its opinion by facts. It has not put any facts at all before the House. The formula that it is proposed to implement takes into account the average hourly wage rate, the price of heavy steel rails, and the price paid by the Commissioner for Railways for distillate at the date of the application of the formula. These things look all right in theory; I trust that they will be all right in practice.

It is possible that in 20 or 30 years' time another means might be found of transporting this coal to the coast.

Mr. Chalk: If you go hard enough you will blow it down.

Mr. HOUSTON: That would not be beyond the realms of possibility. The Government has so much wind that it could construct a pipeline and blow the coal to the coast. And it would get there in a remarkably short time.

Other expenses are incurred in the running of a railway line, and they are not covered by this formula.

Mr. Chalk: What are they?

Mr. HOUSTON: Account should be taken of the number of men to be employed, the number of men who have to be employed, and the cost of maintenance of equipment that has to be installed. Those factors are not covered by the formula.

Mr. Chalk: Of course they are covered; you can't understand the formula.

Mr. HOUSTON: Yes, I can.

Mr. Chalk: What is the formula based on?

Mr. HOUSTON: I mentioned that earlier in my remarks.

In addition, account has to be taken of the repairs that will need to be carried out to the railway line and to bridges, and so on. There are many factors that could bring about a decrease in the profit rate of this commercial undertaking. Will the Treasurer tell me that a number of commercial undertakings do not fail? Of course they do. In those that have failed, the people who controlled them did not allow for certain contingencies. That is why they failed. The Government is putting all its eggs in one basket.

Mr. Chalk: It won't fail.

Mr. HOUSTON: I hope it does not. We will do everything in our power to ensure that it does not. This agreement does not ensure its success. On the contrary, it makes it harder for it to succeed.

Perhaps the Opposition would be much happier with this arrangement if the Government had gone to more trouble to explain the profit margin that is expected to be made from the line, both from the earlier outputs as well as from the estimated quantities that will be carried after the initial period of operation.

The freight rates finally to be charged will be as low as \$1.68 per ton, which is substantially lower than the lowest rate charged for the carriage of coal on the Moura-Gladstone line. Let us remember that the Moura line is only 112 miles long, compared with 142 miles for the Goonyella line. Neither the Premier nor the Treasurer explained why the freight rates that will be charged on the Goonyella line are much lower than those on the Moura line.

Mr. Chalk: You wouldn't understand. You don't understand half of it. You wouldn't understand that if you load and unload it is only the running in between that makes the difference.

Mr. HOUSTON: Yes, because it runs on nothing at all. The Treasurer thinks that it runs on the air that he blows. The point is that the Government has not explained anything to us. It says that the State will make a tremendous profit from the line, and we can take it or leave it. We can either believe it or disbelieve it. The Government has made many mistakes in the past, and on each occasion it comes in and says, "Oh well, it couldn't be helped." It has not explained how it will transport this coal at a relatively cheap rate and yet make enormous profits.

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

Mr. HOUSTON: I should like the Premier to explain why the Bill contains a clause that provides for a rebate of 12c a ton on coal transported after the second year exceeding 1,500,000 tons, while the full amount of repayment of the money borrowed to build the line is not paid until 2,500,000 tons of coal has been carried. It seems strange that, on the one hand, the contract

amount for full repayment of the loan depends on 2,500,000 tons, yet the Government is prepared to give a rebate on tonnages exceeding 1,500,000 tons. That does not seem to be good business practice. I should like the Minister to explain the reason for the difference. I understand that rebates have to be given, but they should apply only after all obligations have been met. It is difficult to understand why rebates should be given before all obligations are met.

The rate of \$1.68 a ton is not the lowest rate, because, when over 4,000,000 tons a year are carried, the Minister or the Government can agree to a larger rebate. In the event of another company supplying coal at the rate of over 500,000 tons a year on the same line, a new agreement can be worked out for freights for each of the companies. The fact that this company is getting a large discount is proved by the clause that permits all other users of the line to be charged 25 per cent. above the freight charged this company for the same commodity.

Perhaps the Premier can explain why the proposed railway line will not pass through the town of Sarina. If the new line was taken through an established town on the main line, it could be used to open up the area along it which at present has not been developed. If the line crosses the main line at some point south of Sarina, it will be very expensive for customers to handle their commodities when the only point of contact with the main line would not have the shunting facilities that are either available at Sarina or could be developed in a town of that size. If this line in fact is meant to be developed as a common carrier and is desired to be extensively used by concerns other than this company, it should be routed through Sarina on its way to the coast.

The more I study this legislation, the more convinced I become that the Government does not really want this line to be other than an exclusive coal-carrying line for this company. The Government wants to make sure that nothing interferes with the company's complete control of the operations, from mine to the ship.

The agreement also refers to the development of a harbour. The Premier made it quite clear that the proposed harbour board will develop the harbour, amongst other things, and that no undue competition is to be occasioned to any other port in Queensland, having regard to the fact that this harbour is to be established primarily for the coal-export trade and not for general shipping and trade purposes. That is why Hay Point, and not Mackay or Bowen, was chosen by the company. If grain is grown in the area between the northern railway line and the mine, where will it be loaded? Which shipping terminal will be used? The agreement specifies that this port is to be primarily a coal-export port. It would hardly be a grain port, because the harbour board would require a great deal more money

than at present contemplated if it was to set up the port as a grain port as well as a coal port.

The evidence presented by this legislation makes me believe that many things the Premier said on the future development of land in adjacent areas and the growing of crops is so much propaganda. There is no provision in the proposed route of the railway line or the proposed design of the harbour facilities to develop the harbour into a first-class grain-shipping terminal. In fact, on the contrary, the provision indicates that this is neither desired nor hoped for.

Every part of the legislation indicates that this whole project is the creation and development of the private company's self-contained operations, and that it is not designed in general terms to develop the State. Under the agreement, the private town can have all its own services, and the agreement allows the town and the mine to become one division of the local authority. This means that, with its representative on the council, the company can wield quite a deal of power in fixing the rates and other charges payable by it. It shows to what an extent the Government is prepared to go when it will allow the company to develop a private town, which is what this amounts to. I do not think it is good, clear thinking on the general development of this State to allow the development of private towns.

We believe that private companies should house their own employees when such housing is outside the normal development provisions of a town. It is normal development when a town is established sufficiently to develop in the normal manner, when people buy and sell homes and land, and when the Housing Commission, under a system of priorities, builds homes for rental.

If, as in this case, a company requires a concentration of home-building to satisfy a work-force for its own exclusive use, it should contribute to and provide the homes and amenities required. Under this agreement, it is doubtful how much this company will provide. It is being given a lease of the land, and thus will completely control everyone who lives and works there. Towns should be so developed that any person can live there, irrespective of who his employer is or how he makes his living, provided his money is earned within the laws of the State. Let us not forget that, in the first instance, the term of this agreement is for 42 years, and it can be extended beyond that period. Here we are laying down specific rules that will apply in the year 2010. We are all aware of the tremendous changes that have taken place in this State between 1928 and the present. Perhaps the younger people cannot recall the start of that period, but I am sure those who can will readily admit that they did not, nor could they, at that time foresee the changes that would take place not only in communications but in every other way. During that time there has been

a world war, and those who were our friends between 1918 and 1928 were our enemies in 1941.

Another concession we are giving the company relates to the damming and supply of water. It has the right to dam streams and control their flow, and, if it floods any property, the State will back it. It will resume the land from the landholder and then give to the company complete control of the use of the water.

I know the Premier will argue that there are safeguarding clauses in the Bill which say that the Minister "may" decide. Knowing the present Ministers, they will not be on the side of the small, individual landholders. Their previous actions have shown quite conclusively that they will be on the side of the company, so I am not impressed with the terms that give the Premier this power of protection.

Apart from the welfare of the individual, with this control of the water that flows down our water-courses being in the hands of the company, even with, as I said, the doubtful safeguard that enough will flow to look after the stock and the consumption of those who are on the waterway, no provision is made for two very important aspects of further development. One is the provision of water for irrigation. The company does not have to make water available for irrigation pastures or irrigation crops.

The point is that there is no mention—deliberately no mention—of any crops, so it would appear to me that the water in these areas is being made available primarily for the use of the company.

There is, of course, a provision that the Government can build a bigger dam for more general use, and that the company will pay something towards the cost of its construction. I say to the Government that this should, and must, be an urgent, top-priority job. If we are to develop this State, we must have adequate water, and to make water available to one source to the detriment of another is contrary to my view of State development, apart from all the justice that our local, established people are entitled to. I suggest to the Government that it proceed towards getting finance to build this large water-conservation project.

Another feature on water concerns the replenishment of underground streams. If this is to be restricted to a large extent, it could affect the water position in other parts away from the mine. A very disturbing feature of this aspect of the agreement is the allowing of the company to discharge into rivers and streams in the catchment area drainage from its plant, works and facilities, and from the residential areas.

The clause also lays down that the company shall not pollute the stream. The great problem is that many streams are polluted gradually. Drainage from residential areas consists of all types of detergents which have

now been proved to be detrimental to marine growth and cause pollution. Unfortunately their action is quite often slow, and is worse in dry times than in flood times. It is completely wrong that anyone should be allowed to drain into these areas. Surely there must be a better method of disposal of waste, particularly in liquid form, than direct into rivers and streams. This is a very dangerous course. Irrespective of what has been done in the past (and I know that the Premier will argue that Labour allowed it), there were not the household detergents in years gone by that are now available, and we should not allow anything to develop that results in stream pollution.

Another point showing the very favourable treatment that the Government is handing out to this company deals with land rentals. Rent to be charged can be based not on land value but on the cost of the land to the company. Surely this is a principle of assessing rent that is not going to be applied to the rest of the State, so why treat this case differently? Why leave the fixing of the rent to the discretion of the Minister? A soft-hearted Minister, a small rent; a tough-line Minister, a high rent.

The Minister made great play that the Bill lays it down that 150,000,000 tons of coking coal can be taken in the first instance and then, on renewal, another 150,000,000 tons, provided that it does not exceed 30 per cent. of recoverable reserves of coking coal on franchise land. The Minister said, "There is your protection." That would be all right if it were protection, but that same clause states that the company can in fact be given permission to take more. Here again a Government sympathetic to overseas coal-mining companies, as this one is, can give more, so the protection that supposedly is in the Bill is not there at all in actual fact.

Referring now to the stockpiling of steaming coal and coking coal that is not acceptable for export, it is true that we do not want to waste coal, but the economics of other coal mines could be affected by any buying of coal by the State at a much reduced price. On the one hand there are coal mines, which could be operating on correct figures and where there is a just profit with no exploitation, prepared to sell for a certain figure, and then, on the other hand, there is this other coal available which has preference over other coal. In fact, the clause specifically lays it down that the company and the Minister can enter into a long-term contract for the supplying of coal.

I therefore think that the use of this coal has to be administered very carefully and the whole economics of the coal-mining industry have to be looked at before coal is bought from this company to the detriment of some other company which may be operating. Agreements to suit the new to the detriment of the old are a feature of this Government's policy which I do not like at all.

Let us now refer to the question that has been debated many times, namely, the 5c a ton royalty. This rate of royalty is applied now and will be applied for the next 40 years, irrespective of the value of money, irrespective of how its purchasing power changes, and irrespective of the price of coal. The agreement lays down that it will be 5c a ton until the year 2010. I think that is completely ridiculous. Surely no responsible body of men, let alone a Government, would fix a figure for such a long period. The position can vary, and it has varied, over the years.

Let us take 40 years ago. In 1928 the basic wage was \$8.50—in fact, it dropped lower in 1930—and it has since risen to \$35.55. This means that the basic wage today is 4.2 times higher than in 1928. If hon. members opposite do not like that comparison, let me take the average minimum weekly wage. In 1928 it was \$10.13; at present it is \$65.90—6.5 times higher. Taking an average of the two figures, there is a relationship of 5 : 1. The value of money today is at least five times higher than it was in 1928, so \$1 today could have a purchasing power of about 20c in 2010. In turn, this could mean that 5c today could be equal in value to 1c in the year 2010.

This clause should be altered completely to at least provide for a formula. I notice that the Government was very quick to argue the need for a formula on freight rates, and if there is a need for a formula in that instance, surely there is a need for a formula on royalties. As I said earlier, this is the amount that comes to the State directly as a result of its natural resources, and I think that Queensland needs a lot more than that.

At the same time, the rent of the land under the special coal mining lease is set down in the lease at \$1 an acre. This means that, although the value of money decreases as time passes, the State cannot do anything about the figure of \$1 for 40 years, according to the agreement. Sectional conditions of that type and encouragement to particular companies are completely wrong. Encouragement to companies, yes; this type of whole-sale sell-out, no. As far as the Australian Labour Party is concerned, it is completely wrong.

Mr. Murray: Who wrote this drivell?

Mr. HOUSTON: I wrote it.

Mr. Murray: You wrote it?

Mr. HOUSTON: Yes, and it is the Government's worry.

Let me now refer to stamp duty and the exemptions that are provided for. I can understand the need for certain exemptions, but I cannot see why there should be any exemption from stamp duty on documents relating to the transfer of interest in property, real or personal, to companies other than the two covered by the Bill. Surely that is a straight-out business deal and, as such, stamp duty should be charged.

It is rather strange, again, that the Government is after its pound of flesh when it comes to co-operatives and credit unions and the dealings that the ordinary citizens have one with the other or with the State. Stamp duty makes a big difference, and the Crown charges stamp duty even on workers' compensation premiums. Here, apparently, the position is different because a big company doing business with other big companies is involved. The concessions run into big money, and there is not only a concession to the company but, in addition, a heavier burden is thrown on the people of the State.

Let me refer now to the clause that allows the amendment of the agreement by Order in Council. As I said at the introductory stage, I think that is wrong. The agreement is so wide in its application that any alteration should come back to this Parliament. The need for alterations would not be so urgent that a week or a fortnight could not pass without their being discussed by Parliament, even if it meant calling Parliament together. If the need for a change arose, surely it would be obvious for at least a few weeks, or even months, before it was necessary to make the change. I point out, also, that the total time of debate on an Order in Council would be only one hour, compared with the full debating time of a Bill.

It is very important that these things should be made known and given due consideration by the Government and the company.

In conclusion, let me say that I believe that the Premier and the Government have a colossal hide to expect the Opposition to support a Bill and agreement containing so many principles when hon. members on this side of the Chamber have been given only one week to study the document, which took months to prepare. This is particularly so when it is remembered that this was one of 21 Bills before the House, all of which had to be handled and studied in that period. In that time, how could I or any other senior member of this party visit the area and make inquiries relative to the calculations and various formulas? Apart from this, the Government has not given us any details to substantiate the claim that a large profit will be made from the proposed railway. We are not prepared to accept its opinion; it has been proved wrong too often.

This agreement, with a company 100 per cent. overseas-owned, shows that the Government has become the docile servant of financiers beyond our shores. Our rich coal resources at Goonyella are being handed, in a binding, bargain-basement deal to foreign controllers, virtually until the year 2050. The Country-Liberal Government has been manoeuvred like a limp puppet on a string by international controllers. It meekly offers these companies freight rates, scaling down below \$1.68 a ton, to rail their coal 142 miles from Goonyella to Hay Point, while our primary producers are charged nearly \$9

to send their grain the same distance. The overseas investors are guaranteed lavish freight reductions in advance, but the grain-farmers are told that they cannot expect relief until next year.

How much will the miserable, token 5c per ton royalty be worth by the year 2010, let alone 2050? Already, today, it will hardly buy an ice-cream for a child.

The Government applauds this agreement—it boasts proudly of giving away our natural assets to other countries—but when the Murrumba Star Company at Caboolture—a Queensland company—wanted help, the Government was silent. Primary producers could not gain drought relief—in fact, at that time of crisis, the Government added to their burden by increasing freight rates—and only last week, as this agreement was being presented to Parliament, the people of Killarney were forced to seek aid from the Commonwealth because this Government was reluctant to help them in their hour of grave need.

Overseas investment is necessary, but Queensland equity must be preserved; Queensland must always get a fair return for her assets. Our State's assets should not be handed out in vague agreements such as this, presented to and rushed through Parliament in the dying hours of a session.

The Opposition, in determining its attitude to this Bill, condemns the Government for its weak-knee'd attitude to the companies in not driving a better bargain for Queensland, and, at the same time, realises and believes that, with a Labour Government, even this agreement can be amended in the future in the interests of this State and its people. Therefore, we will not oppose the second reading of the Bill but we give fair warning to the companies concerned that, as a Government, we would expect further talks with them.

Hon. G. W. W. CHALK (Lockyer—Treasurer) (2.38 p.m.): The speech that we have just listened to from the Leader of the Opposition, which, I believe, because of the closeness with which the Leader stuck to the text before him, is undoubtedly the considered opinion of the Labour Party, has clearly in my opinion signified that the Opposition can find very little wrong with the Bill. It has therefore sought to bring out a few old chestnuts in the hope of gulling a few people into believing that this agreement is not in the best interests of the State.

The Leader of the Opposition says that he welcomes the flow of overseas capital into this country. He cannot deny that; but, having said that, he endeavours to find some problems associated with the agreement in general principle.

Before I proceed to deal with some of the points raised by the Leader of the Opposition, I want first of all to say that I believe that the authenticity of a speech

depends entirely on whether it is accurate and whether the statements contained in it can be proved, and, if some indication can be given to the Chamber that mis-statements have been made, I for my part will leave the public to judge for itself the speech as a whole.

Before lunch the Leader of the Opposition said that the freight rate that will be charged under this agreement is less than that applicable under the Thiess Peabody Mitsui Agreement. He should know better. That is a complete mis-statement of facts. He set out deliberately to mislead hon. members and the people of Queensland by comparing the figure of 4,000,000 tons with 3,000,000 tons, when he knows that the freight rate is applied on a sliding scale. He said that under this agreement coal would be carried at \$1.90, and referred to the T.P.M. Agreement, which stipulates a freight rate of \$1.98. I have with me a copy of the T.P.M. Agreement, which distinctly says that at 2,999,000 tons of coal the freight rate is \$1.98, which is the figure that the Leader of the Opposition quoted. In the agreement that is under debate hon. members will see that at 2,999,999 tons, which is a comparable figure, the freight rate is \$2.31. How can any hon. member make a statement like the one that the Leader of the Opposition made? Under the T.P.M. Agreement, when a tonnage of 4,000,000 is reached, naturally the freight rate will be reduced, so when the Leader of the Opposition tries to compare 4,000,000 tons with 3,000,000 tons he is deliberately attempting to mislead the people of this State. Let any hon. member opposite try to prove that what I have said is wrong. I will let the public judge who is right and who is wrong.

Let us search further in an attempt to find some substance in a number of other arguments advanced by the Leader of the Opposition. It is no use the Opposition trying to take a certain stand in this matter without being able to support the arguments that it has put forward. In an endeavour to find some support for their stand, members of the Opposition have been leaning on two main arguments. In the short time at my disposal I propose to examine them. The two contentious matters in this agreement seem to be, firstly, royalties and, secondly, the scale of freight rates. At the introductory stage I pointed out that the Opposition's attitude to royalties does not stand up under a critical examination. When the Labour Party was in power it sold this State down the drain to a "no-hoper" company when it entered into certain arrangements relative to the supply of electricity. It sold the State's export coal and received a royalty of something less than 1c a ton. That cannot be denied. Members of the Opposition say that that was in 1948, so let us look at the matter more closely. In addition to doing that, the Labour Government was prepared to let that royalty stand for 50 years.

For 50 years from 1948 a royalty of 1c a ton was to be paid on coal leaving the State, yet hon. members opposite criticise us when we have been able to make such a deal as we have under this agreement. How does the Opposition explain its reaction to this measure? It is simply trying to make political propaganda out of it. The Opposition cannot explain either its previous attitude or its present actions.

If we look back to 1947 we see that Labour made this agreement with what I have described as a "no-hoper" company—which it was. If hon. members opposite were to read the reports of those days they would not have the gall to act as they are. Imagine what Labour would have done, in the light of its record in 1948, if it had been entering into this agreement. The agreement would have been based on 1c a ton for 50 years. I leave that matter to the people of Queensland to judge. If ever a company was handed a Christmas present, it was the company with which Labour was dealing in 1948.

Mr. Hanlon interjected.

Mr. CHALK: I know that the Opposition does not want to be reminded of that, but hon. members opposite have the gall to criticise the negotiations that this Government has entered into. The record of the Labour Government in making arrangements with overseas companies is terribly dismal, yet Opposition members object to our efforts. They do not want their record to be raised again.

The Leader of the Opposition said that the Opposition should have been given time to inspect Hay Point. Hay Point has been talked about in Mackay for a long time, and the hon. member for Mackay has asked questions about it. The fact is that these places were being investigated by the company, and it was its responsibility. After all, it is putting up the money, and it was its responsibility to say where it wanted the railway line to go. The Government was prepared to let the company decide that matter. The Government did not make a decision on it. However, we had a responsibility to come to an arrangement with the company, which we did.

Mr. Graham: It was left to the company.

Mr. CHALK: The hon. member for Mackay can yowl and growl. He has done everything possible to damn this agreement.

Mr. Graham interjected.

Mr. CHALK: I am prepared to go to Mackay, in the forthcoming election campaign, don't worry about that.

I will go a little further into what the Leader of the Opposition said. He said that the Premier referred to the agreement in 1963 and tried to make some capital out of the fact that the Minister for Mines referred to 1965. If the Leader of the Opposition

knew his brief, he would know that there are two distinct coal undertakings. The first negotiations, concerning Blackwater, were entered into with the Utah people in 1963. Negotiations concerning Goonyella were entered into between the Minister for Mines and Utah in 1965. That is a clear indication that, again, Mr. Stanaway did not know what he was doing when he prepared the speech for the Leader of the Opposition.

Let me put the record of the respective Governments straight. Let us see for ourselves whether this is a good agreement. The royalty—the rate that we, as a Government, fixed—on the annual shipment of 5,000,000 tons will ensure a return 2½ times that which would have been received had the arrangement entered into by the Labour Government applied. At the end of 12½ years, we, as a Government, will own a railway line on which all types of goods can be shifted. The Labour Government would have given the railway line to private enterprise. It would also have given to private enterprise the right to establish its own port and to have that port for its own exclusive use.

The people of Queensland can judge these two agreements side by side. They will then see what this Government has done and realise that the Opposition is putting up nothing but a shallow, sham fight at the moment. I can only assume that, in the light of the record, the Opposition will now have a change of face. Apparently it says now, "Don't do as I do; do as I say". I say to the Opposition that, when the times comes, the electors of Queensland will judge what the position will be.

Mr. Graham: How true.

Mr. CHALK: The hon. member has not the guts to run, let alone anything else.

Leaving the Opposition's miserable record on royalty, let us now turn to rail freights. As usual, the Opposition tells only part of the story. It apparently adopts its usual practice of throwing enough mud in the hope that some of it will stick. I have already indicated how far from the truth were the hon. member's statements on freight matters.

What has the Opposition to say about this question in general? Apparently hon. members opposite feel that the freight rates that the company is being charged are too low and that we should have obtained more favourable treatment. We do not deny that the freight scale on these special coal freights is lower than the normal freight rate. The reason is that the whole project, including the line and the rolling-stock, is specially designed and constructed to give an economic operation with this type of traffic. The ruling grade has been lowered to allow for the extensive use of very heavy trains. Anyone would know that utilisation of equipment to its maximum capacity, which cannot be achieved with general freight must result in lower costs per ton.

There are other factors contributing to the lower operating costs associated with this type of project. One is that the Railway Department has no responsibility for loading and unloading. Loading and unloading facilities are not paid for by the taxpayers; they are provided by the company at its own cost and are operated by it. Thus, the Railway Department merely provides the trains at the loading and unloading points and the line haul between the mine and the port. How different that is from the normal operation.

In fact, the company is obliged to install loading and unloading equipment with an effective capacity of 1,500 tons per hour. Should it fail to load or unload at that rate there is a demurrage charge. Furthermore, should the failure to load or unload at the specific rate force the Railway Department to transport coal on Sundays or holidays, the company must meet the additional cost involved.

The Opposition consistently quotes the highest tonnage scale that I have referred to as payable by Utah, which is \$1.80 per ton for 4,000,000 tons per annum. I point out to the House that this is a very high tonnage to be transported from one point on behalf of one rail customer. If the Opposition wants to compare these rates with those for lower tonnages of other commodities hauled, I am prepared to go along with them and examine the position. It is apparent that hon. members opposite have not worked out the figures. For that reason, I believe the House should have the figures recorded in "Hansard".

Hon. members will notice that the freight rates quoted in clause 13 of Part IV of the agreement increase as the tonnage falls. When I suggest that hon. members should look at the rates applicable to lower tonnages, I must also point out that they should look beyond the actual rates quoted in clause 13. I have in mind particularly those provisions in the agreement covering the withholding of portion of the refund of security deposit and interest on quantities below 2,500,000 tons per annum and forfeiture of the annual payment at quantities below 1,500,000 tons.

On a capital cost of \$36,000,000 for the railway, rolling-stock and so on, the annual refund of security deposit and interest would be almost \$4,000,000. Thus, on a quantity of just under 1,500,000 tons per annum, the companies would not only pay the freight rate of \$2.58 per ton as shown in the freight scale now before the House, but would also forfeit approximately \$4,000,000 in refund and interest. Thus the cost per ton, should the quantity fall to just below 1,500,000 tons, would be \$5.22 per ton.

Should the quantity fall to 1,000,000 tons—this is the type of tonnage that is being handled in the case of other goods—the cost per ton, taking account of the forfeiture of refund and interest, would be \$6.54. Should

the quantity fall to 500,000 tons—and, with some industrial unrest, it could—the corresponding cost per ton would be \$10.51.

The forfeiture of refund of security deposit is automatically applied if tonnages fail to reach the specified levels. As can be seen, the effect of this is to increase sharply the cost per ton to the companies, and this factor must be taken into account when comparing the rates with those for comparable tonnages of other goods such as grain. To compare only the two nominal freight rates without regard to the forfeiture provisions is, in my opinion, dishonest.

Let us now compare this position with some wheat freights. The length of the proposed railway is 142 miles, the wheat freight for which distance is \$7.60 per ton. As I have shown, the cost to the companies would be about this level at approximately 900,000 tons, while at lower tonnages the cost per ton to the companies would be higher than the rate applicable to the grain traffic.

Another difference between this agreement and other freight rates is that these rates are subject to constant escalation as cost factors vary, whereas ordinary railway freights are adjusted only from time to time. I remind the House that we do not adopt Labour's policy whilst it was in power of annual revisions of ordinary rail freights. We have made only three revisions in our 11 years of office, and one of those was the substantial reduction allowed in this year's Budget.

Before leaving the matter of freight rates under this agreement, let me repeat that the rates specified are sufficient not only to cover operating costs but also to bring a substantial profit to the State. Where the tonnages entitle the companies to a refund of security deposit and interest, the rates will fully cover such payments. The line will pay for itself fully and, in addition, provide a very substantial profit to the State.

The Opposition has referred to wheat freights. I have no hesitation in saying that if wheat could be carried in circumstances identical with those under which coal will be carried under this agreement—identical as to volume, regularity, continuity, and all the other factors that affect cost—the Government would be able to quote even lower freight rates for grain.

I say again that the Government is not going to disclose its actual margins of profit. It still has negotiations under way with the Clutha Development Company, and I am aware that other substantial interests probably will seek negotiations for the transport of coal to the coast for both overseas and Australian use. The notion that the State has to disclose publicly its whole hand in the course of undertaking delicate negotiations has no appeal to me. It is not fair to the Government's negotiators and is virtually asking them to go into a contest with their hands tied behind their backs. However, I give the solemn assurance to the House that the initial margin of profit in the operation of this

railway is many times 5c a ton, and that the margin will continue to increase steadily throughout the life of the agreement. I wish to emphasise that, in giving that assurance and referring to the margin of profit, I am referring to the cash margin available to the State after it meets the refund of security deposit and interest.

In addition to that margin of profit, the State is, of course, also obtaining a railway free of cost. Based on 2,000,000 tons for the first year and 4,000,000 tons a year thereafter, the capital cost of \$36,000,000 represents 75c a ton over the 12½-year period. Thus, during the first 12½ years, the State will not only receive a total cash return a ton that is many times the rate of royalty; it will also obtain a railway line free of cost. Nobody can forecast what the rise in operating costs will be over the first period of 12½ years; but if one assumes that the average rate of increase is a little over 3 per cent. per annum, application of the formula in the agreement will give an increase of approximately 75 per cent. in the State's margin of profit during the initial 12½-year period.

But the benefit does not cease there. Let us examine what happens at the end of the 12½-year period. Allowing a 3 per cent. increase a year in costs over the first 12½ years, I would estimate that at the end of that period operating costs and profit would be absorbing 55 per cent. of the freight rate then charged. The agreement provides for a 20 per cent. reduction in freight at that time. Therefore, the State will have 80 per cent. of the freight proceeds to cover costs and profit, which represents 55 per cent. of the freight proceeds. In other words, the income at that time will drop by 20 per cent. and costs will decrease by 45 per cent. It must be readily apparent that the margin of profit, which has been escalating steadily in the first 12½ years, will really jump dramatically at the end of 12½ years.

Surely no words of mine are necessary to show what a wonderful deal this agreement will be for the whole State. The farce of the position is that the Leader of the Opposition has expressed his concern on several occasions about obtaining an additional royalty of 5c a ton, yet he ignores the much greater initial margin of profit on the railway freight and the growing margin of profits that will accrue to the Crown from the very first shipment of coal over the new railway. He ignores the fact that the State will have a \$36,000,000 railway undertaking free of cost and without recourse to the State's Consolidated Revenue and Loan Funds. The State could have made a deal with a 10c royalty, as suggested by the Leader of the Opposition, but I do not believe that that would have been soundly based. The Government sought a basis of contribution which would escalate with the years and with rising costs. We found that the railway agreement is infinitely superior to remuneration at a fixed royalty rate.

I say to the Opposition that it is about time it started to evaluate the full facts of this case. Get away from the political side of it altogether; look at it as Queenslanders. It is about time Labour was honest enough to confess the mess that, as a Government, it made in negotiations for agreements with overseas capital. It is about time the Opposition acknowledged the successful part played by this Government in the negotiations of this contract.

The Leader of the Opposition raised the point that the proposed railway line will not go into Sarina. Do we want to haul every ton of this coal through Sarina? Do we want these extremely heavy trains passing through that town? However, there will be the opportunity for those who live in Sarina to make use of this line.

The hon. member also mentioned grain. I am sure the hon. member for Mackay wants the grain to go into Mackay, not to Hay Point. Let him answer now and say where he wants it to go.

Mr. Houston: What grain?

Mr. CHALK: The grain that the hon. member was talking about. I would expect the grain to go into Mackay. On the other hand, let us look at the general position. In his submission to this Chamber, the hon. member has clearly indicated that he has not a full grasp of this agreement. He has had it for a week and has had the opportunity of perusing it, but he comes into this Chamber with a speech that does not do its writer very much credit. I say to the House with all the sincerity that I can command that this is a good agreement and I, as I am sure my colleagues are, am proud to have been associated with it. It is an agreement that has been heralded as a further step to progress in this State. I know the development that will come to Central Queensland as a result of it. I wish to goodness we could have more such agreements and more of this type of undertaking springing up in Central Queensland. These are the things that are necessary for the furtherance of this State, and all I can say is this: I suggest to the Opposition that it cease to "knock" such worth-while projects and help this State by putting its shoulder to the wheel of progress. I suggest that it should not put the Government into an embarrassing position when negotiating with overseas interests who say, "What would happen if there was a change in Government?"

This morning the Leader of the Opposition said, "We believe in socialism; we believe in socialisation." These people are the greatest "knockers" of all time.

Opposition Members interjected.

Mr. CHALK: We can hear them yelling over there. They are the people who, if given an opportunity to govern the State, would place it in jeopardy with regard to overseas capital. On their own admission

they want overseas capital to come here. Then, having said that, they say to overseas capital, "Come here, and then we will socialise you."

I want to know just where we stand in this Parliament. From the Government's point of view, we are prepared to do what we can to develop the State; we are prepared to do what we can to build a better Queensland; and we are prepared to fight tooth and nail with those who negotiate with us to get the best possible deal we can. Everyone on the other side knows that these people wanted their own railway. Why would they want their own railway if it was going to prove unprofitable? They wanted the railway so that they could get the profitability out of it. They also wanted their own port and they wanted to control their own shipping activities. Why? For one reason only. They realised that greater profitability could be obtained from those ventures, even if they had to pay the State a higher royalty.

My colleague the Minister for Mines, and other Cabinet colleagues, know only too well that this company would have paid a higher royalty, provided we let it do the things that it wanted to do. We set out to obtain the best deal possible, and at this stage I express my appreciation of the part played in obtaining it by officers attached to the Department of Mines, the Treasury Department, the Railway Department, and the Department of Industrial Development, and also by the Ministers who control those departments. I include, too, our late Premier, Mr. Jack Pizzey. They were the men who were prepared to put up argument after argument to ensure that the State got the best possible deal.

How many trips did the executive officers of the Utah Development Company make to Australia in an endeavour to break us down in our efforts to do the best we could for the State? We stood firm on the proposals that we put forward. I know, and so, too, does the Minister for Mines, that even up to the last minute we were still fighting those people because they believed that our time was running out and that we would weaken. But we were prepared to play their game and, quite candidly, we won. But we are not skiting about winning. We are not "knockers", as are hon. members opposite. We are prepared to recognise what a fair and reasonable deal is, and we have obtained such a deal. Because of that, I am pleased to be able to support this Bill. Its introduction will prove to be for the betterment of Queensland and its people.

Government Members: Hear, hear!

Mr. TUCKER (Townsville North) (3.12 p.m.): The thunderings of the Treasurer this afternoon do not worry members of the Opposition. We are not intimidated by his shouting. We are here to debate this

agreement in the way in which we believe parliamentarians should debate it. And if our opinions should differ from those held by the Government, at least we should be allowed to present them in a decent and reasonable manner.

When I look at this agreement and at others that have come before the House, there is one thing that strikes me very forcibly, and this disquieting aspect is a feature of all of Queensland's export trade at the present time. I refer to the fact that a substantial part of our export income from coal depends on sales to the Japanese. If any set-back occurs in the Japanese economy—and I suppose that that could occur; it is not beyond the bounds of possibility—the Queensland economy could suffer greatly. The Government's attitude seems to be that it should sell increasing amounts of our natural resources to the Japanese to the exclusion of other countries. I believe that if we are to continue exporting our mineral resources we should look for other outlets for our coal and other minerals instead of only the Japanese market. If the Japanese economy suffers a set-back we run the risk of exposing our economy to a similar danger.

As I looked through this agreement I asked myself on a number of occasions—and I ask the Government today—what will happen after we export millions of tons of black coal or coking coal? Australia's reserves, over all, represent only a very small part of world reserves—in fact, only .17 per cent. Queensland's reserves represent a smaller percentage again. Until fairly recently, in the light of prospective requirements, the reserves in Queensland, and indeed, in Australia, were regarded as very large, but there has been a change in attitude in the last few years. The continuing growth of the steel industry in Australia and the sharp rise in exports in the last few years have led to a change in the complacent attitude of those in our community who really understand what we need in reserve. They have begun to wake up to the fact that we have not the reserves which the Premier and the Treasurer claim. I base those observations on statements made by the Joint Coal Board and Broken Hill Pty. Ltd. That company and the board have drawn attention to the need to determine with precision, rather than estimate in round figures, the recoverable reserves in Queensland and Australia.

Has Queensland sufficient coking coal to encourage ultimately the establishment of an iron and steel industry and at the same time sell virtually unrestricted tonnages on world markets? I should like an answer to that question because it is pertinent to this agreement. It is essential that the people of Queensland should be given an answer because many leading authorities today have serious doubts about our reserves. I am referring to definitely proven reserves, not estimates of what they might be. Are our

definitely proven reserves of coking coal more than adequate to meet what we hope will be our domestic requirements including what we hope lies ahead for Queensland? If they are not why are we debating an agreement which will bind us for 42 years to 1960, with an option for another 42 years.

Opposition members do not treat this matter lightly; we are considering it in terms of 42 years. When I read the agreement in the last two evenings I was very worried at the thought that, if we pass it, we may not be doing the right thing in binding ourselves to export this colossal tonnage over the next 42 years. I asked myself that question, as a responsible member of the Opposition. I hope that the Government has adopted the same attitude, and I hope that it has the answers to these very important questions.

In the long term, from my reading and research, the world will eventually return to coal for its supply of hydrocarbons. Every authority says that oil and gas fields have only a limited life and will run out, and that eventually the world will come back to coal for its supply of hydrocarbons.

Huge sums of money are being spent all over the world on research into converting coal into synthetic oil and hydrocarbon gas methane. This research is being conducted, for instance, in the United States which has tremendous reserves of coal. I wonder whether the recent U.S. oil companies' take-over of two of the largest coal producers in the United States is a pointer to what may happen in the next 10 or 20 years. This is pertinent to the discussion before the House on an agreement which will pin us down for the next 42 years.

It is improbable that deposits of coal outside our known coal-bearing sedimentary basins will be discovered. Possibly our known basins have not been adequately prospected, but we know where they exist in Queensland and that they contain quantities of coal. But outside those basins it is unlikely that we could bore and find coal. Our basins are fairly adequately mapped and known at present. Therefore our resources should be known.

Our supplies of coking coal appear to be relatively small for the long-term requirements of Queensland. I do not believe that we can afford to export coking coal at the rate envisaged by the Government under this agreement. Millions of tons of coking coal are being taken from Moura and Blackwater. Under this agreement, 5,000,000 tons a year will be taken from Goonyella and exported through Hay Point, with a limit of 150,000,000 tons, and an option to export another 150,000,000 tons.

These things must make every responsible Queensland pause and think. They should not be approached in the cavalier or larrikin fashion which Government members seem to be adopting. When we, as an Opposition,

attempt to put our point of view and ask for answers to be given in a proper way, we are deluged with shouting and stupid remarks.

Mr. Campbell: Isn't this a larrikin cartoon in the January issue of "Trend"?

Mr. TUCKER: I suppose the Minister would be a good judge of what is "larrikin". However, I have too much to talk about to be bothered with the Minister's stupidity. I want to apply myself to this matter in a responsible way.

Australian exports of coking coal to Japan have increased dramatically in the last few years. There has been a significant change in world trade patterns. In 1955 and 1956 Japan obtained 83 per cent. of her imported coal from the United States of America. In 1965 Australia supplied 39 per cent. of Japanese coal requirements, and the United States supplied 40 per cent. In other words, coal exports from the United States to Japan had been cut in half, and it has been estimated by the Japanese Iron and Steel Federation that Australia will soon be supplying 50 per cent. of the coal needs of Japanese industrialists.

How have we been able to obtain this percentage of the Japanese trade in the last 10 years? It is the result of our cost advantage. In addition, we have asked for only very small royalties on coal—5c a ton, as has been bandied round the House this afternoon. We also ask the very small rental of \$1 an acre a year for the land that will be exploited. Despite what the Treasurer said this afternoon, we are demanding very small freight rates for the carriage of coal on the railway. As has been pointed out by the Leader of the Opposition, we have given "bargain-basement" rates to the Japanese in the supply of coking coal.

We have also provided many facilities for the companies which have come here to exploit coal resources. Early this session I spoke of the facilities that had been made available for Thiess Peabody Mitsui Coal Pty. Ltd., and it is obvious from a study of the Bill that many facilities are also going to be made available to Utah Development Company and Mitsubishi Development Pty. Ltd. Admittedly those companies have been asked for certain deposits of money so that the Government can construct a railway line and a harbour, but those loan moneys, as they have been referred to, will attract interest and the companies making the funds available will certainly not be out of pocket. If they are able to obtain these funds at less than the rate of interest the Government is going to pay, they will come out very much on the right side of the deal.

Let me give the House a few examples. In the Groote Eylandt manganese project, of a total expenditure of \$8,500,000 a sum of \$2,600,000 was spent on public facilities. No such provision is to be found in the agreement now before the House. Of a total expenditure of \$126,000,000 on the project in the Pilbara district of Western

Australia. Hamersley Iron Pty. Ltd. spent \$33,600,000, approximately 27 per cent. of its investment, on schools, police station, communications, hospital, and other public facilities. That was in addition to the expenditure of a very large amount on a railway and port and harbour installations. It will thus be seen that companies in other parts of Australia are prepared to spend vast sums of money on facilities that the Government of this State provides. It is obvious that Queensland is falling behind, and I ask: why can Western Australia obtain these facilities from a company? Are its Ministers tough bargainers, or are Ministers of the Government in Queensland unable to negotiate in a way that will bring the greatest benefit to the State?

Wealthy companies are involved in this agreement, and 150,000,000 tons of coal will be taken out over the period of the contract. In the case of the earlier contracts that were mentioned, it appeared to me that Utah Development Company would receive about \$8.68 a ton for the coal taken from around Blackwater, and it appears that the figure could be somewhat similar in this instance. Therefore, the profit on a ton of coal being exported through Hay Point could well be about \$6 a ton.

Mr. Camm: What is the cost of mining it? Don't you think it will cost anything to mine it?

Mr. TUCKER: It certainly will cost something to mine it, but my estimate is that the profit on the 150,000,000 tons of coal could be about \$1,000 million. If the Minister has figures to refute my claim, I shall be glad to hear them. It should not be forgotten, either, that under this agreement there is an option to take out another 150,000,000 tons.

The Leader of the Opposition referred earlier to royalties. It appears to me to be incredible that the Government is not prepared to alter the royalty in any way in this instance. The 5c a ton obviously is only a token royalty. I can well understand that the Government has committed itself in other directions and that perhaps it has not the intestinal fortitude to change the royalty under this agreement lest it come under fire on royalties paid by companies operating under earlier agreements.

Again I refer to the agreement between the Western Australian Government and Hamersley Iron Ore Pty. Ltd. In the contract relating to the shipping of ore, a royalty of 7½ per cent. of the f.o.b. price of each ton of ore was provided for, and it was agreed that it should not be less than 60c a ton on the ore exported by the company. In the case of fine ore, it was half the contract ore rate, and for fines, whether exported or processed, it was 15c a ton. They are much higher than the royalty that the Government is asking for Queensland coal.

For the record, let me include in "Hansard" the fact that the f.o.b. price Dampier for lump ore was \$U.S.9.92 a ton, and for fine ore \$U.S.7.68 a ton. Again, as I see it, Queensland suffers very badly by comparison where the rate per ton for each product is almost the same.

Mr. Camm: What is the rail freight on that?

Mr. TUCKER: That is a figure that I have not with me at the moment. I could not tell the Minister accurately what it is.

Mr. Camm: What harbour dues are paid?

Mr. TUCKER: I know that is the price f.o.b. at the harbour.

In April, 1965, it was agreed that 65,500,000 tons of ore would be exported over the next 16 years. I think that is a very fair comparison, and again Queensland suffers when one looks at the royalties a ton charged in that instance. Therefore, I believe that the Opposition would be failing in its duty if it did not highlight the miserable pittance that Queensland will receive in royalties. We ask ourselves why it should be so. Does it mean that the Ministers who negotiate these agreements are unable to do better? Are they inept in this direction or is there a much more sinister reason behind the fact that we do not seem to be able to raise the royalty we receive when our coal is being exported?

On the question of foreign companies operating within Queensland, I will admit that there can be certain advantages, but I believe that there could certainly be many more disadvantages. We know that foreign companies, at any time, tend to look to their home countries for scientific, economic and technological support, and often they do this without bothering to find out whether they can obtain this within Australia. We know that some companies act in the national interest; some possibly act, it may be claimed, in the State's interest, but there are many which do not. I know that some of the international oil companies have consistently refused to adopt refinery practices in accord with national interests in Australia. Although we do find some companies that act decently, many do not act in our best interests. There must always be a potential risk attached to foreign investment in our mineral industries. While we have minerals in the State we must run these risks, which could arise from a conflict between the companies' objectives and policies or those of their home Governments and Queensland's interests and objectives.

If we must have these foreign companies in the State, the only way to overcome this, as I see it, is to provide for equal participation by Queensland companies so that Queensland's point of view is expressed in the board room. If we have equal participation and if we have on the boards of these companies directors who are able to express

Queensland's point of view in the board rooms, I believe many of our worries would possibly disappear overnight. When we have absolutely no participation, as is the case under this agreement, I am gravely disturbed.

I do not believe that the Government is protecting Queensland's interests when it allows companies to operate in this State, by agreement, without any provision at all for Queensland or Australian participation. The Government is doing a grave disservice to the nation in not encouraging Australian companies that might want to participate in this undertaking. We constantly find that these overseas companies come in, crowd everyone else out, find overseas contracts for themselves fairly quickly, and start exporting our coal to the detriment of the State.

In the Gove area in regard to bauxite, the Commonwealth Government insisted on the type of development I am speaking about. It asked that there be Australian participation of almost 50 per cent. I know that, in today's Press, there is an article stating that, because production at Gove is to be doubled, Australian participation will be down to something like 30 per cent, which is regrettable. Nevertheless, Australian companies will participate in that development. Although they have only a 30 per cent. interest, they are able to put a number of Australians in the board room and have some say about that development.

Australian companies are showing a growing interest in the mining industry, and I believe that that interest should be sought and welcomed in Queensland. I know that the C.S.R. company has participated in the development at Gove and Mt. Newman, that the A.M.P. Society has an interest in the Mt. Newman and Savage River projects, and that Ampol has taken part in exploration in the Kimberley Ranges and also has an interest in the Savage River iron-ore deposits. In addition, the Australian Natural Gas Development Association has entered the field of transportation and control of natural gas, so we find Australian participation in that venture also. Those companies are attracted to Western Australia and to many other parts of this continent, but they do not seem to be attracted to Central Queensland. They do not participate to any great extent in mining operations in Queensland. Why are we not able to get Australian companies to work shoulder to shoulder with overseas companies in the exploitation of our minerals and coal? In the proposed development of the Goonyella coal field another completely foreign company will be exploiting our coal deposits and exporting hundreds of millions of tons of coal to Japan.

A moment ago I referred to Hamersley Iron Pty. Ltd. and Hamersley Holding Pty. Ltd. Those two companies were formed in 1962. In them Conzinc Riotinto of Australia Pty. Ltd. has a 60 per cent. interest and Kaiser Steel Corporation of California has a 40 per cent. interest. In March, 1967,

10 per cent. of the equity capital was offered to the Australian public, so that in Western Australia an Australian participation has been obtained in the development of vital areas. We do not believe that it is desirable to have a foreign company without any Australian content developing the natural resources of this State. We will continue to protest about the intrusion of foreign companies.

We have tried to be responsible in the submissions that we have put forward on this Bill. We acknowledge that our labour force could receive certain advantages under this agreement in that a railway and harbour will be built, and that the State will receive certain export earnings. I would be remiss if I did not acknowledge those facts. But the Opposition feels that the State is paying too high a price for those advantages and that it is industrially dangerous not to have any Australian participation in these export developments. Like the Leader of the Opposition, I call on the Government to endeavour to attract Queensland or Australian interests to participate in these exporting ventures. Members of the Opposition would gladly welcome Australian participation in these developments because it would ensure that one of our greatest worries would be erased. We would have our own men there and our own say in development and would not be subject to the whims of overseas directors of a company that operates in this State.

Like the Leader of the Opposition, I cannot believe, after examining the map attached to the agreement, that the railway will be a common carrier. When I superimposed the map on a large map of Queensland, that was obvious. It follows a roundabout route, so that it just cannot be a common carrier. It terminates at a place that will ultimately be a port, and it most certainly will not serve anyone other than the coal company. It is obvious from the map of Queensland that the best route that could be plotted would be from Goonyella to Collinsville. It is one of the easiest routes available, and less than 100 miles of new railway line would have been required. The map, which is the Fourth Schedule, shows the proposed route. It starts at Goonyella, meanders round the Isaac River, goes along the various highways, skirts the back of the Blue Mountains at Sarina and the Sarina Range—obviously it could not cross them—cuts behind Sarina, and then goes in front of it and over to Hay Point. I repeat that I cannot visualise the carriage of anything other than coal from Goonyella to Hay Point. If the line had gone from Goonyella to Collinsville, I could picture its being a common carrier because the line from Collinsville to Bowen is a well-constructed line, and could carry many products. Bowen has one of the best deep-water ports on Queensland's coastline and the town is well established. If the line had gone that way the company would not have had control of the port of Bowen. It was aware of that, just as it was aware that it would

have certain obligations relative to the Collinsville line. That is the logical route, but apparently it did not suit the company because the line would have been a common carrier for other products, and the company would have had to use the port of Bowen in common with other users of the port. To meet the company's wishes a further 50 miles was added to the line as it meanders from Goonyella, south, east, and north again, to finally link with Hay Point.

If this line is to belong to Queensland, and we are to repay all the money that the company lends us which I believe will be done under the agreement, why should the company have the right to decide the route of the line? The Treasurer said that the company had decided on the route of the line, and yet the State will have to repay the money borrowed from the company. This method is like buying a car under hire purchase: when the money is repaid the line will belong to us, but it will cost us more than \$50,000,000 for a \$36,000,000 loan. Why should the company dictate to the State where the line and harbour will be built if they belong to the State? The Ministers who negotiated the agreement should have said, "They belong to Queensland and we will decide where they will be built to the best advantage not only of the company but also of the other people who will use the line".

The line, where it is to be built, will be of no use to anyone but these coal companies. It skirts around the Mackay Harbour and goes to Hay Point where all that will be constructed under the agreement will be loading and unloading facilities for coal. The agreement states that this port will not compete with any other port and will handle only coal. Most people along the line will not have any reason to transport anything on the line because their commodities would finish up at Hay Point where only bulk-carrying coal ships will call. So most of their commodities will still go through Sarina to the Mackay Harbour.

Mr. Newbery: Doesn't it meet with the North Coast railway line? The rolling-stock has to be serviced.

Mr. TUCKER: According to the map I have seen the line cuts the main line north of Sarina.

Mr. Newbery: It cuts it 6 miles south of Sarina.

Mr. TUCKER: I am not arguing about that. It does not go through Sarina. That should have exercised the hon. member's mind.

Mr. Newbery: Do you want it to go through Sarina?

Mr. TUCKER: I do not care where it goes. It is obvious that it will not be a common carrier.

Mr. Newbery: It will be a common carrier. It will carry grain and anything like that.

Mr. TUCKER: Fancy taking grain to a coal port.

(Time expired.)

Hon. P. R. DELAMOTHE (Bowen—Minister for Justice) (3.54 p.m.): Firstly, I commend the three Ministers intimately concerned in the negotiation of this agreement, namely, the Treasurer on the financial side, the Minister for Mines on the mining side and the Minister for Transport on the railway side. It is a thoroughly good agreement and might well serve as a model for future similar agreements. Because of it, Queensland will benefit tremendously financially and also from the development that will follow in the years ahead. The mining area is at Goonyella Creek. This agreement, negotiated with a company that has contracts to sell coal, compares magnificently with that negotiated by the A.L.P. Government in 1948.

The contract negotiated in 1948 concerned Blair Athol coal, and the negotiating company had no contracts when the agreement was signed. In fact, it peddled the agreement all over the world and could not find a market for the coal, with the result that the Blair Athol coal is still in the ground today.

Mr. Hanlon: In other words, you are saying that coal was not worth very much then; so how can you compare royalties on coal then with royalties on coal now, when there are ready markets for it?

Dr. DELAMOTHE: The Government of hon. members opposite was prepared to give Blair Athol coal to anyone who would take it and sell it wherever he could. In fact, it was never sold. That was the only feeble attempt that the A.L.P. ever made to exploit these large coal deposits.

Mr. Sherrington: What year was that?

Dr. DELAMOTHE: 1948—20 years ago, when the hon. member for Salisbury was a school boy in short pants.

Mr. Sherrington: I was more than a school boy then.

Dr. DELAMOTHE: Great play has been made on the exporting of large amounts of coking coal from Queensland. One has only to look at the figures quoted by the Premier to see what Queensland's coal reserves are. With the developments that are rapidly proceeding in the world today, we may well look back in 10 years' time and feel fortunate that we were able to sell coal for at least that period of time. With the advances now being made in the use of fuel oil and natural gas, and with atomic power knocking at the door, the time may not be far distant when the demand for coal of any sort will decrease substantially. In addition, new methods of making steel by the use of electricity instead of coking coal are being developed, and we may find that before we are very much older coking coal is a drug on the market. In a

few years' time we may well consider ourselves fortunate to have found a market for a small proportion of our known reserves of coking coal.

In contradistinction to the Opposition's attitude to the export of coal, I might mention the attitude of coal-miners in my area at Collinsville. The Dacon mine has, to date, sent about 60,000 tons of coal to Japan, and the miners are keen to find large markets for the coal. They are raising no objection to its sale to Japan. They are anxious to be employed in digging it while the good days last.

Mr. Tucker: There were many people against breathalysers, but you brought them in.

Mr. Hanlon: The hon. member for South Coast said there were 94 amendments proposed to the Liquor Act, but you were not game to make a recommendation on any of them.

Dr. DELAMOTHE: We are talking about coal now.

We have heard a lot of whingeing from the Opposition about foreign companies coming in and mining coal in Queensland. I ask the Opposition—and I would ask the Minister for Mines if he were here—if the A.L.P. or any of its associated bodies has ever formed a company, made application for an authority to prospect, and gone out and looked for coal. Hon. members opposite claim to be good Australians and good Queenslanders, and there is nothing to stop them from doing that. Hon. members opposite will not do it themselves, but they come in here and whinge when other people do it. I remind them that not only are they unwilling to undertake the prospecting for and digging of coal, but in 1962, when the Government offered the Collinsville State Coal Mine to the miners of that town for a lease of 1s. a year, they refused the offer.

Mr. Hanlon: What year was that?

Dr. DELAMOTHE: 1962.

Mr. Hanlon: Were any other prospecting leases taken out in 1962?

Dr. DELAMOTHE: Yes. Utah Development Company had a prospecting lease.

Leaving that aside, I refer hon. members to page 1188 of "Hansard" of 5 November this year. On that occasion the hon. member for Townsville North, when discussing this matter, offered some criticism and said that I had not done anything to assist Bowen to become the port of export for Goonyella coal.

Mr. R. Jones: You are not quoting from current "Hansard", are you?

Dr. DELAMOTHE: The hon. member for Cairns should keep out of this. He knows nothing about coal.

The tinkling cymbal of the hon. member for Maryborough accompanied the sounding brass of the hon. member for Townsville North on that occasion.

I think it is only right that I should tell the hon. member for Townsville North something of what has been going on, because obviously he is quite at sea when he gets anywhere outside Flinders Street, Townsville. He certainly does not know anything about what has been going on at Bowen.

Mr. Tucker: I have been down at Collinsville.

Dr. DELAMOTHE: The hon. member should save his voice for later; he will have plenty of time to use it.

The first Utah agreement was negotiated in 1963, and it related to the Blackwater region. At the same time, the Utah Development Company was looking for coal farther up in the Isaacs River area. Fortuitously, the Navy was carrying out a survey of Bowen harbour for naval purposes at that time, and I was able to take advantage of the presence of Navy personnel and have them secure information that I thought may be of value at some time in the future.

In 1965, thanks to the Treasurer, on my application the Treasury made money available to the Bowen Harbour Board to enable a geophysical survey of the bed of Bowen Harbour to be carried out and also to enable some drilling to be done to discover what the dredging possibilities were in particular areas. It was done at that stage in 1965 because Utah Development Company had found coal in the Isaacs River area. I was enthusiastic about it, as was everyone else in my electorate, because it seemed possible that that coal, if it were far enough north, would be exported through the Port of Bowen. In addition, for the benefit of the harbour board, I had an aerial map of the harbour prepared, and it was included in the board's report for the following year. As a result of the geophysical survey, the drilling, and the aerial photography, a scheme was drawn up for the export of coal at Adelaide Point.

Does the hon. member for Townsville North know that? Of course he does not. Does he know that, apart from the Adelaide Point site, two other sites for wharfage and an export point, at North Head and Stone Island, were planned as alternatives? Does he know that in February, 1967, Utah engaged Maunsell and Partners, of Melbourne, to carry out a feasibility study of ports along the Queensland coast which might be used for the export of this coal, and does he know that in February, 1967, Messrs. Andrew and Lee, of Maunsell and Partners, carried out a feasibility study of 18 potential ports between Gladstone and Bowen, on the North Queensland coast?

I ask the hon. member if he knows that those preliminary studies by Maunsell and Partners indicated that on cost alone, the Adelaide Point site was probably the most promising of all as an export point for coal? Does he know that this feasibility study of ports was followed by a feasibility study by Messrs Ford, Bacon and Davis of possible railway routes, and does he know—I have a report concerning this—that the feasibility survey showed that four routes were feasible, the most feasible and most favourable from an operational and capital-cost standpoint being the Hay Point termination of the railway? That was because the railway to Hay Point was about 140 miles long while that to Adelaide Point was 204 miles, of which roughly 50 miles is the constructed railway between Collinsville and Bowen.

Does the hon. member know, too, that in the course of this feasibility study alternatives were stated, again because of requests by the Government to examine every possibility, and that, in fact, an alternative from Oonooie north to Bowen was also examined but proved to be less feasible than the four major routes, which were to Hay Point, or to Mackay, or to Adelaide Point, or to Aken Island? Of course, when Hay Point was selected, Mackay was most upset and most vocal. I have here a Press cutting headed, "Mackay upset by Hay Point move." But the point is that proper feasibility studies, of which the hon. member for Townsville North is apparently quite ignorant, were conducted into the various ports and railway routes.

We also know that during that same period, in an effort to make the routing of the railway through Collinsville economically sound, five authorities to prospect for coal were granted in the area between Collinsville and Goonyella. One was granted to Dacon Collieries Pty. Ltd., and that company has already spent tens of thousands of dollars on boring 59 exploratory holes close to Collinsville. Authorities were also granted to the Griffin Coal Mining Company, to St. Joseph Phelps Dodge Exploration Pty. Ltd., and to Thiess Bros., and in one area the Mines Department itself is carrying out drilling work.

All this exploratory work has occurred within the space of three years, with my support and encouragement. Indeed, I advised the Government to foster those ventures. If any of those companies had found coal, say, 25, 30, 50 or even 100 miles south of Collinsville, then no doubt the railway line would have gone through Collinsville because the cost of transportation of coal could then be shared by two or more companies.

The Government fostered and encouraged the search for coal in an endeavour to make the construction of the railway line through Collinsville an economic proposition. We know that the Federal Bureau of Mineral Resources carried out a full investigation in the Bowen hinterland, and its efforts led to

several mineral prospecting companies beginning operations in that area. The Longreach Mineral Company began operations at Ukalunda; St. Joseph Phelps Dodge Exploration Pty. Ltd. carried out operations over a very large area near Bowen and Collinsville; and Hydro Mineral Development Ltd. carried out prospecting operations at Mt. Wyatt and at Mt. Lindsay.

The hon. member should have known of one venture in which, I understand, an ex-chairman of the Australian Labour Party in Collinsville, Neddy Jenkins, has an interest, and did a lot of the actual mining. All these investigations were fostered to make the utmost use of the existing railway line in an endeavour to make more feasible the transport over it of Goonyella coal.

Does the hon. member know of my successful efforts to increase the capacity of the Eungella dam to provide additional quantities of water for irrigation purposes so that more sorghum could be grown and more cattle could be bred? Does he know of my efforts with all the landholders in the area to encourage them to grow grain, again in an endeavour to improve the economics of the existing railway line?

If the hon. member for Townsville North did not know of these things, then he was politically dishonest in charging me with doing nothing to foster this line through Collinsville to Bowen. I have already told hon. members of the great difference in the distances.

Mr. TUCKER: I was no more dishonest than you were when you put me with Mackie. I have not forgotten that one.

Dr. DELAMOTHE: If the hon. member did not know, he behaved like a political mountebank in going on in the way that he did.

At the present time the Greenvale Nickel Company is carrying out a feasibility survey at Townsville, Bowen and Mackay as to the location of a nickel smelter. If the hon. member for Townsville North is so concerned about Bowen, I would expect him to support me in trying to persuade that company to establish its smelter at Bowen. If he had inquired from me, or any other Minister, about what was going on in this area to encourage exports through Bowen, instead of spending all his time in the area with people who were not in a position to know, he would not be stuck fast in Goonyella Creek.

Mr. SHERRINGTON (Salisbury) (4.16 p.m.): I am very grateful for the comic relief provided by the Minister for Justice, because we have been debating a very serious measure all day. I dare say that each of us has a sense of humour, and that we should be very grateful for the comic relief provided by the Minister for Justice.

When making his second-reading speech this morning, the Premier, rather than being prepared to detail to the House the benefits that would accrue from this agreement and justify the expenditure of some \$100,000,000 in Queensland, seemed to resent the public criticism that has been levelled in the past few weeks against his leadership of the Government. I was somewhat impatient to hear his second-reading speech because I felt sure that, after the prompting given to him by members of the Opposition, on this occasion he would have elaborated in great detail on many of the matters that he did not tell us about at the introductory stage. I believe it was only because of the very forceful contribution of the Leader of the Opposition that today the Treasurer gave us more information than during the introductory stage.

Not long after the commencement of the Premier's speech, I felt that underlying his report to the House was a feeling of indecision about the future of the Government of Queensland. On an important measure such as this, he should have been prepared to relate to hon. members what was involved in the interest payments on the cost of the railway line, and how they would be met by the Government over the period of about 12½ years in which the loan is repayable. I thought he would have made every effort to prove that royalty rates, freight charges, and other attendant benefits would result in great gains to the State, and that they would not merely offset the contribution that the State will have to make in this development.

The Premier's attitude quite clearly indicated that he was making a burst merely to impress the electorate in the forthcoming election. In his contribution today he launched an attack on the philosophies of the A.L.P. He was backed up by the Treasurer, who said that the A.L.P. had produced all the old chestnuts. But he has been producing the chestnut of accusing the Opposition of being "knockers" for as long as I can remember, particularly when a Bill such as this is before the House. If I may use a phrase to describe the Premier's attitude this morning, I could say, "Mr. Premier, I believe that your slip is showing." It is obvious that, to bolster his sagging political image, he chose to make an attack on the A.L.P. Opposition in this debate.

Mr. Bjelke-Petersen: I was correct in what I said about you.

Mr. SHERRINGTON: No, and I shall deal with that. When the Premier was Minister for Works and Housing I respected his perspicacity. But his contribution this morning scarcely did him credit. He misquoted me. He accused me of using the words "disgust and dismay" relative to the provisions of this Bill. At no time during my speech did I do so. The Premier misled the House. I used the words "disgust and dismay" relative to his seeking to introduce

such legislation in the dying stages of this Parliament. He tried to misconstrue what I said. I have every right as a member of the Opposition and as a responsible person in this Parliament to reiterate my disgust and dismay at his introducing, in the dying stages of this Parliament, a Bill of this magnitude, which could have wide repercussions for many years, together with other important Bills which have to be debated. If this is good enough for the coalition caucus, it is not good enough for Parliament. I object strongly, and I have every right to do so.

The Premier came into the Chamber and said, in his light-hearted fashion, "We have been generous enough to give the Opposition a week to study the Bill." He ignored the fact that we have no facilities for research, that the Bill was drafted on the technical advice of his officers, whose services are not available to the Opposition, and that in one week it would be a sheer impossibility to understand and assess the ramifications of such a Bill, which provides for the building of a town, a railway line and a port.

Mr. Bjelke-Petersen: Do you mean that what they have written is probably all wrong because they have not had time to assess it?

Mr. SHERRINGTON: I did not say that at all. As I said, I previously had some respect for the Premier.

After all, the Opposition has an obligation to the people, just as the Government has. What chance has the Opposition of making a deep and intensive study of a measure such as this in one week? At the same time there was before the House a very important consolidation of the Mining Act, which, again, the Opposition had less than a week to study. The criticism that I make is perfectly justified. Whenever the Government has lengthy legislation it delays it till the last days of a session and then uses its weight of numbers to force it through the House.

Let me also remind the Premier that we would not have heard details of the various aspects of the Bill from other Ministers closely associated with it if I had not prodded them into speaking. To this day, the Minister for Transport has not risen to say a word about the Bill, although the construction of the railway line is a very important aspect of it.

Mr. Hodges: He will be here.

Mr. SHERRINGTON: We are now at the second-reading stage, and he has not spoken yet. It is all very well to say that he will be here.

Mr. Hodges: There is plenty of time yet.

Mr. SHERRINGTON: The Government allowed its back-bench members to carry the debate at the introductory stage, hoping that Ministers could follow senior Opposition members. But why is it that the Minister for Transport has not as yet even opened his mouth?

Mr. Hodges: He will, and you will be sorry when he does.

Mr. SHERRINGTON: I object not only to the late introduction of the Bill but also to the tactics adopted by the Government in the debate. The attacks made upon the Opposition, particularly those made by the Premier and the Treasurer, who seems to delight in referring to us as "knockers", will not daunt us in our determination to see that the best possible deal is obtained for the State from the exploitation of its resources. If the Treasurer, or anyone else on the Government side, wants to call Opposition members "knockers" because we seek the best possible deal from the agreement, I, for one, am proud to be a "knocker". That is what it amounts to.

When a similar agreement was before the House in 1965 the Treasurer adopted the same tactics of calling us "knockers", yet he has since admitted in this House that mistakes were made in that agreement. Nevertheless, at that time he called A.L.P. members "knockers" because we dared to challenge the validity of some of the provisions of the Bill.

If the Premier, or any other Minister, hopes to deter the Opposition in its attitude to such things as royalties, freights, and conditions, they have another think coming. I remind the House that the only person who called "Divide" on the introduction of the Bill was the Treasurer, and he did not have the guts to stay in the Chamber and vote against it. He crept out of the Chamber like somebody who was ashamed of the attitude of his own Government.

Mr. Hanlon: He actually called "No" first.

Mr. SHERRINGTON: Yes, he first called "No" to the introduction of the Bill, and then "Divide", but he did not have the guts to stay in the Chamber. Instead, to the embarrassment of the Premier, he slunk out as though he was ashamed of the agreement now being debated. As I say, the Premier tried to misquote what I said on that occasion.

There are several provisions in the Bill that exercise the minds of members of the Opposition, and in my opinion they have every right to query them. The Treasurer said earlier this afternoon that, in effect, the State would get a railway line free of cost, and I have had some calculations made relative to the cost of the line. It is estimated that, under the provisions of the Bill, the cost of its construction will be about \$36,000,000. Subject to certain conditions of tonnages of coal, and so on, that amount will have to be paid over 12½ years. According to the calculations, the interest bill attached to the repayment will be \$13,549,455.

Mr. Smith: What rate of interest did you use?

Mr. SHERRINGTON: I have had this assessed by a competent economist on the basis of six-monthly rests over 12½ years at 5½ per cent., and it represents an interest payment of—

Mr. W. D. Hewitt: A total of about \$50,000,000.

Mr. SHERRINGTON: That is correct. The point I make is that the \$13,500,000 will have to be met by the taxpayers of this State.

Mr. Armstrong: Rubbish! Stupid rot!

Mr. Knox: Oh, rubbish!

Mr. SHERRINGTON: Hon. members opposite say "Rubbish". If the Minister for Transport does not think that the taxpayers of Queensland have any stake in the matter, I point out to him that, if the money were interest free, the State would be paying back to the company the exact cost of the railway line. Whether the \$13,500,000 in interest is taken out of freights, royalties, or any other revenue, it will not be available to the taxpayers of this State.

Mr. Knox: Hooley! You don't know what you are talking about.

Mr. SHERRINGTON: If he wishes to do so, the Minister can get up and prove that I am wrong. It is significant that he has sat very quietly in his seat and has not taken part in the debate. The fact is that \$13,500,000 will have to be repaid to the company in interest on the loan for the construction of the railway. No matter how it is repaid, it will not be available to the taxpayers of Queensland. Hon. members opposite cannot argue successfully against that proposition.

The fact that the Government has had to obtain from the company the finance needed for the construction of the railway line highlights the complete lack of interest by the Commonwealth Government in development in Queensland. If the company was prepared to come in and develop the coalfield, why was it not possible for the Commonwealth Government to make the money needed for the construction of the railway available to the Government of Queensland at a lower rate of interest and to make a non-repayable grant towards its cost? It is evident that the State Government, because of the Commonwealth Government's lack of interest, has been forced to go outside the borrowing programme and obtain that money from the companies that are coming here to exploit the coal reserves.

I believe that it is the obligation of the Treasurer and the Premier to explain to this House why it was necessary to obtain this money from these companies at an interest cost of 5½ per cent. instead of obtaining it from the Federal Government. The Bill lays down certain provisions that money will be lent for the construction of a railway, and it also provides, as part of the agreement, that there shall be the construction of a harbour at Hay Point. But

no mention is made in the Bill of the amount to be advanced to the Government for the supply of, or work in connection with, the port facilities that will be erected at Hay Point. Both my Leader and my Deputy Leader were very critical of the fact that, in their opinion, the railway from Goonyella to Hay Point, although ostensibly a Government-owned line, would be used exclusively for the transport of coal.

Mr. Newbery: No.

Mr. SHERRINGTON: My Leader and my Deputy Leader have advanced this argument and I am not going to recanvass it. However, there is no doubt that under this agreement the harbour facilities will be private and will be used exclusively for the shipment of coal.

Mr. Newbery: This line will be interconnected with the North Coast railway from north and south, and anybody who uses it can go to the Mackay Harbour.

Mr. SHERRINGTON: As I said, my Leader and my Deputy Leader have already advanced the argument on behalf of the Opposition that the railway line will be for the exclusive transport of coal, and, as I said, I am not going to recanvass that argument. All I am saying is that the port will be a private port and provisions for such are written into the Bill.

Mr. Newbery: No, they are not.

Mr. SHERRINGTON: The hon. member for Mirani shakes his head and says that the port will not be a private port. He could not have read clause 7, page 36, which reads—

“The use of such harbour by any other user or users shall be subject to the prior approval of the Treasurer and without such prior approval no such use shall be permitted by the Harbour Board. In considering any application for approval of use by any other user or users the Treasurer shall ensure that—

(a) no undue competition is occasioned to any other Port in Queensland having regard to the fact that such harbour is established primarily for the export coal trade and not for general shipping and trade purposes; and

(b) no such other use shall unduly delay or interfere with the shipment of the Companies' coal through the harbour.”

Mr. Newbery: That does not say they won't be able to use it.

Mr. SHERRINGTON: The hon. member for Mirani wants to dispute the written evidence of the clause and say that this port is not going to be used for the exclusive export of coal.

Mr. Newbery: Without the permission of the Treasurer.

Mr. SHERRINGTON: With the provision relative to undue delay or interference with the shipment of the company's coal, I should say that all sorts of arguments will be advanced if the company finds that the export of other commodities is beginning to crowd out its operations in this port. That is one bad feature of this Bill.

Having listened to the arguments advanced by the Leader and the Deputy Leader of the Opposition and taking into consideration the point I have just made that this will be a private port, is it any wonder that the Opposition feels justified in voicing its doubt about some of the provisions contained in the Bill?

So far, no mention has been made of the cost of supplying electricity and water, or of the interest that will be charged on the provision of those services. No mention was made of the benefits that will accrue from the agreement until the Treasurer mentioned them in his speech.

Even if the Government chooses to “rubbish” the Opposition for its attitude to royalties, the Opposition will not be deterred from saying that the Bill does nothing to improve the Consolidated Revenue Fund of this State. The Government does not have the right to commit future Governments to a fixed royalty of 5c a ton for the next 42 years, until the year 2010.

In his enthusiasm to “rubbish” the Australian Labour Party, the Treasurer said that in 1948 a Labour Government had set royalties at 1c a ton, and that the agreement that it entered into provided for the existence of that royalty for 50 years. If it was wrong for a Labour Government to fix a royalty of 1c a ton in 1948 for the next 50 years, then it is equally wrong for this Government to commit the State to a fixed royalty for the next 42 years.

Mr. Kaus: How much?

Mr. SHERRINGTON: If the hon. member wants my opinion, I would tell him that the Bill should have provided for periodic revisions of royalty rates.

Mr. Hanson: In the agreement entered into by the A.L.P., the 1c a ton was to be revised every year.

Mr. SHERRINGTON: As my colleague reminds me, that agreement contained provision to revise the royalty rate every year.

The point I make is that the Government cannot justify guaranteeing a fixed royalty for 42 years in this modern age simply because something was done 20 years ago. If the Government does this, it shows that it is not progressive in its thinking. The attitude of the Opposition today reflects its belief that the royalty is too low. Of course, this is due to changing circumstances and variations in prices of commodities, and in the quantities of natural resources that are exported. It is idle for the Treasurer to try to justify this Bill because of something that

was done by a Labour Government 20 years ago. I believe that no Government has a mandate to bind future Governments to agreements for such long periods of time.

In addition to guaranteeing the royalty that will be charged, the Government guarantees that the rent of \$1 an acre will not be increased until the year 2010. I violently disagree with that provision, and condemn the Government for not providing for periodic reviews of the rental charge.

Mr. N. T. E. Hewitt: How often would you suggest it should be reviewed?

Mr. SHERRINGTON: I should say that a reasonable time would be 10 years, or even five years.

Mr. Duggan: Even if it was a formula based on rising prices, it would not be so bad.

Mr. SHERRINGTON: That is so.

Mr. O'Donnell: Why not every year?

Mr. SHERRINGTON: The period does not really matter. The point is that there should be periodic reviews. That is provided for in the freight formulas. It is said that freights shall be subject to escalation depending on the escalation in the economy of the community.

Mr. Duggan: That happened with Mount Isa Mines Ltd. When the price of lead went up, so did the freight rate.

Mr. SHERRINGTON: As the hon. member for Toowoomba West has said, that happened with Mount Isa Mines Ltd. When the price of lead rose, so did the freight rate.

The Bill contains a rather intricate formula relative to the escalation of freights. If a formula can be applied to freight rates, why cannot a similar formula be applied to rents and royalties? It could be based on increases in tonnages or in world prices of coal to ensure that the Government gets from royalties a return proportionate to that of the exploiters of these coal reserves.

Mr. Duggan: If the value of money continues to depreciate in much the same way, we could well be in debt in a few years' time.

Mr. SHERRINGTON: That is true. In my mind, it is completely preposterous that, irrespective of what may happen in regard to coal, we will get only 5c a ton royalty for the next 40 years.

I take exception to the provision in the Bill that when the company mines coal other than coking coal it may be stockpiled for use by power stations. That could have a very serious effect on some of our other coal-fields, because it is obvious that huge tonnages of coal will be produced in this area. Because the principle is written into the Bill, that steaming coal will be stockpiled, it is reasonable to assume that vast quantities of steaming coal will eventually be made

available to power stations at cost of production. That indicates that any giant power station in Queensland could well be located in this area.

The West Moreton coal-field has been passing through some very troubled times. Only the development of Swanbank has given it a shot in the arm. Surely we should protect the coal-owners and miners in the West Moreton field, and certainly we should investigate whether Swanbank C Station is essential for electricity generation in Queensland. It could be argued that it would be cheaper to supply electricity to industries in Queensland from a giant power station in Central Queensland than from a small power station on the West Moreton field. There are many people in West Moreton, including coal-owners and miners, who have a keen personal interest in this matter. The Premier should have indicated what the stockpiling of coal other than coking coal might mean in the over-all picture of electricity generation.

There are some provisions in this agreement that give me a good deal of cause for concern. One is that the company may be required to lodge a deposit of \$50 an acre to ensure that the rehabilitation of mined areas is carried out effectively. To me, this is completely unrealistic. I cannot imagine that \$50 would cover the cost of rehabilitating mined areas that have not been rehabilitated properly in the first place. The experience of open-cut mining in the United States is that many years elapse before land disturbed by open-cut mining is rehabilitated to a state approaching its original condition. The provision requiring the lodgment of a security deposit of \$50 an acre for the rehabilitation of land that has not been rehabilitated to the satisfaction of the Minister is unrealistic.

I can see significance in the rushing through this House of the Mining Bill, which legalises the pollution of our streams. Under this agreement the company has the right to discharge waste water into streams. The only condition applying is that the waste water must not pollute the stream to the extent that it is not fit for domestic or stock purposes.

Mr. Lickiss: That is a fair sort of restriction.

Mr. SHERRINGTON: The hon. member says it is a fair sort of restriction, but it takes no cognisance of what pollution does to marine life in those streams. If, in the opinion of the Minister, the stream is fit for domestic or stock purposes, it does not matter how much waste is emptied into it. Unfortunately, this attitude has led to the pollution of many of our rivers. How often is the pollution content of our rivers checked? Once the precedent of putting waste matter into our watercourses is established, it will get out of hand. The provision which allows waste to be emptied into our streams, without any safeguard whatsoever, is a retrograde step.

One matter that exercises my mind concerns miners. I can find no reference in the agreement to the provisions of the Coal and Oil Shale Mine Workers (Pensions) Act that would make it obligatory on the company to contribute to the fund. Recently the Minister for Mines said that the Miners' Pension Fund is actuarially unsound, and he used that excuse to reduce or peg miners' pensions.

There is nothing in the Bill that makes it obligatory on the company to contribute, out of the wealth that it will make from this project, to the Miners' Pension Fund. What was the attitude of the Minister for Mines when I raised this matter previously? He said, in a great colossal, edifying statement, that there was in my contribution something sinister from somebody. That was the only way he could attempt to "rubbish" me on that occasion. Apparently the Bill makes no provision for the company to contribute to the pensions fund, which we have already found is not actuarially sound, to take care of retired miners.

When it was asked previously if companies carrying out similar operations had a bounden duty to contribute to that fund, the Minister said "No", yet when my colleague the hon. member for Ipswich East asked a similar question subsequently it was found that the opinion of the Solicitor-General was that they did in fact have an obligation to contribute. We do not see that spelt out in the Bill.

(Time expired.)

Mr. W. D. HEWITT (Chatsworth) (4.57 p.m.): Whilst Opposition members have talked for hours, the fact is that, apart from criticism of the royalty rate, they have established very little indeed. In fact, the substance of their case has been of such a poor order that that in itself is a vindication of the Government's case today.

The Leader of the Opposition, whilst he indulged in a slanging match with the Premier and demonstrated his sensitivity to being called a "knocker", in point of fact established very little indeed. One significant thing that he felt obliged to say in answer to an interjection, and, I rather suspect, "off the cuff", was this—

"However, if anyone wants to challenge me to debate publicly any subject on which I speak in this House, he is at liberty to do so."

I have never been one to avoid an issue—in fact, I relish a good fight—and therefore I want to say to the hon. member right at the outset that I am happy to take him up. Accordingly I challenge the Leader of the Opposition to debate publicly with me the provisions of the Central Queensland Coal Associates Agreement Bill at a place, at a date, and under chairmanship mutually agreed upon. I would prefer such a debate to take place in my own electorate of Chatsworth, because I should like to establish to the satisfaction of my electors what a valuable

piece of legislation this is and, conversely, would welcome the opportunity to show the electors of Chatsworth the hole in the Opposition's case.

Mr. Bjelke-Petersen: And in his own area, if necessary.

Mr. W. D. HEWITT: I would be very happy to debate it in his own area. The Leader of the Opposition threw down the gauntlet; I take it up with pleasure, and now I wait to hear from him.

The Bill comes before the House at a time when conventional forms of power supply are under very close scrutiny. International agreements are moving towards solutions of nuclear problems and the harnessing of the atom for peaceful use, and its wider application comes closer and closer. Indeed, in recent days the Federal Government has indicated that it is in the process of developing a policy upon this important issue.

As a consequence of that, this Parliament faces something of a quandary. If we sell the State's raw commodities, we face the possibility of being censured by posterity for creating what is sometimes described as a quarry for overseas interests; but, conversely, if we leave these deposits substantially untapped, and therefore, at some future time, worthless, we again face the censure of posterity for not selling the commodities before they were outmoded. That is the background to the Bill now before the House, and I do not pretend that the quandary is not there.

Nevertheless, I believe that the Government has established a balance, because it is estimated that all the existing contracts for the winning of coal in Queensland will exhaust something less than 25 per cent. of known deposits, and, indeed, there is a useful provision in this Bill establishing that 30 per cent. of known reserves must still be there after the second 150,000,000 tons have been won. But, with the uncertainties that prevail, it would be criminal not to exploit these resources. It is true that coal will, probably forever, be a useful derivative for chemicals, but its use as a fuel becomes more and more speculative year by year.

The Bill, in fact, is a masterpiece of negotiation. It is the end result of long and hard bargaining. It will be a great boost to Central Queensland, presenting to that area unequalled opportunity, and it will, of course, be a great boost to the economy of the State as a whole. Its salient features can be spelt out in simple terms. It provides for \$100,000,000 of investment capital. It vests in the State 142 miles of publicly owned rail line servicing Central Queensland. It imposes specific limitations on the reserves that are to be recovered. It provides for stockpiling of other coals for State power-houses, and, with some of the ambitions that we have for this area, I think that provision is important. It has generous

escalation provisions for freight and demurrage charges. It provides for the creation of a new harbour and a new township, and it makes provision also for water-storage development. It is an all-embracing Bill, the true ambit of which will probably be realised only as the years roll by.

In the face of such constructive legislation, the Opposition has chosen to put forward arguments that are a strange catalogue of half-truths, mis-statements, and, indeed, evidence of abysmal ignorance. This fact can best be highlighted by referring to the speech made last week by the hon. member for Nudgee, or, as he is more affectionately known in this House, "Jack in Blunderland". The hon. gentleman said this—

"What will be the situation in a couple of years if this company decides that it is no longer economic or desirable to continue with the development of this field? It will simply walk out because it will have nothing to lose. We will be left with a railway without any goods that can be transported on it, and we will be left with a number of houses that could not be used by the ordinary workers of this State. We would simply be left holding the baby."

I put it to the House that of all the crazy, illogical, ill-conceived, half-baked, way-out, doctrinaire allegations made by the Opposition, that statement took the bun. It is so extreme that one is tempted, at first blush, to treat it with the contempt it deserves. But one then considers who made the statement. It came, in fact, from the lips of the hon. member for Nudgee, who is regarded as the shadow Minister for Health in the Opposition ranks, who was appointed to second an important motion on privilege last week.

The hon. member was the fourth speaker from the Opposition side, taking precedence over the hon. member for Baroona, who is acknowledged as the shadow treasurer and who opted not to speak. Therefore, we must assume that this miserable attitude, to some great degree, is the official Opposition viewpoint. The hon. member for Nudgee constantly laboured his antithesis of foreign investment. And, horror of horrors, he prophesied that these companies would make a profit! He posed this statement—

"The big question is not what these companies put into this development but what they are getting out of it."

May I say, as a Queenslander who tries to think big, that I think what these companies are putting in is rather important.

As I say one is tempted to dismiss the statements but when these words of wisdom tumble from the mouth of so senior a member of the Opposition they should be considered seriously. Let me return again to the punchline—

"They will simply walk out because they will have nothing to lose."

Only five years' tough negotiations; only a commitment of \$100,000,000. Nothing to lose! A mere bagatelle! Let us look a little closer at what the legislation says. Clause 3 of the Bill indicates that the executed agreement is to have the force of law which means, in other words, that the State would have legal recourse, but we can find even more specifics by referring to the agreement itself. Let me refer first of all to section 9 paragraph (5) Part IV which reads—

"In the event that any time the Companies shall—

(a) abandon, terminate or permanently cease their mining operations at their coal mines, of which, failure by the Companies for a period of twenty-four (24) consecutive months to ship any coal over the said line of railway shall be prima facie evidence; or

(b) be wound up under the provisions of the Companies Acts of the State of Queensland otherwise than for the purpose of reconstruction, re-organisation, amalgamation or merger; or

(c) admit to or notify the Minister in writing on behalf of the State that they have terminated, abandoned or ended or intend to terminate, abandon or end their use of the said line of railway as contemplated by this Agreement or their mining operations pursuant to Part III of this Agreement,

then all Security Deposits moneys and interest except those currently payable to the Companies shall be forfeited to Her Majesty and the Companies shall not have any claim in respect thereof."

Nothing to lose indeed! And, if that is not sufficient, let us consider section 22 (2) of Part IV which reads—

"Neither the State nor the Companies shall be excused for any such failure by it or them as aforesaid because such failure has resulted from an act of God, force majeure, floods, storms, tempests, war, riots, civil commotions, strikes, lockouts, shortage of labour, transport power or essential materials, breakdown of plant, or any other cause whatsoever."

I do not think I have ever seen a clause in any agreement that put both of the parties in such a straight-jacket, but the hon. member says, "No, they can walk out."

Let me rebut him further by referring to section 9 of Part III which lays down—

"(d) A condition that for any breach of any of the covenants the Minister may impose upon the Companies a fine not exceeding two thousand dollars (\$2,000) and on non-payment of any such fine within thirty (30) days of the date of the imposition thereof may forfeit the Special Coal Mining Lease."

I think the Bill itself indicates the shallowness of the hon. member's thinking, and no doubt, his total irresponsibility. But enough of this negative pinpricking attitude that has been so

typical of the cases put forward. Let us try to identify the salient feature of the Opposition's case, and analyse it. The Leader of the Opposition laboured the fact that New South Wales gets 10c a ton royalty whereas we get 5c. The Government's simple answer was that the income from freights more than offset this. This, of course, is totally comprehensible but the Government finds itself at a disadvantage in that it cannot disclose the profit content of its freights because of future negotiations that may be undertaken. To a great extent we are in the dark, but that does not prevent us from trying to create a hypothetical situation and testing the arguments put forward by the Opposition.

Let us look at the income that would be derived from a royalty of 10c a ton. Say that over the next 42 years 206,000,000 tons of coal was won; that is, 2,000,000

tons in the first year, 4,000,000 tons in the second year, and 5,000,000 tons in each of the remaining 40 years. A royalty of 10c a ton charged on 206,000,000 tons would provide a total income from royalties of \$20,600,000. On the same tonnage the royalty rate that the Government has settled upon, that is, 5c a ton, would provide a total income of half that figure, which is \$10,300,000. Therefore, the Opposition argues about the fact that over 42 years there is a short-fall of \$10,300,000.

It seems to me that if we can satisfy the Opposition that the profit content from anticipated freights will equal or exceed \$10,300,000 then its case is demolished. So let us have a look at it.

I refer again to the agreement, and try to establish a table of anticipated freight income in the following manner:—

Year					Quantity	Rate	Income received
							\$
First	..	..	..	..	2,000,000	\$2.45 less 12c rebate	4,660,000
Second	..	..	..	..	4,000,000	\$1.80 less 12c rebate	6,720,000
Third to 12th	..	..	..	..	50,000,000	\$1.80 less 12c rebate	84,000,000
13th to 42nd	..	..	..	..	150,000,000	\$1.80 less 20% rebate	216,000,000
Total anticipated freight income					..	..	\$311,380,000

To satisfy Labour's requirement, we need to establish that the profit content would equal or exceed \$10,300,000. If we relate that figure to the anticipated freight income, we find that the profit content would have to be a miserable 3.3 per cent.; therefore, if only 3.3 per cent. of the anticipated freight income is represented by profit, we have satisfied the Opposition's case.

However, even that case is not in itself totally correct, because my hypothetical situation does not take account of the escalation in profits on freights, which would probably rise by about 3 per cent. per annum, or of the extra 94,000,000 tons of coal that the company would be allowed to export. If those extra factors are taken into account, the profit percentage that would be required to satisfy the Opposition would be infinitesimal.

It is quite apparent on this basis that if we doubled our royalty to satisfy the Opposition but vested the line privately in the company, we would be millions of dollars down and would still not have the advantage of a common-carrier line.

But even that is not the total argument, because another significant feature needs to be considered. If we settle on royalties alone, the State's Consolidated Revenue would be considerably swollen, and as a consequence our general expenditure would be in a more favourable situation. But because of the Government's approach to this deal, the

cost of a railway and rolling-stock in Central Queensland will be amortised over 12½ years, and an asset worth \$36,000,000 and more will be vested in Central Queensland. This must provide a great impetus to regional development and to decentralisation, about which hon. members opposite often sing high praise. I put it to hon. members opposite that if any one of them does not favour regional development let him now say so. From the speech that was made by the hon. member for Mackay I suspect that he does not favour it, but I console myself with the fact that after the election the new member for Mackay will grace the Liberal Party back-benches.

This Bill is a tribute to the great negotiating skill of the Treasurer and his associated Ministers. It is another great step forward in this Government's vigorous programme of development. I am happy to support it and I am excited at the prospect of following the development of this scheme from its start to its ultimate successful conclusion.

Mr. HANLON (Baroona) (5.16 p.m.): From listening to the debate, it appears that the Government's answer to most of the criticism of this measure voiced by the Opposition is to refer back to the Electric Supply Corporation (Overseas) Limited Act of 1948 and the abortive agreement that was made with that corporation in an attempt to develop the Blair Athol deposits of coal. I

am somewhat amused at the various pictures painted by successive Ministers who have risen in an effort to drive home their points. They seem to be especially relating the royalty provisions of that agreement to the criticism voiced by the Opposition of the royalty proposals in this measure. It strikes me that the Ministers who have spoken today are trying to show that the Labour Government in 1948, in the agreement that it made—I think it was made in 1947—with the Electric Supply Corporation, was a little casual and did not drive home royalties to the extent that it might have. It seems that they are arguing that the then Government should have considered some of the constructive proposals submitted by Opposition speakers today that the royalties set down in this agreement over a period of 40 or 50 years should be reviewed at regular intervals.

If the Ministers who have spoken today were trying to prove those things, at least they might have had a basis for argument, because we are happy to learn from experience. We do not see much value in the past except to learn from experience. However, if they are trying, as they appear to be, to justify the royalties proposed in this agreement on the basis of the royalties proposed in the 1947 agreement, they have no argument whatever, because the 1947-48 agreement was made in the immediate post-war period more or less in an endeavour to bring the thinking of the 1960's into the 1940's.

The Labour Government made an effort to promote the development of coal at Blair Athol in much the way that we, in more recent times, are developing coal at Moura and, in this instance, at Goonyella. The prospect in 1947-48 of the lessees of Blair Athol being able to do anything to dramatically develop production at Blair Athol was virtually nil. They indicated to the then Government that they were not in a position to do anything other than continue the existing situation whereby the Government was guaranteeing the company's bank overdraft and was deliberately accepting and carrying coal from Blair Athol at a loss to the State. The Government approached the company and was advised, it would appear, that the company was not in a position to improve production of the coal-field.

The Government then set about examining the only way in which the field could be developed. As a result, in an attempt to achieve this development, it called for a report, as the Leader of the Opposition said this morning, from a special committee, under the chairmanship of Sir John Kemp, which report was furnished to the Government and made available to Parliament. The Government then examined the possibility of raising money, with the aid of the Commonwealth, to develop this field but, as was pointed out to this Parliament at the time, the indications of production, based on Australian sales at that time, would have meant a loss to the

State of about \$1,600,000 per annum, which was a tremendous sum in 1947-48 and obviously could not be justified.

The only way in which that field could have been developed was by securing an overseas market of at least several million tons per annum. To get the project established, it was necessary, particularly in the conditions of 1947, to seek people with access to overseas markets. The agreement at the time was in the nature of an exploratory or searching agreement for markets to enable the development of the coal deposits at Blair Athol. It related to a different type of coal, different circumstances and different demands, and did not cover the hard coking coal that is covered by this agreement with Utah.

The Labour Government then came to an agreement with the Electric Supply Corporation (Overseas) Ltd. The Treasurer said today that the Government handed this proposal over to a tin-pot corporation. Before the Government made the agreement in 1947, and even before it entered into any discussions with that corporation, it approached the Governor of the Commonwealth Bank and sought a recommendation on whether the corporation could be regarded as bona fide in its approach, whether it could get this project established, and whether it could be expected—I use that term advisedly—to be able to negotiate markets overseas, as whoever could guarantee it would necessarily develop Blair Athol, which development has not occurred since. The agreement covered a method of exploitation of coal that was not in use in this country at the time, and was not accepted as it is today. In addition, there was not the availability of the type of equipment used today at Moura and is proposed for the development of these coal deposits. The Labour Government entered into this exploratory or searching agreement for markets to develop that coal-field. It set certain royalties. That brings me to the reference by the Government to the royalties contained in that agreement.

On page 1700 of Volume 191 of "Hansard", on 19 December, 1947, the then Premier (Honourable E. M. Hanlon), in introducing the legislation (and I shall convert the currency to decimals), said—

"We shall have to go into the question of royalty on coal. We have been charging a royalty of 10c a ton on coal in Queensland; New South Wales charges only 5c and in the other States royalties vary round about 5c. The Secretary for Mines will be introducing a Bill following this one to alter the basis of obtaining royalties on coal in Queensland. This is not regarded as the only development of coal on a large scale in Queensland because our information leads us to believe that there are immense deposits all the way from the Callide district to Collinsville, and it is to be hoped that other coal developments will follow.

"It is proposed to make an annual royalty on the first million tons 5c; on the next million 2c and for each ton thereafter 1c. That will mean that the coal consumed in Australia will pay about the same average royalty as coal produced in the other States."

The hon. member for Chatsworth apologised because this legislation seeks to propose a royalty that is half the royalty in New South Wales. This Government goes back to the royalties under the 1947 agreement, which, as I say, was an exploratory or searching agreement for markets. There were not an established demand and an established market as there are in this case. At that time royalties were reduced to the average royalty on coal produced in other States. In the debate on the Coal Mining Acts Amendment Bill (No. 2), which was introduced on the same day as the 1947 agreement, the royalties in Western Australia were quoted as 2c a ton—this is interesting when we are looking at royalties in 1968—and the royalty under the 1947 agreement was fixed at 5c a ton, reducing in an endeavour to enable the Blair Athol field, with its disadvantage of distance, etc., to be developed. Yet the Labour Government reduced the royalty to the average royalty payable in other comparable Australian States which were in the same field of operation.

The hon. member for Chatsworth endeavoured to justify the disparity even with New South Wales. If the Government adopted our principle and increased the royalties to the average payable today, we would feel that at least it was consistent in the argument it is using.

Mr. Bjelke-Petersen: No provision was made for increasing them.

Mr. HANLON: No. I mentioned that at the outset, and I think it is a fair point that the Premier makes. The royalty was to be 6d. a ton for the first 1,000,000 tons, 3d. for the second 1,000,000 tons, and 1d. a ton for production in excess of that quantity in each year. Efforts have been made here today to suggest that the royalty was to be 1d. a ton after the first 2,000,000 tons had been produced. In fact, it was only to be 1d. a ton when production exceeding 2,000,000 tons in that particular year.

At that time, royalties in Western Australia were about 3d. a ton. In 1968-69, Western Australia is expecting royalties of \$11,000,000. The hon. member for Chatsworth, who has just resumed his seat, said that if there was a difference of no more than \$10,000,000 in royalties at 10c and 5c a ton over the next 42 years, everything in the garden would be lovely. In 1968-69, Western Australia expects to receive in royalties \$11,000,000 in one year.

If, in referring to the agreement made in 1948, Ministers were attempting to prove that a Labour Government should then have

been harsher, they may have a point, but they do not disprove the Opposition's argument on the necessity to increase royalties now. Furthermore, the Treasurer said that under that agreement the Labour Government of the day was prepared to hand the railway, the port, and all facilities to the company. But what was the actual situation? The Bill now before the House follows, to a great extent, the pattern of the 1947 agreement. So far as the port is concerned, the wording is almost identical. The company may construct the port, or the Treasurer may construct the port himself if he wishes. The only difference in this agreement is that it is set down in Part V that the Corporation of the Treasurer will in effect construct the port. I do not think the company is going to be able to construct the port itself.

Written into the 1947 agreement, which is not included in the present one, was the Government's right to acquire everything connected with the undertaking on two years' notice. That agreement did not come into force, but, if it had, the whole of the works at Blair Athol, the railway line, the port and all the wharfage facilities leased or purchased by the development company, could have been taken over by the Government of Queensland on two years' notice. If what had been handed over to the company was going to turn into something profitable to the State and something for which the Government had not received fair value, the Government of the day, or any future Government in the period of operation of the agreement, could acquire the entire undertaking on two years' notice. These are some of the reasons why, as the Minister for Justice said, the agreement was hawked all around the place and the project was not proceeded with. All the advantages and protections were on the side of the State.

If the Government wants to follow the example of 1947-48, I should like to see included in this agreement clauses under which, if this project turns out to be a real "bonanza", this Government or a future Government could, if it so desired, acquire the whole project. I know it may be said that that would present difficulties at the State level because of the amount of capital involved. However, I would still like to see the State given the opportunity to acquire, on the usual terms of resumption, the undertaking if such action is in the interests of the people.

I point out that it was laid down in the agreement relating to Moura that there would be a right of resumption at $1\frac{1}{10}$ times the value of the undertaking, with certain conditions. The price of acquisition at the end of the 50-year term, if it was allowed to run its full term under the 1948 agreement, was the depreciated value of the undertaking, and the party who set the depreciation, who had the authority to make the depreciation compulsion on the company each year, was the Governor in Council, not the company.

When one speaks about things being handed over to companies, I remind the House that Mr. Hiley, as he then was, pointed out very succinctly at page 1820 of Volume 191 of "Hansard"—

"The Bill very properly contains provisions relating to the acquisition. It has provisions relating to acquisition at any time . . . In both cases the bases of acquisition set out appear to me to abundantly safeguard the interests of the State . . .".

In spite of that, hon. members have been told by the Treasurer and by the Minister for Justice that in 1947 the Government handed over the assets of the State at Blair Athol to the company.

Mr. Hiley then said—

" . . . appear to me to abundantly safeguard the interests of the State, and after all, that is where our duty lies."

The keynote of the arguments advanced by the Opposition has been not where the interests of the Utah Development Company lie but where the interests of the people of this State lie.

Mr. Hiley also said—

"I am not so sure that if I were advising the company I should be quite happy about the effect of the language embodied in some of the clauses relating to depreciation."

In other words, he was suggesting the point that I have just made: that it was remarkable that the company should agree that the State would have the right to acquire an undertaking at a depreciated value when it was setting the depreciation to be deducted each year.

Mr. Camm: How much coal did they mine?

Mr. HANLON: As I pointed out, unfortunately the agreement did not come to fruition. I pointed out, also, that no Government has since been able to bring it to fruition. I venture to say that the people of Blair Athol would be more than happy if the Government could get someone to accept an identical agreement and put it into operation in the terms in which it is stated.

Mr. Camm: You could not find anyone with enough money to take it on.

Mr. HANLON: That is the very point, and that is the difference between the 1947 agreement, to which the Minister referred, and the agreement that hon. members are considering today. The Treasurer, and I think the Premier, used the argument that here the agreement is ready made. The companies have ready-made markets, and they assure us that they have made arrangements whereby they can exploit this field for the export of hard coking coal, of which there is a world shortage at present.

Mr. Camm: Not a world shortage.

Mr. HANLON: Well, there is a shortage. I am not going to argue with the Minister for Mines; I do not pretend to have the information or the knowledge that I would require to argue with him on that point. It is a commodity that is in demand and the companies have made arrangements to export it. Consequently, under these circumstances, it is a different arrangement from the arrangement that was proposed in 1947 when the Blair Athol field was under consideration.

If the Government wishes to refer to the 1947 agreement and draw the conclusion that the royalties contained in it were too low, I am quite happy for it to do so. That agreement did not come to fruition, and the Minister for Justice criticised members of the A.L.P. and said that the possibilities of Blair Athol were so remote at that time that the company, with all the advantages that he said were contained in the agreement, peddled it round the world and was not able to get a taker. I do not think that a valid comparison can be made between that position and the position in this instance, where companies are able to make a profit from the development of the Goonyella deposit.

I was somewhat surprised to hear the Minister for Justice chide the Opposition for peddling authorities and franchises for mining or prospecting. He even asked whether any members of the Opposition had taken out authorities to prospect. I said to him, and I say again, that I believe it might be more interesting if we examined some of the authorities to prospect taken out by hon. members opposite, and some of the arrangements in regard to peddling. If the Minister for Justice wants to open up a discussion on this matter, I will accommodate him. I am not one to focus undue attention on the personal matters or arrangements of hon. members in fields outside this Parliament, but if the Minister for Justice thinks he can score a debating point, or be smart in challenging the Opposition about any authorities to prospect they have acquired—I certainly do not know of any on this side of the House—or if he wants to challenge us that we should go out and find these minerals ourselves, or something of that nature, we will be happy to accommodate him, particularly if he links it with the suggestion of the peddling of authorities to prospect.

We are more than well aware, and the Labour Government of the time was aware in the policy it laid down relative to authorities to prospect, that there must be certain requirements to go with them and that those requirements must be abided by, otherwise they become the subject of trafficking and peddling, as the Minister for Justice apparently intends to suggest, in some way trying to score a point off the Labour Government of 1948 because the Blair Athol agreement was canvassed around the world for

support from companies that might be prepared to promote the development of that field.

I say to the Minister for Justice that I have no desire to open up this subject, but if he wants it opened up and wants to examine the matter of authorities to prospect and the rather lax approach to their transfer of recent times, I will be happy to accommodate him at any time. I am sure that there are Ministers in the Government, including the Premier and the Treasurer, who could advise him on how authorities to prospect can be peddled, sometimes in ways that are not set down in Government policy and are not to the advantage of this State alone. I leave the matter at that. I am not going to have the Minister for Justice coming in here, thinking he is taking out an appendix or something, and making insinuations in references about members of the Opposition. If he wants to be accommodated in that regard, we will be happy to oblige him.

Turning now to the question of royalties, I refer to an examination of royalties made by Mr. John Brunner in a recent issue of "The Sydney Morning Herald". He suggests, and I agree with him, that the basis of royalties should be to charge what the traffic will bear, always bearing in mind that if you charge too much you might frighten the customer away and thus kill the goose that lays the golden egg. He says, and he puts it forward as his opinion—I suggest very strongly that this would be a view that would be widely shared in Australia, and particularly in Queensland—that in the charging of royalties of from 5c to 20c a ton, or $\frac{1}{2}$ to $1\frac{1}{2}$ per cent. of the value, it is hard to believe that the traffic could not bear more than this, particularly when perhaps half of this, or near half of it, becomes an income-tax deduction anyway. In considering this matter, we should not forget that in this instance we are talking about the lower stratum of royalties mentioned, that is, 5c a ton. If a company is paying tax on its profits it is able to offset royalties as an item of tax deduction and, in effect, the Commonwealth Government comes into the picture and pays some share of the royalties.

The hon. member for Chatsworth referred to the argument that we should give the company a cheap royalty because we can make a certain amount out of carrying the coal by rail. If we took that argument to its logical conclusion we would find that companies would be pointing out how much income tax they are going to pay and how the State Government gets financial assistance grants by way of tax reimbursements from the Commonwealth, and therefore we should be happy with that as some offset against royalty. I think it is rather a long bow to draw—the Leader of the Opposition has refuted this—that we can give the company the benefit of cheap royalties because we will make something out of carrying the

coal. We will make no more out of carrying the coal than the company will be prepared to pay. Royalties are separate matters, and, as the Leader of the Opposition has said, they should be treated as such.

In his article Mr. Brunner does not speak of Queensland in glowing terms. In effect, he condemns the approach of all State Governments in imposing the royalties that they have imposed. He suggests that, to a certain extent, all of them are under-selling and are not charging as much as the traffic will bear. He does not speak in glowing terms about the royalty of 5c that the Queensland Government will be charging. Of course, he does not refer in glowing terms either to the percentage royalties that were payable under the agreement entered into by a Labour Government with Mount Isa Mines Ltd., when certain deductions were allowed to be made before that percentage was struck. However, in saying that the traffic can bear much higher royalties than those charged by Governments, particularly the Queensland Government, he points out that mining companies seem to be prepared to pay to prospectors, or property-owners who have rights to minerals in lands alienated before mineral rights were vested in the State, considerably more than Governments are able to extract from those companies in the name of the people.

He refers to Great Boulder and North Kalgoorlie having agreed to pay the Jones syndicate a royalty of between 4.37 and 10 per cent. once it started mining its Scotia nickel lease. In addition, he mentions cash and shares, and says that when it comes to a private company having rights similar to those that the State has in this instance and is surrendering under the agreement that is under debate at present, it seems to be able to extract a very high royalty level. He points out that the figure is as high as 10 per cent. on the Scotia lease, depending on the grade of ore, and that it is by way of a bonus in addition to the cash and share entitlements that are given to the Jones syndicate for the rights that it is exchanging.

As I pointed out previously, this happened in Queensland when Thiess Bros. was able to secure a very "succulent" return for the rights that it received from this State by way of mining leases. That company managed to negotiate, in addition, an agency fee of 20c a ton after the first 600,000 tons had been produced. Admittedly, that was negated to some extent by any later profit failure that might accrue from the venture.

In each of these examples we see that when it comes to a private person or a private corporation negotiating with another corporation or another private body for rights such as these, it seems to be able to extract considerably more than State Governments can.

I believe that the Opposition's criticism of royalties is more than justified. A very low rate has been struck in this agreement,

notwithstanding the criticism that has been voiced in this Chamber and that is doubtless shared by the majority of people in this State. I believe that they would agree with Mr. Brunner that the Government is not charging what the traffic will bear, and is not obtaining as much as it should for the people of this State.

I believe that many of the criticisms that have been levelled relative to exemptions from stamp duties are equally justified. We have heard people talk about peddling agreements under which companies are exempt from paying stamp duty. Perhaps there is some basis for saying that when the State is concerned in an agreement and considers that it will derive some advantage, it should exempt the company concerned from stamp duties. But when a company like Utah or one of these Japanese companies disposes of some of its interests to another company by way of transfer with, perhaps, a cash consideration, it seems to be going to a ridiculous extreme to say that we should exempt such a transaction from stamp duty. The Premier has indicated that these companies are financially sound, yet we are exempting them from stamp duty, when, for their own interests and purposes, they transfer to other companies some of the benefits that they will derive under this agreement. It is fair enough when they are dealing with the State to exempt them from stamp duty, although even then some people might say that that is more than a useful concession to them. However, when they are merely dispossessing themselves of an asset that they own to another outside organisation or private body, I do not think there is any case for exempting them from stamp duty.

As was outlined by the Leader, the Deputy Leader, and other members of the Opposition, I do not believe that the freight rates in this agreement are satisfactory. The freight-rate provision is such that when a certain level is reached the freight rate will be fixed at the discretion of the Minister. Admittedly it is set at a higher level than in the Moura agreement, which, I think, was 3,000,000 tons, whereas in this instance it is 4,500,000 tons.

First, the Minister has to try to reach agreement with the company and, if he cannot, he is authorised to fix the rate himself. A maximum rate is set, and the company is protected in that it cannot be charged more than \$1.80, but there is no "basement" freight rate; it is fixed purely at the discretion of the Minister. Without reflecting on any Minister or party that might be involved, this is a very dangerous provision to include in a schedule of freight rates. If, for good reason, the Minister sets a low rate when the tonnage carried exceeds 4,500,000 tons, he could be accused of having received a consideration, or it could be suggested that something not quite proper had happened.

As a maximum freight rate has been set to protect the company—it cannot be charged more than a certain freight rate—it is desirable that a minimum rate also should be fixed. If that provision is not included, we should specify that when the amount is fixed it should come before Parliament by way of Order in Council so that we are made aware of the rate set. If this provision is accepted, Parliament will not be aware of the minimum rate set by the Minister. This is most important. As the Leader of the Opposition pointed out, the Government has consistently refused to disclose the freight rates it is granting to the company because it is negotiating with other people and does not want to disclose its hand, or disadvantage one company as against another. I suppose that is some form of justification, but unfortunately, as the hon. member for Chatsworth recognised when trying to reply to the Opposition's point, it means that there is no verification of the Government's case. The Government claims that it is making profits from freights under a very satisfactory arrangement, but, under the guise that it cannot disclose the profit rates, we have no verification of the statement. In those circumstances, we are expected, as a Parliament, to accept these statements even though we have already received incorrect information from the Government side of the House—I do not want to raise an old matter—from the Premier himself. On that occasion he said that he regretted that this incident had occurred (and I believe him), but having been given false information by the Premier during this session, we are expected to say, "Although you cannot verify your statement that the large profits that you expect to make will justify lower royalties, we are quite happy to accept that as the truth." We are expected to accept that the Government is telling us the truth when in fact we are not being told anything. When we have been given information that has proved to be false, how can we accept the Government's story that although it cannot tell us the facts, we should accept its statements as the truth? It would be very naive of us to accept that argument in the light of our recent experience.

Mr. W. D. Hewitt: It is a very difficult situation.

Mr. HANLON: It is difficult only because the Government has chosen to adopt the attitude that it has. If it persists in that attitude and is bona fide in it, that is fair enough. However, it does not enable the Government to answer the Opposition's arguments, because it cannot produce the figures. The Government is asking us, in effect, to sign a blank cheque. I do not think the Opposition, or the people of Queensland, would be prepared to do that. They are putting themselves completely in the hands of the Government. Many people in many lands have, to their sorrow, been prepared to put themselves almost completely in the hands of Governments of one sort or

another in whom they thought they could place implicit faith. I do not think that the people will accept that submission in this State at this time.

Mr. O'Donnell: The Treasurer suggested that customers on this line might get some consideration because it is a paying line.

Mr. HANLON: As the hon. member for Barcoo said, the Treasurer said that some customers on the line might get some concessions because it is a paying line. The hon. member, in many earlier discussions with me, has posed the question: "Why doesn't the Government apply this generally to the Central Division of the Railway Department or to other profit-making divisions of the railways and say, 'If it is profitable, we can afford to do this or that?'" The profit from those divisions of the Railway Department that are profitable goes into the pool to offset the losses in other parts of the State where the Crown, for one reason or another, such as drought relief and the encouragement of decentralisation, is carrying goods at a loss or is providing cheap transport for people in the metropolitan area.

I wholeheartedly support the remarks of the Leader of the Opposition and other Opposition members that the Opposition is not opposed to development, or to the development of this field along the lines of this agreement. It is for that reason that it is not being opposed as such. But the Leader of the Opposition strongly opposes the failure and weaknesses of the Government in its ability to reap, through this agreement, an appropriate return to the State in the ways that have been outlined.

I can only hope, as the Leader of the Opposition mentioned, that provision is made for variation of this agreement, so that should the Opposition come to government it will have an opportunity of endeavouring to make better arrangements with the company than those included in the agreement.

Mr. NEWBERRY (Mirani) (5.52 p.m.): It gives me great pleasure to have an opportunity once again to support this Bill. The project has been well received in the Mackay district. The people there are delighted that we have achieved another project that will bring great benefit to the area, and they realise what this development will mean to the district.

I mention in passing that for about 30 years a small group of people known as the Mackay Hinterland Development League has been pressing for this hinterland railway line. Many years ago a petition was signed by more than 10,000 people for what was called in those days the Blair Athol line. People who played an important part in this matter include Dr. Taylor, who is still the president of the Mackay Hinterland Development League, the late Mr. John Mulherin, who took part in the development of the

Mackay Harbour, the late Mr. McColl, Mr. Harold Morris, Mr. McMahon, who took part in obtaining signatures on the petition, and Mr. Harold Kean, who played a substantial part in fostering this proposal to open up the coal-fields in the hinterland. Supported by the Commonwealth Government, Mr. Kean put down a shaft in an endeavour to prove the coal reserves in this area. It has always been the contention of Mackay people that huge seams of coal existed in the hinterland. It was known for many years, as a result of bores put down in the hinterland, that great seams of coal existed there to the extent of 80 feet in depth.

The scheme will be of great assistance not only to business people but to those seeking employment. In the Mackay district there are seasonal employment problems about this time each year till the following March, because of the closing down of harvesting and milling operations in the sugar industry. This project will provide job opportunities, and it is to be hoped that they will be organised to take up some of the unemployment in the slack season in the sugar industry.

I mentioned at the introductory stage that the \$100,000,000 to be invested will represent about \$300,000,000 circulating in the Mackay district from which Queensland as a whole, and indeed Australia, will benefit. The project will eventually give employment to about 800 men. Although not all of them will be married, there is no doubt that many of them will bring families to the district, and it can be expected that, as a direct result of this development, 600 houses will be built on the field, along the railway, and at Sarina, Nebo and the Hay Point harbour area.

Other projects must follow this development. I envisage other large industries being established there, and we may even see the introduction of a pelletised steel mill to this district. The present project alone will mean the circulation of wages for 800 employees. I mention that during the last week there were 560 men employed at the Moura field, 136 underground and 424 on the open cut. Their average weekly wage was \$128.51, making a total of \$72,000 in wages alone for the week. This must be of tremendous benefit to the Biloela area. On the same basis, the weekly wages of 800 employees on the Goonyella-Hay Point project would amount to \$103,000 a week. This would bring tremendous benefits not only to Goonyella and Hay Point but to Nebo, Sarina, Mackay, Walkerston, and many other towns in the area.

Quite a lot has been said about the royalty of 5c a ton. This represents revenue of \$200,000 for 4,000,000 tons of coal. Greater benefits will be derived from freight charges on the transport of coal. These represent \$7,600,000 for 4,000,000 tons and \$7,245,000 for 3,500,000 tons.

But that is not where the story finishes. Mention has been made in the Bill that coal other than coking coal may be stockpiled for the benefit of power-stations. This is a matter on which I should like to enlarge somewhat because it has not been mentioned before. This coal will be available to the electricity-supply industry at the cost of recovery and transport to the stockpile, less the cost of sending that coal to waste. I understand that the final cost to the electricity-supply industry shall be less than \$1 a ton.

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

Mr. NEWBERRY: I reiterate that the State will benefit under this agreement not only from increased revenue from freights but also from the fact that it may be expected that reject coal, other than coking coal, will be taken into the stockpile at less than \$1 a ton.

Mr. Davies: What do you think that coal will cost the power-houses?

Mr. NEWBERRY: It could go into the stockpile at less than \$1 a ton. Of course, transport charges to the power-house would be added to that.

At Collinsville, the Northern Electric Authority of Queensland is paying now, before the second set of turbines has been commissioned, \$6.52 a ton into the power station for underground coal. I mention that in support of my case that the coal other than coking coal obtained in this venture will be of great benefit to the State, a point that I do not think has been made previously.

Hon. members opposite have voiced some condemnation of the royalty of 5c a ton, but I point out again that that is not the beginning and end of the agreement. If the State derives benefit from the use of cheap coal in the power-stations, consumers also will derive benefit. If the power station at Collinsville was allowed to use open-cut coal, I suggest that it would pay not much more than \$1 a ton for it. That would be of great benefit to people throughout the State, particularly those living in North Queensland.

The two important factors in power production are the capital cost and the cost of fuel. I understand that fuel costs account for about 20 per cent. of the total cost of production of power. If one takes the case of the Northern Electric Authority's power station at Collinsville, which is one-quarter commissioned and which will be half commissioned in about a week, a reduction from \$6 a ton to \$1 a ton in the price of coal would reduce the tariff by 15 per cent. That would benefit the people of Queensland and encourage big industries to come to the State. I remind the House that hon. members opposite made many complaints only a few weeks ago when an increase of 10 per cent. was announced, so they will readily see the advantages of a 15 per cent. reduction.

In the small power stations that are operating today, the benefit would be great; it would be greater still in larger power stations.

We know now just about where this new railway line will pass through the areas concerned, and therefore we know the land-owners who will have some resumption of their land. I anticipate that problems of resumption will arise and that there will be quite a few of them. Machinery will be put into operation to deal with these resumptions, and compensation to landholders must be fair and speedy, so that unnecessary delays and heartbreaks are eliminated. I have recently had some discussions with the Minister for Transport who has indicated to me that he is aware of the problems that will arise through the resumptions and that he is prepared to discuss these with me when the opportunity arises in the near future.

In my opening remarks on the Bill last Tuesday I pointed out that we will have to revise our thinking on road systems, particularly in the areas that will have to be serviced by new roads, and the improvement of existing roads. I consider it would be very advisable for the Minister for Main Roads to arrange an early conference between his department and the shires of Nebo and Sarina. I feel that the earliest possible planning is necessary, and, of course, I will be interested from the start to have as much information as possible on financing and other matters related to the construction of roads to a standard in keeping with this great development.

Criticism by the hon. member for Mackay to the effect that coal handling facilities should have been added to the existing facilities at Mackay Harbour shows his restricted thinking on the development of the Mackay region. He apparently thinks that unless the coal port is established at the existing Mackay Harbour, the development will not benefit Mackay at all. As a sugar-grower I, like many other sugar-growers in the region, am interested in seeing that coal dust is not going to lead to contamination of sugar, and, of course, there would be coal dust if loading of coal took place at Mackay Harbour. Those members who have anything to do with the sugar industry—I doubt if the hon. member for Mackay would appreciate this—know now how extremely careful we have to be about the quality of our raw sugar for export. Where would we be if Japanese and other buyers could pull out of their hats a complaint that our sugar had been contaminated by coal dust? This, of course, would apply similarly to beef and other products which we hope in time will be loaded to a greater extent at Mackay Harbour. This is not the only reason why the coal company decided on Hay Point rather than Mackay harbour. The plain fact is that it would cost the company somewhere in the vicinity of \$7,000,000 extra to export through Mackay harbour.

That additional cost would have been much less but for the inefficiency, stupidity, and bad forward planning of the Labour Government when the railway to the Mackay Harbour was being built. The line twists and turns through Mackay, traverses a bridge over the Pioneer River, then through the Cremorne area, and thence over to the harbour. That disability could have been avoided by forward thinking and planning. That Government could have followed the line a short distance up the coast and over a bridge already constructed, instead of building a £130,000 bridge across the Pioneer River below the Forgan traffic bridge, and then taking the line from a point at Erakala railway siding around behind North Mackay, and into Mackay Harbour. Mackay Harbour would then have stood a better chance of gaining the export of coal. However, this was not to be because the exporting company would have been faced with additional cost. There is no doubt that its costs would have been considerably reduced if the railway line had been re-routed as I have suggested.

The Labour Government constructed the rail bridge across the Pioneer River, but it is 8 to 10 feet below the level of the traffic bridge. The Pioneer River, with a tidal rise of 22 feet, has a water level just below the bridge. With the filling that has taken place in the Cremorne area, in times of flood the rail bridge acts as a dam and causes flooding in the Mackay and Cremorne areas. I have here a photograph that depicts the Cremorne area in flood. In 1946 the railway embankment in the Cremorne area collapsed during a flood, and within 20 minutes of that collapse the whole of the area became dry, whereas it had been flooded in some areas in East Mackay near the river and Cremorne to 4 or 5 feet.

Recently I read a report by Dr. McKay on this railway line, in which he said that the railway bridge over the Pioneer River was constructed at an "unfortunate level".

The hon. member for Mackay complained that the Mackay Harbour did not obtain the export of coal. There is no doubt in my mind that the additional cost involved in transporting coal to the Mackay Harbour was one of the factors that led the company to reject it as its outlet.

Mr. Tucker: That is complete and utter rot. What is the cost of constructing a new harbour compared with transporting coal to Mackay Harbour?

Mr. NEWBERRY: I said that the difference involved between Hay Point and Mackay Harbour was \$7,000,000.

In 1947-48 the Mackay City Council made strong moves to have this harbour railway line shifted out of the city. Its removal was strongly promoted, but the Australian Labour Party in the council bitterly opposed the proposal.

The hon. member for Mackay said that the Mackay Harbour Board is well equipped to control the port at Hay Point. I have had the pleasure of personally knowing the members of the Mackay Harbour Board, for whom I have the highest regard, but I do not believe that the harbour facilities to be established at Hay Point will compete with Mackay Harbour. Hay Point is visualised as being the outlet for huge bulk commodities, whereas Mackay should serve as an outlet for sugar, beef and grain and should cater for the general cargo of the region that it serves. I feel that there is room for both ports because they will develop along different lines and co-operation between them will benefit the whole region.

Mr. O'Donnell: Do you mean Hay Point will be a dirty port?

Mr. NEWBERRY: It will be as dirty as any coal port, but I have no doubt that it could be made a beautiful site, because it is in the middle of a tourist area and is situated north of an area on which Pat Boone contemplated spending \$100,000,000. The carriage of other commodities on the line is quite feasible, and I am sure that it will be arranged. No doubt the Goonyella line will be interconnected with the main line to the North, and traffic will proceed north and south, because the rolling-stock on the line must be serviced at large service depots in Rockhampton or Townsville, and other goods or produce to other centres must move to the other line.

It has been said that this area has nothing to offer. Never have I heard such a lot of rot! This line will pass through some of the best country in the central and east-coast areas of Queensland. From Goonyella it will pass through the Nebo Shire, which is a highly productive cattle area. Around Nebo there is an area of 1,000,000 acres that is capable of producing more grain than the land around Biloela, Emerald and Springsure. The Bombandy area can produce just under 47 bushels an acre. A short while ago I attended a seminar comprising about 110 graziers and farmers from all round the district. They are all very interested in grain production. It is a lot of ballyhoo to say that the line will pass through country that has nothing to offer. I visualise in 10, 20 or 30 years that it will be a very well-developed area producing grain and cattle. Area III of the brigalow scheme is also in this area, and 131 blocks are being opened up. Just north of this railway line Area IV of the brigalow scheme will be established, with a tremendous area of beautiful country. It has been said that 250,000 acres in this area are equal to the best land on the Darling Downs.

I re-emphasise my comments about the harbour board. This new facility will be vastly different from the Mackay Harbour. A new authority at Hay Point should be composed of representatives of the areas

directly involved in the development. In that way it would be served adequately. The shires of Nebo, Belyando, Sarina and Broad-sound are considering this matter at present. With those remarks I express my sincere pleasure in supporting this very worthy project.

Mr. LICKISS (Mt. Coot-tha) (7.33 p.m.): This debate has been very interesting in that it has clearly indicated the division of thought between the Government parties and the Opposition relative to the development of Queensland. So far, the propositions advanced by the Opposition expose the true issues facing a rather bewildered Opposition. I believe that again we are faced with a number of the many faces of socialism.

Hon. members opposite have an unreasonable and unreal approach to this State's requirements in this modern day and age. In fact, the Leader of the Opposition had to resort to the well-known tactic of the Communists in that, when he could not attack the arguments, he attacked the person advancing them. This morning he made a rather vicious attack on the Premier. In fact, he tried to involve the Commonwealth Government's attitude to company take-overs. We know that the Prime Minister of Australia has expressed concern about the take-over of certain local companies by overseas interests, but I point out to the hon. gentleman that the cases are not parallel. The proposition advanced by the hon. member does not concern the issue now before us. What he is trying to do, of course, is to discourage much-needed development capital from coming to this State.

Let us look at the agreement that we are studying today. I believe that all hon. members will realise that, after any agreement has been concluded, both parties to it will say that they could have got a better deal. In the spirit of compromise, realising that this company is investing \$100,000,000 of risk capital—and surely it is risk capital, because the company is basing its investment on the future of the coal industry—some consideration ought to be given to its feelings. I congratulate the Premier and his negotiating officers and the various Ministers in bringing the agreement to this House to be ratified.

As I mentioned before, we may not like all aspects of this agreement. The Opposition, of course, hinges its argument on the royalty factor. Surely, if two parties enter an agreement, the benefit of that agreement is the total benefit to be derived from it. Consequently, if we are not satisfied with one particular facet of the agreement we should look at the over-all agreement and see whether in fact the total result is beneficial to this State. Where do hon. members opposite stand? They have implied all sorts of innuendoes against the Government. If they do not want this agreement to be ratified in the interests of Queensland, let them divide the House and show the public accordingly.

Mr. Tucker: Who divided the House on the introduction of this Bill?

Mr. LICKISS: The Treasurer divided the House, and the Opposition was left without a feather to fly with. It was a leaderless legion. Opposition members wandered around and finally voted with the Government. What they are saying in this debate is so much political claptrap.

In the introductory stage the Minister mentioned that Queensland is now and in the future will be crying out for the supplementing of our limited resources of capital and labour. What is the advantage of an agreement such as this?

Mr. Tucker: I'll bite.

Mr. LICKISS: The Deputy Leader of the Opposition said, "I'll bite". If he did a bit more homework he would know.

Such an agreement builds up our overseas capital reserves, and it also boosts the State's internal economy. If the Government developed this as a State project, the \$100,000,000 required would have to be found by the State, at the expense of other pressing development for which this State is crying out. Therefore, it does not tie up public money but allows private enterprise to fill the Bill.

It is not unusual to have a destructive type of criticism issue forth from the Opposition, because A.L.P. policy has traditionally opposed the industrial development of this State. Let Opposition members deny this. They are singularly quiet now, but in the days of Clarrie Fallon and other leaders of the A.L.P. who dictated A.L.P. policy, industry was not encouraged to this State. It was a time of inter-union fights. The A.W.U. did not want the craft unions to have any great measure of strength in this State. This has already been made plain. History has shown this to be so. Only since the advent of the craft unions has there been the bitter inter-union wrangling that is going on now. The Opposition is stuck with this situation, and it does not like it.

The A.L.P. is "bugged" with an anti-profit motive. To them "profit" is an unclean word. Let me remind them that throughout the world, in terms of communist doctrine and socialist attitudes, there has had to be a reluctant acceptance of the profit motive because incentive has been shown to be necessary for progress. The dull hand of socialism, which is portrayed by hon. members opposite, can do nothing but harm the image of the State. I hope the people of Queensland will see, as a true and clear picture, the type of portrait that the A.L.P. is painting, and what would happen if hon. members opposite ever attained the Government benches.

The Leader of the Opposition used a lot of words which, if carefully analysed, mean virtually nothing at all. We might well ask ourselves where Opposition members stand in this matter. It was said, apparently as

another bit of A.L.P. propaganda, that primary producers pay far more for the transport of their grain than these companies will have to pay for transporting coal. I see this type of enterprise as the nearest thing possible to a continuous pipeline, with automatic loaders and unloaders at either end and trains merely running between the two points. This operation is somewhat like the operations of the huge bulk carriers that ply between Japan and other countries. The carriage of grain is a different matter altogether. It has to be handled at both ends, and consequently involves a higher cost structure.

I say to hon. members that, if they are interested in the development of Queensland, I hope they will take a far more realistic view of this agreement. The Deputy Leader of the Opposition made great play on the question of Queensland's coal reserves, and he wanted to know whether they were being depleted by the sale of coal overseas. At the introductory stage I said that coal has limited uses, and I shall mention them again now. Firstly, it is a source of energy. Secondly, coking coal, in combination with iron-ore, is used for the manufacture of steel. Thirdly, to a limited and uneconomic degree at this stage, it is used in chemical extractions.

I also said at the introductory stage that Queensland has a pressing need for development. Surely the responsibility of good government is to weigh the various measures and, having carefully considered the best line that the State should take, decide accordingly. I believe that the Government has acted wisely in negotiating this agreement.

The Deputy Leader of the Opposition said that the information in the agreement was rather misleading in that although \$36,000,000 would be the cost of the railway, there would in fact be a repayable debt of some \$50,000,000 and the increase involves an interest rate of $5\frac{1}{2}$ per cent. I remind him that the Queensland Government borrows on the long-term money market at the same rate of interest, and I believe that if the State had to finance this project from loan moneys it would pay precisely the same rate of interest and it would cost the State the same amount of money. Under the agreement we do not have to involve ourselves in this expenditure. Private enterprise is prepared to take the risk, and our capital on the loan market will be available for other, more pressing purposes in the development of the State.

The hon. member for Baroona made great play of the clause in the 1948 agreement under which the Government could acquire the undertaking at any time. Surely that merely emphasises the dull hand of socialism, a doctrine that has been rejected consistently by the electorate in the Federal sphere since 1949—one year later—when the Prime Minister of the day, Mr. Chifley, tried to nationalise the banks. Hon. members are

well aware that the people of Australia completely rejected the dull hand of socialism by rejecting the proposed take-over and nationalisation of banks by the Federal Government.

I think it is about time that the Opposition ceased making innuendoes and accusations and told the House, in clear and concise terms, whether it wishes to support the agreement in the interests of Queensland or whether in fact it believes that it ought to be rejected.

Mr. Porter: They are having "two bob each way".

Mr. LICKISS: What they are trying to do, of course, as my colleague from Toowong says, is have "two bob each way".

Mr. Wallis-Smith: Where do you stand?

Mr. LICKISS: I will tell the hon. member where I stand. I am completely in favour of development of this type. I believe that it is in the interests of the State and the nation. If hon. members opposite see it in a different light, I hope that, before the debate is completed, they will tell us categorically and precisely where they stand, as I have stated where I stand.

Hon. W. E. KNOX (Nundah—Minister for Transport) (7.48 p.m.): Under this Bill, the Government, as it has in other items of policy that it has brought to public notice from time to time, is encouraging private enterprise to assist in the development of the State. It always has been part of the Government's policy to foster and encourage such development.

Sections of the Bill relate to the operations of the railways, and it is on these that I think I should dwell for a moment and perhaps deal with other more general matters later. Firstly, I pay a tribute to the Commissioner for Railways, Mr. Lee, and the secretary of the Railway Department, Mr. Girard, and their officers for the work they have done in recent months in the preparation of that part of the Bill relating to railway transport.

Part IV of the schedule to the Bill covers these matters. The proposed railway line is to commence at the mine of the company at Goonyella and run eastwards to the coast at Hay Point, as hon. members now know. It will have a total length of about 142 miles and will be constructed by the State, through the Commissioner for Railways, to the specifications of the Commissioner, and it will have a grade of one in 100 against the load. Those who have said that the line should go in certain directions and pass certain places, and that that is a matter at the whim of the company, should have in mind that, in accordance with the agreement and the terms that are written into it, the Railway Department is obliged to look at the grade. The positioning of the line will be related to grade rather than to any particular whims that the

company, or any other person, for that matter, might have, and that includes the Commissioner.

The line follows a particular pattern in order to meet these grade requirements which are somewhat vital to the economics of the operation of hauling coal to the coast. The preliminary engineering, including the surveys, is at present under way and is being undertaken by Ford, Bacon and Davis as agents for the State of Queensland. The cost of this work is being met by the companies. It is the intention of the Government to continue to retain the services of Ford, Bacon and Davis as the engineer and agent for the Commissioner in the planning and construction of the line. This firm of consultants has already performed similar functions relative to the rehabilitation of the Mt. Isa line and to the construction of the Moura-Gladstone short line.

The whole of the work will be carried out by contract for which public tenders will be invited, as they will also be invited for the necessary locomotives, rolling-stock and other equipment. May I say here again that the policy of the Government on this type of operation, as against the policy in Western Australia, gives some control over where the locomotives and rolling-stock might come from. This is of vital importance, as shown by a recent contract let by private companies operating a private railway line in Western Australia. The rolling-stock, in toto, came from Japan. Freight rates were very economical because, with empty ships coming to Australia, very low freight rates can be offered for the carriage of rolling-stock. It has been the policy of this Government, and it is the background of part of this agreement, to encourage to the greatest extent manufacture of the rolling-stock in this country. But for the very first order for rolling-stock for the Moura operations, which was placed in Japan because of the inability of local manufacturers to deliver in time, the rolling-stock, locomotives, brake vans and so on have been manufactured in Queensland or substantially manufactured in Australia. This policy in itself, and the way we have gone about it, justifies the present type of legislation.

The Goonyella railway when constructed will become part of the Queensland railway system, and will be controlled, operated and manned by railway personnel. Although from time to time there have been those who have spoken in favour of privately operated railways for specific transport tasks of the nature we are now studying, I feel confident that hon. members generally will endorse the Government's policy in this matter. The Railway Department is a common carrier and, unlike some of its competitors who may elect to handle only the more remunerative traffic, accepts and conveys all categories of traffic offering and discharges its public responsibilities in this regard. The department does this willingly as part of its obligation and it very often

operates unprofitable services. It is only fair, when a transport opportunity such as the operation from Goonyella is available, that the department should have the opportunity of providing the service, which is very profitable.

Just as it does in other instances of mineral haulage and long hauls such as we have in this State, it can show it is capable of producing the results the customers want and, of course, of getting the benefits that flow from it. Benefits will accrue to the State from the construction and commissioning of this new line. It is well known that the Queensland railways have, since July 1962, been engaged in the transport of considerable quantities of coal for Thiess Peabody Mitsui, and over the last 12 months from Utah Development's mine at Blackwater. The total revenue from these two operations alone in that time was \$25,310,955, and out of that, of course, substantial profits have been made and have flowed to the State.

The railway will be operated with trains hauled by three diesel-electric locomotives in tandem, that is, each train hauling 64 coal hoppers with a net carrying capacity of 3,136 tons. The whole of the funds for the construction of the railway and the provision of the locomotives, rolling-stock and other equipment, will be supplied by the company and refunded to it over a period of 12½ years.

Another factor that influenced the Government in deciding to incorporate a new line in the Queensland railway system is the likelihood of additional traffic. The new line will traverse areas that are rapidly developing, from which traffic in grain, cattle and agricultural produce can be expected. The conveyance of those products can rightly be regarded as the prerogative of the Railway Department.

To meet the situation the agreement contains a provision that authorises the Commissioner for Railways to haul other traffic over the line at freight rates to be determined by him, subject to priority being given to shipments of coal for the company. That provision is similar to the arrangements that were made relative to the Moura short line.

The agreement contains a further provision for the haulage of coal of other companies over section of the line. The freight rates that are set out in the Bill are on a sliding-scale basis of annual tonnages. There is an escalation clause, which has been referred to, that ensures that all costs, whether by direct wage increases, granting of allowances or variations in conditions of employment, are taken into consideration. The Bill provides that the purchase of locomotives and rolling-stock is vested absolutely in the Commissioner for Railways. At the end of the 12½ years the cost of the railway locomotives, rolling-stock and equipment will have been refunded to the company, and the State will possess 142 miles of railway

clear of debt. The impact of this undertaking on the northern section of the State will undoubtedly be marked development in that area, and I hope and trust that all hon. members will support the Bill for that reason if for no other.

I think that I should quickly go over the significance of this traffic not only to ourselves but also to the world market.

In the Japanese fiscal year for 1968, which goes from April to April, it is expected that Australia will supply 15,715,000 tons of coking coal to the Japanese market; the United States of America is expected to supply 14,250,000 tons; and the remainder of the Japanese market will be shared by Canada, the U.S.S.R. and Poland. With the closing of the Suez Canal less opportunity will exist for the development of the Polish coalfields. The chances of the U.S.S.R. increasing its exports to Japan will depend on the relationships that exist between those two countries. In Canada, the transport of coal for the Japanese market is over much longer distances than those involved in Australia, so the opportunities for developing the Canadian coal resources, which are quite considerable, are somewhat remote. The United States of America has a very large steel industry, which makes special demands on that country's supply of coking coal.

So it is to Australia, which in terms of coal means Queensland and New South Wales, that the Japanese market is looking for its supplies of coking coal. Our coal is supplied to a host of Japanese steel mills, gas companies, coking organisations and chemical companies. We have discovered, as the Minister for Mines pointed out, that our reserves are so vast that we can afford to develop coal mining in our State. For quite some time coal-mining areas in New South Wales have been developed. If we are to achieve in due course any sort of conversion from our operations, we have to go through the pioneering stage of opening them up under the present conditions that prevail.

The Railway Department is in a position to provide haulage over reasonable distances at reasonable freight rates and on reasonable terms, with the backing of the Government, so we are in a very sound position to capture the Japanese market, and we should go after it without any hesitation.

If we were to follow the policies of the Opposition in this matter not one ounce of coal would have been exported to Japan or indeed to anywhere else on the export market.

Mr. Hanlon: How do you work that out?

Mr. KNOX: Because of the very attitude that Labour adopted to the Weipa agreement. Before we took office in 1957 it was accumulating dust on the shelves only because private enterprise wanted to develop Weipa and all that went with it, and Labour

felt that private enterprise should not be allowed to develop it. Labour believed that it should be a State enterprise, or that public loan money should be used. The agreements, terms and documents relating to this matter were accumulating dust on the shelves, but when we took office in 1957 we immediately saw to it that action was taken.

Mr. Hanlon: What happened to the agreement you made in 1957? Your own Minister for Mines admitted that Kaiser was marking time on it, and that you had to renegotiate it to get it going?

Mr. KNOX: It had been sitting for so long we had to start all over again. Gladstone has developed remarkably as a coal port because we got the Weipa agreement off the ground. If that had not happened the development of Gladstone and its harbour, would not have proceeded so rapidly. When the harbour development reached a certain stage it was possible to bring in the big-tonnage bulk coal carriers, and later we were able to develop in other ways. If we had waited until public money was available for these projects, or if we had insisted that private enterprise should have no share in the development, we would still be waiting, and many thousands of Queenslanders who are now profitably employed would be unemployed. As in the United States, in many European countries, and in England itself, development here cannot take place without overseas funds from well-organised financial channels.

It will be noticed that, on this occasion, we are not presenting an agreement that has been signed and sealed. We are presenting an agreement that will be signed and sealed after it has passed through Parliament.

Mr. Hanlon: You presented a signed and sealed one on Weipa.

Mr. KNOX: Yes, because of the time factors involved. On this occasion we had ample time to do all the preparatory work before presenting the agreement to Parliament. We have gone about it in the right way. If between now and a future sitting of Parliament it is necessary to enter into an agreement on behalf of the State I have no doubt that the Government will do it correctly and properly, and subsequently ask for ratification of the agreement if that is necessary.

We have every reason to be proud of our record in encouraging private enterprise to help us develop Queensland. Hon. members opposite have said that they are not prepared to deny their socialist objectives; we do not expect them to deny them, but we do not want socialist objectives to rule the policies of the State. We think that free enterprise is far more important to our development than the doctrinaire socialist philosophy to which our opponents are wedded.

Mr. P. Wood: You are a doctrinaire socialist.

Mr. KNOX: The hon. member must have a peculiar idea of what socialism means.

The railway line is a developmental project. The \$36,000,000 worth of development will provide opportunities for employment for Queenslanders and Australians. It will provide opportunities for contractors and sub-contractors to provide services, and it will help them to develop. The track laying, the sleepers, the steel for the lines, and the facilities that go with it, will all open up country which, at the moment, badly requires such a developmental project. In the headwaters area of the Isaac River there is very good country which can be developed following the construction of this line. It should be remembered that the railway line will be free of debt and, as for using loan money for such a project, why should we divert loan money from other urgent work required in the State, when money is available through this avenue?

Mr. Davies: Isn't the Commonwealth Government able to make any of this money available?

Mr. KNOX: The Commonwealth Government can make money available at the expense of some other State or some other project in the nation. But why should it when this money is available to us in this form under these conditions? This is the difference between our philosophies in this matter. Even if it means that some other essential project is denied funds or that some other State is denied funds which it may need, but cannot raise in another way, for some major developmental project, the Opposition is prepared to divert essential loan moneys to a project of this nature when the money is available in the present form. This is why we are going about it in the way we are, and this is the essential difference between our philosophies and attitudes on these matters.

The repayment terms of this loan are of such a nature that the railway line, including the rolling-stock and locomotives, will be debt free. I hate to think of the size of our debt on the existing 6,000 miles of railway line in this State. This railway line and the Moura railway line will be the only lines we have paid for—because of the terms of these agreements.

The arguments advanced by the Opposition on royalty versus freight rates are pretty weak, because we must look at the total return to this State from royalty and freight rates. The hon. member for Chatsworth, in his speech today, effectively demolished this argument on royalty. If we followed the Opposition's suggestions on royalty, the profit to the State would be negligible, and we would still be paying off our debt on this railway line in 30 years' time.

Mr. Bromley: How much are you receiving in freights?

Mr. KNOX: The freight rates are in the agreement and the hon. member can read them for himself. The degree of control and escalation is of such a nature that it is possible for us to keep this matter under review. The maintenance of the line, employment on the line, and everything that goes with it, will go well for the State of Queensland and for northern development. Opposition members keep on claiming that the Government should reveal its profit from these operations. It seems to be rather important to them, for some reason or another, that profits should be revealed. At the moment, as the Minister controlling the Railway Department, I am negotiating with others for coal and other products to be carried on our railway lines under conditions similar to the terms of this agreement and the agreement we have with Utah at Blackwater. If we successfully negotiate this type of agreement, the people of Queensland will benefit in having stability in their rail freights, which is something for which we can be proud during our 11 years of office. We have even been successful in making a major reduction in freight rates this year because of the profitable operation of the railways in this State. This is the dividend we pay to the people of Queensland on these profitable long-haul operations. The operations at Moura, Blackwater and Goonyella have contributed up to date and will continue to contribute substantially to the profitability of our railway system, and to our ability to maintain these freight rates without increases, in spite of the increases in many other directions.

Opposition members have spoken of the availability of this line to other users. The philosophy of some members of the Opposition seems to be that the company should pay all and own all, perhaps, because that is the only reason it would be prepared to pay all. That is the condition under which companies went to Western Australia. They wanted private railway lines, private towns and private ports. Even the contractors to the companies in Western Australia are not permitted to use the private railway lines. Under our policy others have been allowed to use the railway system provided by funds from private sources, so that the State is getting another dividend in that way. Of course, the Opposition has said that, although the railway might be a common carrier, no-one may want to use it. That is sheer rubbish, because there will be new users wanting to use it, just as there are new users wanting to use the short line to Moura. They are primary producers who, with grain and cattle, are opening up the land. Just as stockyards and other facilities are being provided along the new short line to Moura for those who want to use it, so will similar facilities be provided along the new line to Goonyella. That also is important.

Mr. Davies: Why didn't you build the line to Collinsville?

Mr. KNOX: I have no doubt that if the Opposition ever became the Government the hon. member for Maryborough would be Minister for Transport. Woe betide the State if that ever happened because he would have the State incurring fantastic debts, and its inability to meet its commitments would be such that instead of ten increases in freight rates in 10 years, as there were during the last 10 years of Government by the A.L.P., there would be more like 15 to 20 increases. That is something that we are trying to avoid.

During the course of the debate the Opposition has said that it is not going to oppose the Bill at this stage. It would be interesting to re-read or again listen to what hon. members opposite said. One would never get the impression from what they have been saying that they were in agreement with the Bill. They are, of course, in quite a difficult position. Whilst an overwhelming number are captives of their doctrinaire socialist policy, they realise that to oppose legislation such as this would be in effect to oppose substantial development. They know in their hearts that we are right in the way in which we are going about this development, and they also know in their hearts that funds for this development could not be obtained from any sources other than those presently supplying them. For those reasons, they cannot afford politically to come out openly and vote against the legislation. Many of them have spoken against it in an attempt to give the impression to their masters that they are against it, but in fact we will see them vote for it, as they should, and as we would expect them to do if they had the interests of the State at heart.

Mr. DAVIES (Maryborough) (8.14 p.m.): It is quite evident that the pattern for the next State election is being set by the Government during the final stages of this session. It is quite clear to the people of this State that, in an endeavour to cover up their three years of mismanagement of the affairs of the State, Government members intend to indulge in the hysterical attacks that we have seen tonight. I am quite confident that the people of Queensland are going to say, "We may not agree with this or that in Labour Party policy, but we would sooner have the Labour Party in office than the party dominated by the irresponsible, ranting and raving Colonel Hutton."

During your absence, Mr. Speaker, a very vicious attack was made on the A.L.P., and I wish to say one or two words in reply to it.

Mr. SPEAKER: Order! If it happened in my absence, it has nothing to do with me. I ask the hon. member to get on with the business of the House.

Mr. DAVIES: Very well. One could call this Bill the Anti-Coal Miners Bill, because in it is revealed the vicious attack that is to be made upon the coal-miners

working in the production of steaming coal in this State. The hon. member for Mirani spoke very proudly of the fact that coal will be available from the stockpiles of this undertaking at \$1 a ton.

Mr. Newbery: You are already showing that you don't want big industry here. You are a "knocker".

Mr. DAVIES: The hon. member said that it cost \$6.52 a ton to take underground coal into the power station at Collinsville. By his attack on the coal-mines at Collinsville and his advocacy of the use of coal at \$1 a ton plus freight, he is doing his best to undermine the jobs of the coal-miners in the Collinsville pits.

Mr. Houghton: What nonsense!

Mr. DAVIES: It is on record. The hon. member for Mirani was speaking on behalf of the Government, and I have quoted the figures that he used in his speech. As hon. members know, the Collinsville coal-mines produce steaming coal used in the generation of electricity and are the nearest mines to the Collinsville Power Station. It is the intention of the Government to use stockpiled coal from this field instead of coal from Collinsville, and the hon. member for Mirani said, "What a grand thing for the State if we can have cheaper coal and generate electricity at a far lower cost".

Mr. Newbery: You don't want it.

Mr. DAVIES: It is interesting that the hon. member does not deny these claims but continues his advocacy and states quite proudly that the use of stockpiled coal from this field would enable the people of the State to have much cheaper electricity.

In one of the Bills introduced earlier in the session, the Government included a provision that endeavoured to safeguard the jobs of the coal-miners on fields producing steaming coal. Now a Government member quite openly and willingly attacks the coal-miners, possibly because of their insistence that the Government should bring the general conditions of the coal-miners' pension scheme in Queensland into line with those of the New South Wales scheme.

Mr. SPEAKER: Order! I have given the hon. member for Maryborough enough latitude to allow him to get the venom out of his system. I trust that he will now apply himself to the Bill before the House.

Mr. Sullivan: Have you read the Bill?

Mr. DAVIES: Yes, I have read it, and I did not think that any member of the Government would advocate taking the course to which I have just referred. Now that the hon. member for Mirani has come out into the open on behalf of the Government, I propose to let the Miners' Federation in Queensland know tomorrow what the Government's attitude is. It may be possible for the federation to take action before the

election and get an assurance from the Government that it will countermand the clauses in the Bill that are, in effect, an attack on the coal-miners of this State.

The schedule to the Bill states plainly—

“Should the mining of coking coal necessitate the mining of other coal, then the companies may mine such other coal.”

As you will not permit me to refer to particular clauses at this stage, Mr. Speaker, I shall have something further to say on this subject during the Committee stage.

I point out to the House that 979,331 tons of steaming coal are used in the Brisbane area for the generation of electricity—this relates to an important part of the Bill—and 2,055,438 tons are used in Queensland as a whole. The Bowen area itself produces 311,309 tons of coal, and one can feel quite confident that in the production of these millions of tons of coal from the Goonyella mine there will be that much steaming coal, and more, stockpiled for use in the Bowen area. I have warned the miners of Maryborough what will happen.

Mr. SPEAKER: Order!

Mr. DAVIES: I am just speaking in regard to the Bill.

In 1967-68, 121,520 tons of Bowen coal were used in the generation of electricity; 33,675 tons from the Rockhampton area; 2,039,721 tons from the West Moreton area, and 72,648 tons from Blair Athol.

Mr. O'Donnell: 100 tons a week.

Mr. DAVIES: Yes, and that 100 tons a week will most certainly go now. This Government proudly boasts that it can get for the generating stations this stockpiled coal at a concessional rate and the only addition would be freight, on which there will probably be a concession as well. Naturally we want electricity produced at a cheaper cost, but there are certain prices that we should not be willing to pay. It is no wonder that the Government was so uninterested in the sacking of coal-miners from the Bowen field during the Isis by-election. The same catch-cries were used during that period, accusing this party of being interested only in socialism. It was said that we would nationalise everything, which is distinctly contrary to the policy of the Australian Labour Party. Before these people discuss the word “socialism”, they should get together and see if they can find the same connotation of the word because there are a thousand and one connotations of it.

Mr. SPEAKER: Order!

Mr. DAVIES: This is most important, Mr. Speaker, when the majority party in this House, with 28 members, has been so viciously attacked by members of the Government, including Cabinet Ministers, with misrepresentation. Just as we had a campaign

based on misrepresentation in the Isis by-election, so will we have it in the next State election.

Mr. SPEAKER: Order! If the hon. member does not deal with the matter before the House, I shall have to ask him to resume his seat.

Mr. DAVIES: I do not consider it right, Mr. Speaker, that there should be at least—

Mr. SPEAKER: Order! The hon. member will please continue with the Bill before the House.

Mr. DAVIES: I think I have made quite plain to coal-miners who are mining steaming coal in this State the dangers that they face from this Government. It has been openly stated by someone speaking on behalf of the Government—

Mr. SPEAKER: Order!

Mr. DAVIES: I am not satisfied, and I am sure no other member of the Opposition is, with the explanation why the railway line is being built to this particular port and through this particular country. It has still to be proved to us that it would not be better to build the railway line to Collinsville, because it would be much shorter.

Dr. Delamothé interjected.

Mr. DAVIES: The Minister has not satisfied us. We still believe that it is the fear of work being placed in the electorate of the Minister for Justice that caused him to persuade Cabinet not to have the railway line built to Collinsville. I agree with the charges that have been made by various speakers on the Opposition side, and I reserve any further remarks until we are discussing the various clauses of the Bill.

Mr. GRAHAM (Mackay) (8.24 p.m.): Speaking to this agreement, I find it very hard to align my views with those of the Government. Much has been said about the need to build a railway line from Goonyella to the Hay Point area and to develop the Goonyella coal-field. As I said at the introductory stage, neither I nor any other member of the Opposition is opposed to the Bill. We are not opposed to the development of the Goonyella coal-field or to the establishment of a port at Hay Point. At no time did I say that I was opposed to the development of the Goonyella coal-field or to the agreement as it relates to the export of coal. What I did say—and I repeat it now—is that I find it very hard to align my views with those of the Government on the considerations that have been given to the company that will be developing this coalfield. I know that members of the Government have talked loud and long on this Bill in an endeavour to fool the Opposition into believing that all is well.

I think everybody will agree that at all times the Opposition has an inherent right to debate legislation that is introduced. It has the right to put forward its views on matters that it feels are not in the best interests of the State. That is what members of the Opposition have done relative to this Bill. The Government may feel that it can justify the conditions that are laid down in the agreement and that it is getting the best deal it can from its investment, but members of the Opposition differ from the Government in that regard. On previous occasions, as on this occasion, the Opposition has strongly opposed certain legislation that has been introduced by the Government. Despite the fact that the Government has authority and the weight of numbers to pass legislation the Opposition would be failing in its duty if it were to allow the Government to get away with what it is trying to get away with in this measure.

We accept the fact that in 1949 the Labour Party entered into an agreement with an overseas company to develop certain areas of Queensland. I am not going to say that we were right on that occasion any more than I am saying that the Government is right on this occasion. Every Government can make mistakes. If the Labour Government, of which I was a member, was wrong in 1949, there is no way in the world that the present Government can say that the Opposition stands by what the then Labour Government did. In the development of the very rich potential that Queensland possesses, the people of Queensland should be considered and protected. It is the inherent right of the people of Queensland and the future generations of Queenslanders to have these vast areas of rich raw materials developed, whether they are coal, bauxite or iron-ore.

At the introductory stage I said that this Government had bent over backwards to bestow privileges and benefits upon overseas interests. No-one can deny that the benefits that overseas interests will derive from the development of this vast area of coal will be considerably more than those that the people of Queensland will gain.

The Government has failed miserably in gaining what it should from royalties. Other State Governments have shown a good deal of responsibility in charging higher royalties than those that this Government intends to charge. Reference has been made to the royalties that were to be paid by the Electric Supply Corporation under the 1949 agreement. If the royalties in those days were as stated, namely, 5c down to 1c, and if the royalties of today are based even on that premise, in view of the changed circumstances today the royalties should be much higher than those that are proposed.

The hon. member for Mirani, in making his contribution to the debate, accused me of saying that I wanted the proposed railway line to go to the Mackay Harbour. At no

time did I make that statement. I said, as can be verified by a reference to "Hansard", that I believed that the Mackay Harbour Board should be the authority to control the new port at Hay Point. I repeat that the Mackay Harbour Board, as constituted, has representatives of the bodies that will be considered in the constitution of a harbour board at Hay Point. Incidentally, the chairman of the Mackay Harbour Board is the representative of the Sarina Shire, of which the hon. member for Mirani is chairman. Perhaps I can understand why the hon. member for Mirani is so keen to have a new harbour board established at Hay Point. Possibly he will seek representation on it, and no doubt he will want to be the chairman. I have in mind his hostility to the chairman of the Mackay Harbour Board on issues relating to other than harbour board matters when, as chairman of the Sarina Shire, he had occasion to demand that the chairman of the Mackay Harbour Board (the representative of the Sarina Shire) should appear before the Sarina Shire Council on issues other than harbour board matters.

Mr. Newbery: I will have you know that I proposed him. I moved that he be appointed to the Mackay Harbour Board.

Mr. GRAHAM: That is so, but the hon. member was the person who demanded that this gentleman should appear before the Sarina Shire Council on issues other than harbour board matters.

As the hon. member for Mirani wants a new harbour board established at Hay Point, I can well understand his prattling about flood mitigation in Mackay. He spoke about the railway bridge and referred to what would happen if the coal went to Mackay. Any sensible person would know that if by chance the company that is now developing Goonyella had decided that Mackay would be the export point, the railway line would not have gone through the City of Mackay, as the sugar-exporters are forced to do. Any man with common sense would know that the company would have to find another outlet to the Mackay Harbour. It is just piffle for the hon. member for Mirani to say that that was one of the reasons why the line is going to Hay Point.

Neither the hon. member for Mirani nor any other member of the Government can deny that 25 years or 30 years ago Labour tried to develop the rich coal potential in the Mackay hinterland. Men like Mr. McMahon, Jack Mulherin and Dr. Taylor, of the Mackay Hinterland Development League, and others agitated for years. They did their utmost to develop these areas, but that does not take away any credit from the Labour Party; it does not detract in any way from Labour's idea of developing this rich area. We are very conscious of the rich potential of the Mackay hinterland.

The hon. member for Whitsunday, the Treasurer, and the hon. member for Mirani are all tarred with the one brush when they say that we oppose this development. They are wrong on every aspect. We of the Opposition are far more conscious of our responsibility in the development of this great State than are Government members. We realise the need for development. We appreciate that there are overseas companies with capital which are anxious to assist in the development of this State. But the mere fact that there is this inflow of foreign capital does not give to any Government the right to sell the rich potential of this State down the line.

Irrespective of how the Government approaches this question, and even if it could justify the conditions contained in the Bill for the exploitation of this area, public opinion will determine whether it is right or wrong. One has only to go back a couple of weeks to the Isis by-election to see whether this Government was condemned on one issue or many. The result of the Isis by-election was a condemnation of the Government by the people of Isis on the issues that confronted the people of Queensland then and that still confront them today.

We, as an Opposition, have every right to castigate the Government on this measure because of the privileges and concessions it is handing out to this foreign company without consideration being given to the future of this great State. The people of Queensland and future generations should be considered in this regard. I said in my introductory speech, and I repeat, that foreign companies such as Utah and Mitsui would be foolish if they did not accept the conditions that this Government has given them. If the Government handed out the same conditions to Australian companies, they would be prepared to develop this field. The present Minister for Mines, the previous Minister for Mines and the Treasurer hawked this deal hell, west and crooked throughout the world, and for what consideration? Nothing will ever convince me that the companies have not been given some incentive to come here, and the incentive is that they can exploit this State's rich potential to the detriment of the people of Queensland.

The hon. member for Mirani, in his introductory speech, said that there was great opportunity for the development of the Nebo area and that there was a possibility of this line carrying millions of tons of grain. I refer him to the schedule to the Bill which, in Part V, clause 7 (1), on page 36, says that the Treasurer shall ensure that—

"(a) no undue competition is occasioned to any other Port in Queensland having regard to the fact that such harbour is established primarily for the export coal trade and not for general shipping and trade purposes; and

(b) no such other use shall unduly delay or interfere with the shipments of the Companies' coal through the harbour."

Mr. Knox: Are you opposed to that clause?

Mr. GRAHAM: I do not know that I am opposed to it. All I am saying is that it is contrary to what the hon. member for Mirani said. This company has first say and is the sole and complete authority in the use of the port. It is only on the company's say-so that the port can be used for a purpose other than the export of coal.

Mr. Newbery: The cartage of grain does not compete with the export of coal.

Mr. GRAHAM: Maybe the hon. member for Mirani can read something into that clause that I cannot. I may be a little dull, but as I read the clause it gives the company control of the harbour for the shipment of coal and that it will be used for no other purpose. Hon. members opposite cannot get away from that. If it were possible to go through the Bill, we would find many more flaws in it. With the Government's rush and hurry to get it through, the Opposition has not had time to analyse it fully.

Whilst I am not, and never have been, opposed to the development of this coal-field and the establishment of a port at Hay Point, I repeat that the Government has fallen down on the job in the conditions and privileges it has given to the company, which will react to the detriment of the people of Queensland.

Hon. R. E. CAMM (Whitsunday—Minister for Mines, Main Roads and Electricity) (8.41 p.m.): I am rather astounded at the outburst by the hon. member for Mackay. By reason of his long association with this district, one would have thought that he would have nothing but praise for anybody or any Government that developed the coal resources that have been known to exist in the hinterland of Mackay for nearly 100 years. In all the years during which the hon. member has represented Mackay, he has never submitted to his party or to the Government any proposal that would further the development of its hinterland.

I have heard quite a lot this evening about foreign capital and the exploitation of our natural resources, and how this project will be a charge on the taxpayers of Queensland. There was also a lot of illogical argument which indicated to me that many members on the other side of the House, including the Leader of the Opposition, have not taken the time to study the Bill.

Whilst most of the capital will be coming from overseas and will have to be repaid with interest, it will be repaid with money that also comes from overseas. By the sale of this product on overseas markets, we will be receiving overseas money to repay the capital necessary for the development of the mining complex. Most of the money to be paid in wages to Australian workers on the construction of the mine, the building of the railway, the development of the port, and

all the services associated with it, will come from the United States and Europe. When the mine comes into production in approximately 1971, and the coal is being transported over the new railway line and shipped from the new port to Japan, money to pay interest on the borrowed capital, and to repay that capital, will come from Japan, as well as the money to pay the mine-workers, railwaymen, port-workers, and all the other people who will, because of this project, enjoy full employment.

Without overseas capital, technical knowledge and business links, it would not have been possible to start this great project, with all the employment that will flow from it. Thanks to this co-operative venture between the Government and the two companies concerned, Queensland will be enjoying an inflow of millions of dollars each year from Japan. Should we begrudge the flow of money from Japan to Utah Development Company to repay it, with interest, for its investment in our State and the risk that it takes, and the effort that it puts in, to develop this project? None of this money will come from the taxpayers of this State.

Mining is a risky business for investors, particularly when exploration is being carried out. Large sums of money must be spent on exploration in order to find the mineral deposits needed to keep civilisation going.

Mr. R. Jones: You just told us that you knew for 25 years that the deposits were there.

Mr. CAMM: Yes, and an inflow of overseas capital was required to provide sufficient money to develop them.

About \$20,000,000 will be spent in Queensland this year on exploration for minerals, and I confidently expect that expenditure will increase as mineral deposits become more difficult and more costly to find and as the world demand for minerals grows. A company may spend millions of dollars on exploration projects only to learn, after several years, that they are uneconomic. That has happened to many companies that have explored for minerals in Queensland. They have had to write off as a loss the millions spent and hope that before long they will make a rich discovery that will repay those losses with reasonable interest, in addition to meeting all the costs of finding the workable deposits, bringing them into production, and working them. A company is lucky if one project in 10 shows indications of a possible mineral deposit and if one in 100 turns out to be a really profitable venture.

Since 1950, more than 500 authorities to prospect for minerals have been taken out in Queensland, each involving the expenditure of thousands, in some cases millions, of dollars, and the number of rich mineral discoveries made in this State can be counted on one's fingers. Wise investors will not put their money into ventures in a country in

which the Government will not allow them to make profits on the occasional rich find to pay for their losses on the unsuccessful exploration and mining ventures. That is why the mining industry in some overseas countries is declining. They have argued against the introduction of overseas capital, and some of them have refused to allow companies to come in and spend large sums of money on exploration.

Mr. Tucker: Which ones, to begin with?

Mr. CAMM: Mexico is one. It was formerly a rich copper-producer but is now importing minerals.

Clauses 15 and 16 of Part II of the schedule do not say that the overlying steaming coal and washery-reject coal must be stockpiled. I am coming now to what was said by the hon. member for Maryborough, who castigated the hon. member for Mirani for praising the section of the agreement under which washery-reject and overlying steaming coal that exists in some of the split-seam deposits on this field is to be stockpiled and made available to the Government for use in power stations at no additional cost to the people of Queensland. As a matter of fact, the washery rejects will be there for only the cost of stockpiling, and the split-seam coal will be there for the cost of carting it from the open cut, putting it through the crusher, and putting it on the stockpile, less what it would have cost the company to mine it as overburden.

What does the hon. member for Maryborough want the Government to do with that coal? Does he want it to put the coal back in the hole and cover it with overburden so it will be lost for ever? Does he not think it a wise idea and a good proposition for the Government to request the companies to stockpile the coal so it can be used to generate cheap electricity for the people of Queensland? Should it allow itself to be saddled for years with dear coal for the generation of electricity when cheap coal can be made available for the benefit of the people of this State?

Mr. Hanson: What power-house will you put it into?

Mr. CAMM: We will build a power station when it is needed and, as this project gets going and industrial development in Queensland increases, so will the need for more electricity increase. That is when this coal will be made available to the electric authorities.

Mr. Hanson: What power-house will you put it into?

Mr. CAMM: The hon. member would not have enough imagination to know what power-house this coal will be used in. He is a man who enjoys the privileges of one of

the greatest industrial developments that has taken place in this State, and yet he comes in here—

Mr. SPEAKER: Order! The hon. member for Port Curtis is continually interrupting the proceedings of this House by noisy cross-firing and interjection. I warn him that if there is any more of it I will deal with him under Standing Order No. 123A.

Mr. CAMM: As I indicated when the hon. member so rudely interjected, this cheap coal will encourage industrial development in the Mackay district because it can be supplied to a major power station on the coast at Mackay at the small cost of mining it plus the rail freight.

I will revert to the reason why this coal is being supplied to Japan. I know that there are other countries in the world importing coking coal and we are endeavouring to sell our coal to them, but the fact is that today Japan is the world's major importer of coking coal. Production of metallurgical coke in Japan itself has shown remarkable growth since the war. From a production of less than 1,000,000 tons in the years 1946 to 1948 it has today increased to about 15,000,000 tons a year, and, if the trend continues, by 1980 about 50,000,000 tons of coke a year should be produced in Japan. Japan itself produces about 50,000,000 tons of coal a year, but it is mostly of poor quality and must be blended with imported high-grade coal to produce a satisfactory metallurgical coke. There seems to be little likelihood of the home industry expanding significantly, so additional coal for coking purposes will have to be imported. Imports seem likely to grow from about 1,000,000 tons a year in 1950 to about 25,000,000 tons a year today, and possibly about 60,000,000 tons a year by 1980.

The principal suppliers of coal to Japan at present are the United States of America, Australia, Russia, Canada, China, and Poland, with the United States and Australia each supplying about 40 per cent. How much of this market Australia can secure in the future depends upon many factors, including quality, price and the reliability of supply. I am confident, and overseas companies that are prepared to spend millions of dollars in developing our coal deposits also are confident, that the demand for coking coal in Japan will continue to increase.

I said earlier that the repayment of the loan for the cost of the railway line will not be met by Queensland taxpayers. All the capital costs, or loan money, whichever one likes to call it, will be provided by the coal companies. All operating costs will be paid by the companies with money that they will receive from Japan for the coal that they are exporting. In addition, a big percentage of this loan money will be expended on what might be called public works. A good deal of it will go into the provision of houses for staff officers, the laying-out of streets in the

town that will be set up, the supply of water and power, the construction of the railway and, of course, the establishment of the port at Hay Point.

One hon. member said that if there is a recession in Japan a serious economic effect will be felt by Australia. I agree with him entirely. The export of our coal to Japan has assumed such tremendous importance and is so valuable to our economic life that any recession in that country will have a serious effect on the economy of this State. In effect, the hon. member to whom I refer is admitting that the export of coking coal to Japan is a very lucrative venture for this State. As I said before, where else can we find a market for our coking coal?

Another hon. member asked about the available reserves of coal for the future use of our own industries. The Joint Coal Board is one authority that is anxious about the preservation of our reserves of coal, and when that body decides to exercise some control over the export of New South Wales coking coal, that will be the time for us to look at our position.

Opposition Members interjected.

Mr. CAMM: Hon. members opposite might want to be in the position where we will hold all our coking coal in reserve for the steel mills of New South Wales while that State ships vast quantities of coking coal overseas. When the Joint Coal Board in New South Wales finds that its reserves are depleted to such an extent that it should curtail the export of coking coal from that State, it is time that we should take notice of what it claims in respect of reserves of coal and also the price of coal. New South Wales is one of our keenest competitors in the export of coal.

The companies that are prepared to invest large sums of money in Queensland are quite sure that these reserves of coal are available, and the Department of Mines, with its limited resources, has proved large reserves of coal throughout the State. One of the conditions of the agreement is that the company has the right to export 150,000,000 tons, and to acquire the right to export a further 150,000,000, which must not exceed 30 per cent. of the proved mineable reserves that remain in the ground. In effect, before the company can export its second quota of coal it is required to prove that some 500,000,000 tons of coal will be left in the ground for future consumption by Australian industry.

As I indicated earlier in the debate, we have already reserved a large area of coal-bearing country between the Central Queensland railway line and just north of the Mackenzie River, on latitude 23°. Any company that is desirous of establishing an industry in this State is assured of large deposits of coking coal close to the Central Queensland railway. We believe that those reserves, plus what will be left by Utah

under its authority to prospect, will take account of the potential industrial demand in Australia for many years to come.

This is not the only coal seam in Queensland. The seam extends from the Central Queensland railway line down through the Bowen basin into the Surat basin. While we cannot claim that we have proved reserves—very few countries in the world have the resources to drill at half-mile intervals to prove reserves—we have inferred reserves in Queensland of many thousands of millions of tons of coal. We really believe that we are looking after these reserves and that we have sufficient coking coal left in Queensland.

I was rather surprised at one hon. member's arithmetic when he said that the profits gained from this coal, sold at \$9.50 a ton, will be \$6 a ton. Does he not realise that it costs a lot of money to mine coal, particularly in wages? Explosives are rather expensive, and the overburden and the coal itself have to be shifted. Freight and fuel costs also have to be met.

I will give hon. members an indication of some of the costs associated with a project that is not as big as Goonyella. The T.P.M. mine at Moura, on last week's wage rates, which no-one begrudges the employees, has a payroll for the year well in excess of \$3,000,000, but it does not export anything like the quantity of coal that will be exported from Goonyella.

Mr. Sherrington: What is that company's profit?

Mr. CAMM: If the hon. member had read the newspapers recently, he would have seen that it made no profit at all.

Mr. Sherrington interjected.

Mr. SPEAKER: Order! I will deal with the hon. member for Salisbury.

Mr. Sherrington interjected.

Mr. SPEAKER: Order! I warn the hon. member, under Standing Order 123A, that if he interjects once more I will deal with him.

Mr. Sherrington: When I was making my speech I was subjected to a continuous barrage of interjections.

Mr. SPEAKER: Order! The hon. member has been continually interjecting also. He knows the rules of this House. Continual interruptions of the proceedings of the House will be dealt with.

Mr. CAMM: As I was saying in reply to the interjection, the profits from the operations of the T.P.M. mine last year were negligible. It is claimed by Opposition members that that is not correct, but I assure them that if they talk amongst themselves they will find that the Commonwealth Government has the facilities available to it to examine the books of business people

to ensure that the declared profits each year are the true profits of the business operation. So far there has been no investigation to refute the claim that this company made no profits last year. When anyone says that the profit from this undertaking will be \$6 a ton, I think there is something seriously amiss with his method of accountancy.

The hon. member also said that 60c a ton royalty was paid on Hamersley iron. I was in Western Australia recently and saw this project. It is a wonderful project and all credit should be given to the mining company that had the courage to go in there and spend the immense sums of money necessary to develop the deposits. Full credit is due to the Western Australian Government for encouraging the company to embark on this development. We must bear in mind, however, that that is the only payment the company makes to the Western Australian Government. The company completely owns and operates both the railway line and the port. I am sure that when the Goonyella project gets under way the return to this State, from profits on the railway and royalties charged, will far exceed 60c a ton.

Last year the revenue from our minerals in rail freights exceeded \$15,000,000. That is why we, as a Government, were able to offer to the primary producers of this State freight concessions amounting to \$3,000,000. That was the first time, to my knowledge, that any freight reduction was given to Queensland primary producers.

Mr. Tucker: That was after you put them up.

Mr. CAMM: That was after we reduced them once. What is Labour's sorry record? Labour increased rail freights 10 times in 10 years. As a matter of fact, it increased them twice in one year. Opposition members claim that the Government was an Indian giver. When I reflect on Labour's accountancy methods, I do not think Opposition members are in a position to ascertain just what the reduction of freights meant to Queensland primary producers.

One hon. member queried the equal participation of Queensland investors in this undertaking. I, and am sure every other hon. member, would welcome the participation of Australian companies in an activity such as this. We would like to see Australian investors putting their money into mining enterprises in this State, particularly the successful ones. But I do not advise Australian investors to put their money into risky exploration projects. We would dearly love to see Australian companies investing in a project such as this. There are coal deposits that are available to any Australian company that desires to develop them. But there is not sufficient risk capital in Australia for participation in many of these projects.

Mention was made of the bauxite deposits at Gove. Bauxite is one of the most common minerals on earth, but it is rather expensive to refine it into alumina and aluminium. The deposits in Cape York Peninsula are extensive. One company recently found other bauxite deposits in Cape York Peninsula. The Gove deposits are controlled by the Commonwealth Government.

Mr. Tucker: Gove is in Arnhem Land, not Cape York Peninsula.

Mr. CAMM: It is in the Northern Territory.

The mining practices are known. They have been proved successful at Weipa. The treatment of bauxite into alumina has been successfully proved at Gladstone. The price received for alumina and the costs of refining it are known, yet there is not sufficient capital in six or seven of the biggest companies in Australia to attain a 50 per cent. equity in this project.

"The Courier-Mail" of 10 December, 1968, reported that a Swiss company had come to the rescue. It will double the output, and the Australian equity will be 30 per cent. The report reads—

"The Government has agreed to the Australian share in the project being reduced to 30 per cent."

Yet Opposition members claim that a large amount of money is flowing out of this State because of our mining projects.

The report further reads—

"Mr. Gorton said the original agreement provided that the Australian interests were not bound to supply 50 per cent. of the capital unless a profit of 7½ per cent. a year could be anticipated for 20 years.

"If this profit rate could not be expected, the Australian interests could withdraw and Swiss Aluminium was committed to go ahead with the project alone.

"A comprehensive feasibility study showed that the economics of an alumina plant with a capacity of half a million tons were such that continued Australian participation was out of the question because of the low return on capital," Mr. Gorton said.

"The prospective return on capital of an alumina plant with a capacity of one million tons, which is now proposed, was also not nearly high enough to assure continued participation by Australian capital."

Although a feasibility study was carried out by financial and economic experts associated with the companies and the Commonwealth Government, Opposition members still claim that these mining projects, which the Government condones, are taking immense profits from the people of the State. Here is it shown that the return is less than 7½ per cent., and Australian shareholders do not want any part of an investment that does not bring in more than 7½ per cent.

I should now like to say a few words on the claims of the hon. member for Mackay in relation to control of the port at Hay Point, from which the coal will eventually be shipped. It has been asked why the coal will not be shipped from Bowen. That is certainly a wonderful, protected harbour, but it is not deep water and very extensive dredging would be required to enable 70,000-tonners to berth. Even when ships loaded sugar at Bowen, some of them used to go to Mackay to top off. Although there is deep water at the jetty at Bowen, there are shallow banks that prevent the entry of large bulk carriers. I am quite confident that ultimately, as long as the Government remains in office, other export-coal projects will be developed and Bowen will come into its own as a major port, which it should have been for many years.

Mr. Tucker: That is the most contradictory statement I have heard for a long time. One minute you say it is no good, and the next you say it is good.

Mr. CAMM: When a worth-while project is developed, dredging can be carried out. If the hon. member for Townsville North was manager of an exporting company, where would he go to export coal? Would he go to a deep-water port, or a port that required considerable dredging? I ask him to use a bit of common sense. These companies, after a feasibility study had been carried out by a firm of talented engineers, decided that Hay Point would be the best proposition as a port.

It is a little presumptuous of Opposition members, especially the hon. member for Mackay, to argue who is going to control the port. Even before the agreement is signed, before the harbour is planned, and before the railway line has been surveyed, Opposition members start arguing over who will control the port. Its control will certainly be vested in the Corporation of the Treasurer for some time, till it is a going concern. If it was thought desirable, or the people of the locality wanted it, it would be quite simple to extend the territory of the Mackay Harbour Board.

Another alternative would be the formation of a harbour board for Hay Point, to include representatives of the various local authorities through which the railway line runs and where the coal is mined. At present most of the local authorities concerned are represented on the Mackay Harbour Board. I am quite confident that whoever controls this port will do it well, because I have every faith in the people of the district, whether they be in the City of Mackay or its hinterland. The present chairman of the Mackay Harbour Board is a Sarina man. I am quite confident that whoever has control of this harbour will administer it for the good of the Mackay district and hinterland, which the Government is doing so much to develop.

In conclusion, I wish to say—

Opposition Members: Hear, hear!

Mr. CAMM: I know I have nettled Opposition members a bit and they would like to see me sit down. However, I should like to say how proud and happy I am that this project has been brought to fruition.

I was castigated to some extent by hon. members opposite because I said that I commenced negotiations when I first became a Minister 3½ years ago. They mixed the dates and said that negotiations relative to this agreement began 3 years ago. The first project undertaken by Utah Development Company that I had any part in negotiating related to the southern area of its authority to prospect, when the Taurus seam was developed. Today, the miners on that project are enjoying a very high standard of living and receiving a just return for their work.

This is an entirely new project, which I can claim to have negotiated with the companies overseas from its inception. Knowing the personnel of the company with whom I have dealt, I believe that it will develop the project to its satisfaction and to the benefit of Queensland. I foresee that, when the project is a going concern, it will seriously consider allowing some Australian equity in the company, as the sand-mining companies and the company mining iron-ore at Hamersley have done. I am confident that, when the project is a going concern, Utah Development Company will say, "Here is a 10 per cent. equity, if Australian investors desire to invest in the company."

Hon. J. BJELKE-PETERSEN (Barambah—Premier) (9.16 p.m.), in reply: I think that all hon. members will agree that there has been a very full and comprehensive debate on the Bill. A great deal has been said by hon. members on both sides, and I am sure that the House has a very clear picture of the Bill as a whole and of what is intended by it.

Of course, it has been said by members of the Opposition that not sufficient time has been given for consideration of the Bill, that one week is not sufficient. It is obvious that there would not be any agreement if a decision had been made to delay its passage, and I take it that some hon. members opposite would be very pleased indeed if the Bill could be delayed till the next Parliament meets.

That is not the Government's attitude to progress and development in Queensland when it is satisfied that the conditions are right. I am glad to be able to say that, in spite of the stagnation that existed here previously, Country-Liberal Governments have given a great impetus to development in Queensland since they have been in office. No. hon. member can deny truthfully that the Bill now before the House and many other measures have contributed to the development of the State.

Again there were the usual comments about giving away the assets of the State, that the Government has given the company too many benefits, and that it has not been tough

enough in the negotiations. No company would come here when Labour was in office because of the approach and attitude it adopted.

In regard to the terms and conditions contained in the agreement, I again, with a great deal of pleasure, give credit to the Treasurer and the Minister for Mines, Main Roads and Electricity and their departmental officers for the work they have done. I give credit also to the two companies, which have shown faith and confidence in the Government and the State by undertaking a huge venture such as this and looking to the future. I remind hon. members of the great risk the companies take in finding markets for coal in the years to come. Personally, I am very pleased that these two companies, which have high world standing, are about to engage in this project in Queensland.

The hon. member for Townsville North spoke very clearly and fairly about coal reserves and expressed his concern. That is an important point, and I am sure that the hon. member will agree that it has been noted carefully and that precautions have been taken in the agreement to meet it. I point out to him that the question of the production of power has been taken into consideration, also, with the huge deposits of uranium at Mary Kathleen and in other parts of Australia.

I do not intend to speak at great length in reply; in fact, I shall deal with only one or two main points. The hon. member for Salisbury seemed to be concerned about my attitude. He cannot expect me to be "rubbished" by his organisation and then turn round and say what a kind, loving organisation he represents. In reply to the hon. member, I emphasise one point relative to the criticism that has been levelled about the time factor in connection with this Bill. I am not criticising his colleague's late father but I bring to his mind the fact that the Electric Supply Corporation (Overseas) Limited Agreement Bill was introduced on 2 December 1947 and the second reading came on two days later on 4 December 1947.

Mr. Sherrington: You have to go back a long way.

Mr. BJELKE-PETERSEN: Yes, because there was no other similar action in the history of the Labour Party, but that is one case I can bring to mind. I am sure the hon. member is quite fair and realises that I am not criticising, because I believe that there were circumstances then, just as there are today, which necessitated the introduction of the Bill at this late stage. Even shorter time was allowed on that occasion. I think it is good to remember these things and to cast our minds back over the past.

The hon. member for Salisbury claimed that there were no provisions in the agreement for contributions to the Miners' Pension Fund. I think I should remind the

hon. member—I think he knows this—that this is quite unnecessary because other legislation makes provision for that.

Mr. Sherrington: Why not make provision in the schedule to this Act.

Mr. BJELKE-PETERSEN: As I say, the hon. member knows it is quite unnecessary.

The hon. member for Baroona agreed that the statement made by way of interjection, I think by the hon. member for Port Curtis, that in the Electric Supply Corporation (Overseas) Limited Agreement Bill there was provision for an annual change of royalty, was incorrect. I want this placed on record because we must have a clear picture of it.

Motion (Mr. Bjelke-Petersen) agreed to.

COMMITTEE

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

Clause 1, as read, agreed to.

Mr. TUCKER (Townsville North) (9.23 p.m.): I move—

“That consideration of clauses 2 to 5 be postponed until after consideration of the schedule.”

Motion agreed to.

Schedule—

Mr. TUCKER (Townsville North) (9.24 p.m.): This afternoon Ministers have run completely over the schedule in touching on the subjects members of the Opposition have raised, and there are a number I want to reiterate. The first is the question of rents and royalties. The Opposition has not heard any argument against its submission that these rents should not stay at \$1 per acre for a period of 42 years. Just as there is with Valuer-General's revaluations of various parts of the State, there should be periods of review of this rent of \$1 per acre. In fact, the Bill should have included a sliding scale that would have allowed us to increase this rental of \$1 per acre for the areas the company will occupy until the initial expiry date. We feel that the rental of \$1 an acre is too low, and condemn the Government for providing that it will stay at that figure for the next 42 years. The Bill should contain a provision that would allow that rental to escalate over the years in accordance with increases in land valuations.

I refer again to royalties. I am still not convinced that the Opposition's view on this matter is the wrong one. I mentioned earlier that in Western Australia the Hamersley company was forced to pay royalties not at a certain amount for each ton of coal produced but at a certain percentage per ton according to the price of the product f.o.b. Dampier at that time. That argument can be advanced, but I do not think it is a good one, because at any point of time no-one can really understand what the royalty should be; however, that argument has been advanced

and accepted in Western Australia. The Opposition feels that the royalty should have been higher than 5c a ton. This low royalty applies under this agreement and under other agreements that have been entered into by this Government. It is a mere pittance.

The Opposition did not envisage a reduction in freight charges to compensate for a doubling in the rate of royalty. We believe that the freight rates are very low and that the companies will be paying freight rates that are far below those paid by the rest of the community. Because of that advantage in costs these companies will be able to trade on the world market and outbid other interests in securing markets in Japan. The Ministers who have spoken on this Bill have reinforced my argument that presently Australia's exports to Japan have increased to nearly 40 per cent. of the Japanese market and that it will not be very long before our exports account for 50 per cent. of that market. Our exports have increased because companies have been able to come to Queensland and obtain very low freight rates and royalties at the expense of Queensland. The Opposition feels that for a start the rates and royalties should have been doubled. We have not heard any argument put forward to alter our opinion on the matter.

I refer to the matter of stockpiling, although I feel that the hon. member for Maryborough capably dealt with this matter this afternoon. Stockpiling must present a threat to the other coal-mines that will be called upon in due course to deliver quantities of steaming coal to our power-stations. The Minister has said that this coal is to be stockpiled and sold at the cost of extraction only. I think one hon. member said that it would be approximately \$1 a ton.

As the Opposition sees it, this will represent a great threat to the mines supplying coal when our big power-stations are operative. As the hon. member for Mirani said, the coal could be moved from Goonyella to the power-station operating at Collinsville. At \$1 a ton and with a freight cost of \$2 to \$3 a ton, it could be landed in Collinsville at well below the price of coal supplied in Collinsville. As the hon. member for Salisbury said, it could be used as a strike-breaker; this tremendous stockpile could be used at any time as a threat to the men in this industry. The Minister asked in reply to the second-reading debate, “What will we do with this coal? Will we pour it back down the mine and cover it with overburden?”

Mr. Camm: What would you do with this coal? That is a fair question.

Mr. TUCKER: I am not arguing about the fact that it has to be extracted, but I am pointing out to the Minister for Mines, and to the Minister behind him who is shaking his head, that the cost of production is important, and so is this strike-breaking factor. I tell the Minister, in a responsible

way, that people are watching this, and wondering just what the Government's objective is. If the price of coal is kept at a certain level so that everything works smoothly, on an industrial basis, and there is a great aggregation of coal costing \$1 a ton, which the Minister says will be fed into power stations, I ask the Minister what the Government intends to do with this great stockpile. Has the Government considered what will happen to those who have been producing coal while this stockpile of coal is being used? I should like to hear the Minister's answer to that point which is very important to all those engaged in the various coal-mines in Queensland. It is very important that we be told how this coal is to be used and how the Government will ensure that it will not deprive many men of jobs. If this great aggregation of coal is to be stockpiled, I ask on behalf of the Opposition, how the Government intends to use it. The stockpile may contain many thousands of tons: if the Government uses it, what will happen to the miners who are presently producing coal for the power stations? I am interested in the Minister's reply to that question.

Clause 17, in Part III of the Schedule, at page 16 of the Bill states—

"The covenants contained in Clause 13 of this Part regarding work to be performed and works and expenditures required shall not apply if and to the extent that the Companies are prevented from performing them by circumstances beyond their control such as act of God, force majeure, floods, storms, tempests, war, riots, civil commotion, strikes, . . ."

I can well understand the conditions relating to acts of God, force majeure, floods, storms and so on, and we all hope that nothing like that occurs, but I am very interested in the next condition which concerns "lock-outs". Surely that refers to an action taken by the company itself. We can understand that a strike can occur because of bad industrial relations, and that the workers have to take action. The company itself can do something about lock-outs. It creates the situation, so why the need for this clause?

Mr. Hughes: This is not always so.

Mr. TUCKER: I think it is. The hon. member for Kurilpa may have his own thoughts on this matter and possibly he will rise later and prove to me that it is not always so. As far as I am concerned a lock-out is created by the company and the Opposition would like the Premier to tell us why that provision is in the Bill. It is a situation that is created by the company and is regularly remedied by the company. If the company takes certain action it can stop the whole thing.

Mr. Hughes: This is a standard safety clause written into almost all business agreements.

Mr. TUCKER: I should like the Premier to reply to me and I would prefer to listen to him because I have been given the "wrong steer" by the hon. member for Kurilpa every time he has got to his feet.

This afternoon a Minister—I think it was the Treasurer, but I could be wrong—stated quite categorically that the route of this line was a company decision. This evening, the Minister for Transport stated that the route was decided by gradients so that certain tonnages could be hauled over the line. So there we have a difference of opinion.

Mr. Knox: It is in the Bill; read it.

Mr. TUCKER: I have read it, and I am telling the Minister for Transport that his Ministerial colleague has not read it. I think that the Minister for Transport is probably right, and I am inclined to be on side with him because it sounds quite logical and possible that he and his departmental officers know that this was decided following certain surveys. But this afternoon it was stated that it was a company decision. The Minister for Transport suggests that I read the Bill. Quite logically I say that his Ministerial colleague should read the Bill so that he will know what he is talking about before he comes into the Chamber.

Mr. Knox: I think you must have misheard him. He said that where the line goes to would be a decision of the company.

Mr. TUCKER: I do not think so.

The Minister for Transport said that freight other than coal will be carried. The Minister said that the Moura line is a common carrier, but to date we have not been able to ascertain how much freight other than coal has been carried on the Moura line.

The Minister for Justice bent over backwards this afternoon in an effort to prove why the line should not have gone from Goonyella, through Collinsville, to Bowen, and other Ministers threw up a heap of dust in the House in trying to cloud the issue. To my mind the real reason why the line will not take that route is that the company does not want to have a common line, and does not want to use any existing lines. Despite what might be said by Government members, there are no great obstacles to be overcome along that route, and I have just as many authorities to back my statements in this regard as the Minister has to back his. In my opinion, this company does not want the railway line to be connected to the line at Collinsville, and does not want to use a harbour presently belonging to the State.

Despite what the Minister for Mines, Main Roads and Electricity said about the harbour at Bowen, it is quite obvious to me that the company wants its own line and its own harbour. If the line connected with the railway line at Collinsville, the company would have to use the 60 or 70 miles of existing railway from Collinsville to Bowen, and it

would also have to use the established harbour at Bowen. Obviously that was not acceptable to it. A glance at the way in which the proposed line meanders shows that the company wants exclusive use of the line and the new port. If the money that will be spent on developing a new port was spent on the Port of Bowen, it could be made deep enough in no time at all. That was done in the Brisbane River and in many other places. If the port of Bowen has not sufficiently deep water, that obstacle could be overcome for much less than the cost of establishing a new port at Hay Point.

Mr. Knox: How do you know that?

Mr. TUCKER: I am quite certain of it. When the Minister for Transport is on his feet we are given a lot of generalisations but nothing specific. I have asked on many occasions, "Give me some facts," but never has the Minister given one concrete fact. The Minister makes a lot of generalisations but never gives any exact figures to support his arguments. I therefore say that they are spurious arguments, and not to be accepted.

Quite frankly, I do not believe that the line will be used by anybody but the company, nor do I think that the port will be used by anybody but the company. The Bill provides—

"The use of such harbour by any other user or users shall be subject to the prior approval of the Treasurer..."

There is no way in the world that the Treasurer will give that approval. The Bill also provides that the Treasurer shall ensure that—

"No undue competition is occasioned to any other port in Queensland having regard to the fact that such harbour is established primarily for the export coal trade and not for general shipping and trade purposes;"

Bowen already has permanent water and power, whereas all facilities required will have to be provided at Hay Point, at a cost which will have to be met by someone. I believe that the port is to be established at Hay Point because the company wants exclusive use of the line and the harbour, and no other use of the line will be allowed.

The schedule says—

"No portion of an existing line of railway of the Commissioner shall be incorporated in the said line..."

It is obvious from that that the company did not want any parts of the railway line to be incorporated; it did not want Collinsville or Bowen; it wanted the line to meander round to Hay Point.

I wish to refer now to the question of the discharge of waste. Although I am interested in the matter, some of my colleagues will deal with it more fully. The schedule says—

"The Companies shall have the right to discharge into the rivers and streams within the catchment area, drainage from

any plant works and facilities of the Companies and from any residential area and the Companies shall ensure that any such discharge by them shall not be dangerous or injurious to public health."

Under that provision, if in fact waste matter is to be discharged, how can the companies do anything but pollute the rivers? I do not believe that the clause in the schedule contributes in any way towards alleviating pollution in the streams in this State, a matter with which hon. members dealt at some length recently. The Opposition believes that it is a retrograde step to allow the companies to discharge into the rivers and streams within the catchment area drainage from any plant, works and facilities of the company, and I enter a protest on behalf of hon. members on this side of the Chamber against that provision. In these enlightened days, measures should be taken to deal with the discharge and other waste matters that may come from the companies' mining activities. Having visited coal-mining areas and seen the waste that is discharged, I do not see that it can do anything but pollute rivers and streams. I reiterate that the prevention of pollution of streams is a matter of importance to the Opposition, and I should like the Premier to reply on that point.

Generally speaking, those are my thoughts on the provisions contained in the schedule. Other members of the Opposition will put forward their ideas, but I register a protest on their behalf relative to the points that I have raised. I shall listen carefully to what the Premier says in reply.

Mr. MURRAY (Clayfield) (9.48 p.m.): The hon. member for Townsville North dwelt at length on the question of lock-outs, which seemed to concern him a great deal. His attitude was in line with the old policy adopted by the A.L.P. of continually nailing the company. It is similar to the old war-time witch-hunt. The hon. member sees a "Jerry" under every bed.

Surely the words of the clause—I ask the hon. member for Townsville North to look at it—are perfectly clear. It says "... beyond their control . . .", and lock-outs are only one of a number of things to which it refers.

The hon. member for Townsville North shot at my colleague from Chatsworth and said, "Prove to me that this is not the case." Hon. members opposite always assume that it is the company that performs a lock-out. But is it not reasonable to assume that under this clause, which says "... beyond their control . . .", it could well be a lock-out by another company supplying a service essential to the operation of this company?

Mr. Tucker: You are stretching it.

Mr. MURRAY: I am not stretching it, because the clause obviously is well worded, as I see it, to cover these contingencies.

Let us assume that there is a transport company essential to the operation of contracting and of this mining company, and the transport company has contracted to do this. It is perfectly logical that a lock-out could be there, and I ask the hon. member to bear that in mind and not to continue his witch-hunt.

Mr. SHERRINGTON (Salisbury) (9.50 p.m.): I join with my colleague the Deputy Leader of the Opposition in voicing our concern at several of the provisions contained in the schedule to this Bill. I think that my colleague dealt very adequately with the questions that exercise our minds in respect of the usage of the railway and the restriction of the harbour facilities at Hay Point to such an extent that it could be regarded as a private port. Because of this, it is not my intention to recanvass the arguments propounded by several speakers on this side, particularly during the second-reading stage, but to enlarge first of all on a reference that I made in my own second-reading speech to rehabilitation provisions and then to the lack of anti-pollution measures in the schedule.

I think we should get it quite clear in our minds that open-cut mining in this State is still in its infancy. When the Opposition expresses its concern on the future outcome of mining operations of this nature, I think we must be guided by the experience in the U.S.A.

During my speech I intend to quote from a book from the Parliamentary Library entitled "Surface Mining and our Environment" which is a special report by the United States Department of Interior. The report has a foreword by Stewart Udall, who is probably the foremost advocate in the United States of the need to safeguard and conserve our natural resources. I commend this book to every hon. member of this House who is interested in what open-cut or surface mining might do to our environment.

A passage from the report, describing United States experience, reads—

"Surface mining frequently shocks the sensibilities, not so much by what is done as by the sheer magnitude of man's accomplishments. He literally has moved mountains, and some of his surface excavations are so vast as to resemble craters on the moon. Surface mining destroys the protective vegetative cover, and the soil and rock overlying the mineral deposit is frequently left in massive piles cast onto adjoining land. The result is a drastic reshaping of the surface, an alteration of normal surface and sub-surface drainage patterns. Square miles of land may be turned over to a depth of 100 feet or more and valleys rimmed by mile after mile of contour benches. Massive landslides have blocked streams and highways, waters have been polluted by acid

and sediment, land areas isolated, and economic and aesthetic values seriously impaired."

When one looks at some of the illustrations in this book, one can well realise the devastation that has been left as the aftermath of open-cut mining in the United States of America.

As we are starting a venture that is in its infancy, it is high time that in a Bill such as this we should take every precaution to see that mining operations do not leave in their wake huge deserts for which future generations will not commend us but, on the contrary, will condemn us for the awful devastation that our efforts wrought in this land.

It is because of this that I draw attention to the following provision in the Bill—

"Before damaging the surface of any part of a Special Coal Mining Lease granted pursuant to the provisions hereof by mining the Companies shall deliver to the Minister a sum calculated at the rate of fifty dollars (\$50) per acre of the area of such part. Upon surrender of the Special Coal Mining Lease so far as it relates to such part such sum shall be dealt with as follows:—

(a) The whole of such sum shall be refunded to the Companies if the surface has been restored to not less than its former value for purposes connected with grazing;

(b) None of such sum shall be refunded to the Companies if the surface is of no value for purposes connected with grazing; or

(c) A proportionate amount of such sum shall be refunded to the Companies in other cases based on the value of the land for purposes connected with grazing as compared with its former value for such purposes."

I say quite seriously that the provision of a security deposit of \$50 per acre to ensure that mined areas shall be restored to their natural state is a trifling one, and that the legislation is not worthy of consideration by an enlightened Parliament.

I reiterate that the industry to which the agreement relates is in its infancy, and no-one in this Chamber can envisage the devastation that will be wrought by open-cut mining in this State for the next 42 years, until the year 2010.

Mr. Tucker: That represents the greater part of our life up to the present moment.

Mr. SHERRINGTON: That is quite correct.

Mr. Murray: What is correct?

Mr. SHERRINGTON: My Deputy Leader said that that term represents the greater portion of the lifetime of hon. members. Admittedly, it is not quite as long as my lifetime so far.

Mr. Murray: You do not look old.

Mr. SHERRINGTON: There is no need to hand out compliments; flattery will get the hon. member nowhere. This is a very serious problem and one in which flippancy has no part.

No-one can contemplate the devastation that will be wrought in this State in the period to the year 2010 by the continuance of open-cut mining operations. I invite the hon. member for Clayfield to read this book. I would be quite happy to give it to him, provided I could trust him to return it to the Parliamentary Library. When I see the awful devastation that has been wrought, depicted, on page after page, I wonder if we are being realistic in our approach to this problem merely by insisting that companies should lodge a security deposit of \$50 an acre to ensure that the land is completely rehabilitated. This provision shocks me in that the Government is prepared to sanction this legislation without any thought for the future of our environment or for the future of those who, in time to come, will inherit it.

I join with my Deputy Leader in expressing concern about the disposal of wastes and the pollution of our streams by the operations of this company. I repeat my comments on the Mining Bill. Like the Mining Bill, this agreement legalises the pollution of our streams. There is no doubt about that, as it provides—

“The Companies shall have the right to discharge into the rivers and streams within the catchment area drainage from any plant works and facilities of the Companies and from any residential area and the Companies shall ensure that any such discharge by them shall not be dangerous or injurious to public health.”

In effect, that says that the company may discharge waste into the streams. I pointed out at the second-reading stage that the Government is creating a precedent in that, once it allows a stream to be polluted, it cannot police it and prevent it from becoming over-polluted. I am not making an attack on the person presently charged with the responsibility of investigating stream pollution, but nobody in his wildest dreams could say that we have an effective anti-water-pollution authority in Queensland. Unless we have in Queensland an efficient organisation to control water pollution, how can the dumping of wastes into streams be controlled without constant testing and sampling of waters to ascertain that the wastes are not injurious to public health? I would be greatly concerned if the matter ended there, but on reading a little further I see—

“Any such discharge shall not (unless specifically authorised by the Minister for a particular purpose) render the natural water in a river or stream less fit for human consumption . . .”

Under the conditions of this agreement, if we as a Parliament subscribe to this idea we subscribe to the principle that a Minister can

authorise the pollution of a stream, even if it simply makes the water less fit for human consumption.

It is useless for the Minister to say, “I am here to safeguard the interests of the people.” The Minister will not be here much longer, anyhow. For that matter, what person occupying the position of a Minister in the Government can say that he will protect the interests of the public when we all know that the life of any person as a member of this Parliament or as a Minister is temporary?

Writing into this Bill the provision that “any such discharge shall not (unless specifically authorised)” means that the Minister can specifically authorise the pollution of our streams, which is hardly the action of an enlightened Minister or Government.

I shall again read from this publication, particularly the foreword written by Mr. Stewart Udall. He is recognised throughout the world as a leading advocate of the need to ensure the best quality of our environment. In his foreword he deals with the wonderful country Nature bestowed on America, and says that because of its exploitation many of its wonderful resources are being ravished and are deteriorating. In his foreword, after describing land usage on farms and so on, and how the land is deteriorating because of the planting of single-type crops, he says—

“A similar lack of concern accompanied much of the mining for the minerals that have played such an important role in the development of our economy. It was, and still is, accepted practice to mine as cheaply as possible the deposits that are most accessible and provide the greatest profit to the producer. This preoccupation with short-term gain too frequently has ignored the long-term social costs involved—the silted streams, the acid-laden waters, and the wasteland left by surface mining. Thus, valuable mineral resources have already been lost and several million acres of productive land and waters have been left derelict.”

This is the experience of this very industry in the United States, where this type of mining has been carried on for many years. As I said when speaking to the Mining Bill recently, in America, which has denuded its resources and polluted its streams by the very actions that we are probably taking under this Bill, not only are Governments concerned at the pollution of waters by mining operations but the mining industry itself has also seen fit to spend millions of dollars in discovering the means by which it can carry out mining operations without necessarily polluting waters.

I quoted that in certain of the American States some 5,000 miles of streams have been polluted by the residues of mining operations. Already there is more than sufficient evidence that the very same situation is obtaining in

Queensland. The Bremer River and Bundamba Creek, which once was a beautiful creek enjoyed by the residents in that area, have been polluted by mining waste.

There is ample evidence that the Dee River is polluted as the result of copper extraction processes, and the Herbert River has also been polluted to a great extent. Whilst the Minister for Local Government and Conservation may have chosen not to reply to my question and to give a flippant political answer, there is nevertheless inescapable evidence that the waste from mining operations in this State is polluting streams. Yet the Minister, under the provisions of this Bill, may authorise the pollution of water if he chooses to do so.

Mining operations could have a cumulative effect in polluting some of our major rivers. The Isaacs River is a tributary of the Fitzroy River, and in past years considerable sums have been spent on the construction of a barrage to impound waters of that river. It is not unreasonable to assume that the accumulation of many years of pollution in the Isaacs River could result in the eventual pollution and siltation of the Fitzroy River.

Mr. Davies: Did you say that the Dee River is already polluted?

Mr. SHERRINGTON: Yes. Although the Minister for Local Government and Conservation wanted to hide this fact, there is ample evidence that the Dee River is polluted. My colleague the hon. member for Port Curtis assures me that that is at present a matter of some local contention. As the Deputy Leader of the Opposition reminds me, the waters impounded by the barrage serve the City of Rockhampton.

It is not the short-term effect of pollution that concerns the Opposition, but the long and steady accumulation of waste that builds up in streams till oxidation processes cause the death of indigenous fish. The streams become polluted and cloudy, and this results in the loss of algae growth which is vital to sustain marine life. When a supposedly enlightened Parliament in this year of 1968, particularly when providing for the year 2010, includes in a Bill a principle which in effect not only sanctions pollution but, in many aspects, legalises it, I believe that Queensland must seem, to American mining companies that invest here, a hillbilly State. In America coal-mining organisations have spent millions of dollars on research. They have even set up a chair of water pollution at a university. When a mining company comes here from a country that progressively imposes harsher and harsher conditions in the disposal of mining waste, and reads in an agreement that it is legal to dump waste in a river, no wonder it regards us as nothing but a lot of hillbillies.

Mr. Tucker: The company has the right to draw 12,000,000 gallons a day, too.

Mr. SHERRINGTON: That is true. I cannot speak too strongly in voicing my personal objection to this measure, and my objection is echoed by members of the Australian Labour Party, who believe that the provisions in the Bill dealing with an era 42 years hence are very unenlightened.

(Time expired.)

Mr. LICKISS (Mt. Coot-tha) (10.16 p.m.): Again during the Committee stage hon. members have heard quite strong criticism of the provisions embodied in the schedule. Although it is the right of the Opposition to be critical, I believe that the criticism it offers should be valid.

Instead of going into all the ramifications of the arguments raised by the Deputy Leader of the Opposition, I shall take only one point. The hon. gentleman was critical of the Government's attitude to rental and royalty. He asked why the Government did not provide for reappraisal of rentals, or words to that effect. To my knowledge, nowhere in Australia—in fact, nowhere in the world—when a mining lease, a mineral lease, a special coal-mining lease, or anything to do with the winning of minerals from the ground is involved, does the authority concerned do anything other than fix a rental for the full term of the lease and, at the same time, fix the royalty.

A lease in these circumstances is an agreement between the Crown, on the one hand, and the company, on the other, relative to the winning of minerals, and the covenants to the lease set out quite clearly what is expected of the lessee and what is expected of the Crown. The argument advanced by the hon. member for Townsville North is not valid. He has criticised the Government for doing something that traditionally has been done in mining circles from time immemorial. When a coal-mining lease or a mining lease is issued, rentals and royalties are fixed and accepted.

The hon. gentleman may be a little confused with the terms and conditions of a lease issued under the Land Act. In that instance, provision is made for the reappraisal of rental by an independent tribunal. Under the schedule with which the Committee is now dealing, provision is made for the readjustment or refixing of rental upon the expiration of the current lease and before the granting of a new lease, as a condition of the new lease. If mutual agreement cannot be reached between the State and the company, provision is made for the settlement of the rental.

I think that the Committee should weigh the Opposition's criticism in terms of its validity. If it falls down quite badly on one point, as it has in this instance, one must question the validity of the remainder of its argument.

The hon. member for Clayfield referred to lock-outs, and the hon. member for Salisbury is obsessed, of course, with the

question of pollution. We all agree that this is quite a serious problem, but I believe that the Crown has gone as far as it can to safeguard against pollution. When all is said and done, the Minister has the final say in the disposal of waste matter. Here again the hon. gentleman tended to confuse the issue because, in talking about a coal-mining venture, he raised all the ramifications of the disposal of effluents and waste materials from the mining industry generally. I can understand that he would not want to see the residue from a cyanide treatment plant flow into a stream. I can understand also that he would not want to see the waste material from copper-treatment or uranium-treatment works flow into streams, but this is a question of an inactive substance and, other than the disposition of some mud into a stream, I fail to see what harm it would do in terms of pollution.

Mr. Tucker: Why do they wash coal?

Mr. LICKISS: In relation to washed coal, again coal itself is an inactive substance.

Mr. Tucker: Why do they wash it?

Mr. LICKISS: The idea is to wash out extraneous matter such as coal stone, mud and soil and any other dirt that gets into it.

Mr. Tucker: Is that the only thing?

Mr. LICKISS: The hon. member can tell me if I am wrong. There are certain ashes and stone that can be washed out. However, the main point is that we are dealing with an inactive substance. There is no chemical treatment of the substance, and it is this chemical treatment which presents the greatest problem in the disposal of waste matter.

Coming back to the point that one can assess the sincerity and validity of the arguments advanced by the Opposition only in terms of the statements they have made, let me say to the Deputy Leader of the Opposition that he has erred rather gravely on the first point he made on rental and royalties. These are basic things that are set when the lease is granted, and they can be rearranged only upon renewal of the lease, and not until then.

Mr. MURRAY (Clayfield) (10.23 p.m.): I took up the offer of the hon. member for Salisbury to look at the publication which he got out of the Library called "Surface Mining and our Environment". I agree that at first glance, and probably in the final analysis, it is an excellent publication and probably should be issued to all hon. members so that we would have before us a reminder of a tremendous problem of which the Government is fully aware anyway. We can never be over-aware of the damage we can do through mining in its various forms either by way of pollution of streams, or damage to beaches or to the country generally.

We are much better off, really, than perhaps we realise in this regard. Only a few days ago in northern New South Wales I looked at the work that the sand-mining companies have been doing on the north coast.

The CHAIRMAN: Order! There is too much audible conversation by hon. members on my left.

Mr. MURRAY: Having stabilised, or apparently stabilised, the sands again—

Mr. Sherrington: I am glad you said "apparently".

Mr. MURRAY: It would appear so. They are going to a lot of trouble and it is the sort of trouble that the Minister is insisting that companies here go to. Although the stabilisation problem in the level area on the far north coast of New South Wales is not as great as it is in Queensland, we at least have another Act that gives protection. It is the Beach Protection Act. New South Wales, having gone to the trouble of stabilising vast areas of beach sand, now seems to be intent on destroying them again. Vast acreages of a number of reclaimed areas are pegged out for allotments for residential purposes, and one hears names like Ocean Paradise Estate. How silly can the situation get? The land is reclaimed, stabilised, and then destroyed. That should not happen in this State.

I think the Minister would do a service to the Chamber if he allayed the fears of the hon. member for Salisbury relative to stream pollution. He objected strongly to clause 6 of Part VII, and clause 7 seems to provide a safeguard. The Minister would serve the Committee well if he outlined the precautions that are taken under the Water Act and any other Acts to ensure that the type of situation that the hon. member for Salisbury mentioned relative to the Herbert River does not recur in this State. No government, whatever its colour, would want to see a recurrence of the problem that arose in the Herbert River. When one reads clause 7 one can imagine that it could occur. I think the pollution of the Herbert River arose from the discharge not directly into the stream but into dams which, in times of flood, broke their banks. Whatever precautions are taken at present in the upper reaches of the Herbert to prevent that from recurring—and I sincerely hope that they are taken—should be taken in every locality to which this agreement applies.

As my friend from Mt. Coot-tha has pointed out, the agreement is a specific one and does not relate to all operations that may be carried out. It is narrow in its application, and I am not worried about the precedents being set, as is the hon. member for Salisbury. From time to time, in a broad sense, all hon. members would share the fears he expressed.

Mr. Sherrington: Why did you fight with me on the Mining Bill when we opposed it?

Mr. MURRAY: Do not spoil it, please. I am trying to be generous to the hon. member, and I would like him to be generous to me. In spite of his interjection, I think we should share his fears because they concern a vital matter. When the hon. member keeps to the broad principle of this thesis that he constantly pounds into us he does not weary us because we know that he is right. Therefore, I feel that the Minister would serve the Committee well if he allayed the hon. member's fears and assured us that a similar situation will not arise in the future.

Hon. R. E. CAMM (Whitsunday—Minister for Mines, Main Roads and Electricity) (10.29 p.m.): I have been challenged by a couple of members of the Opposition to say exactly what will happen to the steaming coal that will be mined with coking coal. In many coking-coal seams there is an overlying seam of steaming coal but in some instances mining operations could take place for a number of years before steaming coal was encountered. In the Blackwater field very little steaming coal has yet been encountered. The company knows the locality of the split-seam coal and is deliberately refraining from mining it until it finds some use for the steaming coal.

I thought the provisions in the Bill, whereby the company can give the Government one year's notice that it intends to mine coking coal with an overlay of steaming coal, were excellent. The Minister can also give the company one year's notice that the Government requires it to mine steaming coal for use in power stations.

I should like the Opposition to come clean on this. What does it want us to do with the steaming coal? Do Opposition members suggest that we should throw it back in the hole and cover it with overburden? Or should we stockpile it for use in our power stations so that they can supply cheap electricity to the consumers in the locality, whether it is shipped to Mackay or to any other town? I certainly do not envisage this coal taking the place of any coal presently being supplied to a power station in Queensland. Transport costs alone will prevent its being so used. If there is a possibility of establishing a power station on the coast, or even on the coal-field itself, to provide cheap electricity for future industrial development, I think we will be doing the right thing by requiring the company to stockpile the coal. Only by providing cheap coal will we be able to offer electricity at a price competitive with that of other States to encourage industries to Queensland.

I see no other way of dealing with this coal. If hon. members opposite can tell me what they would do with the coal other than stockpile it for future use in a power station in Queensland, I should like to know what their ideas are.

Mr. DAVIES (Maryborough) (11.32 p.m.): One would think that the Minister's first remarks would have related to the employment of men working on steaming coal. The Minister knows that men on the Burrum field are unemployed, and I would have thought that his first concern would have been for them. We know that a responsible back-bench member of the Government has made a definite statement in expressing the hope that this coal will be used to reduce the cost of generating electricity in the State. I might say that he has let the proverbial cat out of the bag and that the Minister is now trying to cover up.

Mr. NEWBERY: I rise to a point of order. I did not say that we would take the coal to Collinsville and use it there.

Mr. DAVIES: I accept the hon. member's statement that he did not actually mention Collinsville. However, he referred to "electricity-generating stations throughout the State", which, of course, includes Collinsville, one of the nearest generating stations to this field.

Mr. NEWBERY: I rise to a point of order. I merely drew a comparison between Collinsville coal and this coal.

The CHAIRMAN: There is no point of order.

Mr. DAVIES: I accept what the hon. member says, but the fact remains that the statement was made, and no doubt it was made on behalf of the Government. The Minister is now trying to cover up the fact that this coal will be used to supply power stations in the State, whether at Bowen, Collinsville, or any other centre. The Minister tried to cover up by saying that it will take two years, and he said that the Government has to give one year's notice for this action to be taken. However, once the coal is stockpiled it can be used at a minute's notice, and we know that the Government is very anxious to have a stockpile of coal in case of industrial trouble, as it can then say to the miners, "Go on strike if you like; we have ample coal stockpiled."

I will leave it to the people of the State to judge whether a danger exists. After much hesitation, the Minister has failed to convince the Opposition that a grave danger does not threaten the marketing of coal produced by other mines in the State.

Mr. Camm: You have not said what the Opposition would do with this coal.

Mr. DAVIES: That is not the point. This is the Government's problem. Why did it not deal with it somehow in this agreement? Some provision should be made somewhere in the agreement. The Minister for Mines said he will use it, and he has challenged us to say how we would use it. But he states that he must use it. It cannot be allowed to lie there. If he does use it, where will he

use it? In the power stations, certainly. That can result only in further unemployment on the coal-fields of this State.

The hon. member for Clayfield, instead of adopting his usual style of charging us with screaming Karl Marx socialism and communistic trends, shared the fears of the hon. member for Salisbury on the problem of pollution. Eventually there must be some justification in the argument advanced by the hon. member for Salisbury. I ask the Minister to give us some information in this regard. It has been claimed by the hon. member for Salisbury that the Dee River is seriously polluted, and we know that it is a tributary of the Fitzroy River.

The schedule, in Part VII, clause 6, provides—

"The Companies shall have the right to discharge into the rivers and streams within the catchment area drainage from any plant works and facilities of the Companies and from any residential area and the Companies shall ensure that any such discharge by them shall not be dangerous or injurious to public health. Any such discharge shall not (unless specifically authorised by the Minister for a particular purpose) render the natural water in the river or stream less fit for human consumption or consumption by stock or for marine life, shall not cause harmful pollution of waters and shall not contain harmful solids. The Minister may from time to time direct the Companies to make known to such persons as shall be specified by him and the Companies shall so make known the nature of the effluent discharged or to be discharged."

I add to the warnings issued by other members of the Opposition and appeal to the Minister to use his authority to the full. I ask him to give the Committee more information in this regard, and a further assurance that he will take the necessary action to ensure that there will be no danger, even though there is a distance of some miles between these centres and the Fitzroy River barrage at Rockhampton.

I should like the Minister to give us some information on the weighing of the coal. The difference in weight between washed and unwashed coal is usually not great, although in some instances it is. There can be a great difference in royalty payments when millions of tons of coal are being handled. The Bill says that the coal "shall be weighed in a manner approved by the Minister". I ask the Minister to tell us whether the royalty will be paid on this coal before or after it is washed. I do not know the quality of this coal although I know the quality of the coal in many other parts of the State, and there can be a difference in the amount of royalty received when millions of tons are involved.

The schedule, in Part III, clause 10 (3), reads—

"For the purpose of ascertaining the royalty to be paid, all coal won and so shipped or otherwise despatched or consumed shall be weighed in a manner approved by the Minister except that if coal is shipped without weighing royalty shall be paid on weights ascertained for rail freight purposes."

I ask the Minister to explain that provision. The royalty is miserable enough, and the people of this State want to know now, and will want to know more and more as the election gets nearer, why only 5c a ton royalty is paid on coal won in this State. The people are not satisfied. One reason why some people did not vote for the Government in the recent Isis by-election was the giving away of this coal to overseas companies. It is more the terms of the agreement than the introduction of foreign capital that dissatisfies us.

An enormous quantity of water will be used each day. Although I take it that there will be a means of storing water, no mention is made of its size. One would think that more consideration would have been given to that. Twelve million gallons is more water than is used daily by the City of Townsville. Quite a large quantity of water is used, and, once used, it goes into the stream to pollute it, unless the Minister ensures that its treatment is adequate to safeguard the waters of the Fitzroy River.

Hon. J. BJELKE-PETERSEN (Barambah—Premier) (10.41 p.m.): It is quite obvious to me that if the making of this agreement had been left to members of the Opposition, there would not be any agreement. To my mind, there is no shadow of doubt about that.

Opposition Members interjected.

The CHAIRMAN: Order! I remind the hon. members for Salisbury and Maryborough that their speeches were heard in silence.

Mr. BJELKE-PETERSEN: One has only to put oneself in the position of a company and imagine trying to deal with hon. members opposite to see quite clearly that it would be completely and utterly impossible to reach agreement. Why try to make it so hard for a company or an organisation to come to this country to do something that is in the interests of the State and the people?

The Deputy Leader of the Opposition spoke at considerable length about the railway line and asked why it did not go to Bowen, or somewhere else. Apart from the aspects to which he referred, is it not decentralisation to get more ports and facilities along the coast? Why should all the trade go to Bowen or Mackay, or some other established place? Surely we want decentralisation. We do, if hon. members opposite do not. Gladstone is developing, and I

am sure the hon. member for Port Curtis appreciates that fact. We want other similar centres along the coast.

The hon. member completely ignored the feasibility study that was carried out. I can assure him that the whole matter was studied in very great detail by the companies and the Government. Goonyella is situated in the northern part of the lease, and, when speaking in terms of sending the coal to Bowen, no consideration was given to the southern portion of the lease and the other aspects that the feasibility study covered.

I do not intend to answer in detail the questions asked by the hon. member for Maryborough except to say again that all the details about which he seemed so concerned have been carefully considered. Surely hon. members would give sufficient credit to the officers of the various departments for taking care of such things as the size of the dam and whether the coal would be weighed wet or dry. Hon. members opposite are merely stalling for time.

For the information of the hon. member for Salisbury, clause 22 of Part III provides—

"The Companies shall conduct all operations under the Authority to Prospect and the Special Coal Mining Leases in accordance with good mining practices as practised in Queensland for the time being and shall not damage more than is reasonably necessary, the State's resources, including petroleum, coal, other minerals, the surface of the land, flora and fauna."

Mr. Sherrington: Do you honestly believe that \$50 is a realistic figure?

Mr. BJELKE-PETERSEN: All the companies conform to accepted mining practice. If one follows through their operations, one sees that they cannot take something below the surface of the ground without affecting the surface to some extent. I have confidence in the companies because of the way in which overburden has been put back and because of the way in which sand-mining companies have left the beaches and the sand dunes after completing their operations. That all accords with modern practices.

Mr. DONALD (Ipswich East) (10.46 p.m.): I had no intention of taking part in the debate, because I believed that the speeches delivered from this side of the Chamber admirably covered the position, not only from the point of view of the Opposition but also from the point of view of every true Queenslander. But I assure the Premier that the Australian Labour Party would never enter into an agreement of any kind, whether with a local company or overseas companies, that did not protect the interests of Queenslanders and the resources of the State.

Mr. Chinchin: Shame, shame!

Mr. DONALD: The interjection is typical of the people who oppose the interests of the working class in this State. The hon. member says, in effect, that an agreement that provides adequate protection for the workers and people of Queensland is a shame. Hon. members on this side of the Chamber think it is a shame that the Government should, without consulting the people of Queensland, enter into an agreement that does not provide adequate protection for employees in this State.

Reference was made to an agreement entered into by a Labour Government of which I think the Honourable E. M. Hanlon was Premier. Mr. Hanlon negotiated the agreement, and the stage was reached at which the negotiators gave a dinner to celebrate its signing. However, on reading the agreement, the company found that the interests of the people of Queensland and the State were so well protected that it refused to proceed with it. Is not that an indication of the ability and business acumen of Labour Governments?

The attitude of the Country-Liberal Government is, "Come in here. We do not care how you treat the people of Queensland. Give us money for our election campaign and we will welcome you." That is why the Government is so anxious to have the agreement ratified.

Government Members interjected.

The CHAIRMAN: Order!

Mr. DONALD: The Premier, in his innocence, said, "Where should we go? Do we want the company?" Where is the Government going? That is the question that the Premier should be asking himself instead of asking where the Opposition is going. It knows where it is going, and the people of Queensland know where it is going and what it is doing. It is doing what it always does—protecting the interests of the nation and the interests of the people. Members of the Opposition have no intention of departing even slightly from that policy.

The Premier said, "What does the company want?" An A.L.P. Government would not have asked the company what it wanted when an agreement was being made. It would have said, "What is the company prepared to give to Queensland and its people?" Here the Premier of Queensland asked the company, when he was negotiating with it, "Just what do you want? We will give it to you, even if it is unreasonable."

I am very pleased that the hon. member for Maryborough drew attention to the clause in the schedule dealing with royalties. There is a big difference between paying royalty at pit-top weight and railway weight.

Mr. Chinchin: Why?

Mr. DONALD: I will tell the hon. member why there is a big difference. The coal that comes out of the pit, mined by the

miners, is weighed at the pit-head. That coal is then cleaned. All the impurities are taken from it. If the hon. member is quiet he might learn something. He has asked me to explain something and I am happy to do so. Let me read this—

Mr. Chinchin interjected.

Mr. DONALD: The hon. member asked me a question and I am ready to answer it so I ask him to be quiet. Am I going to be allowed to speak, Mr. Hooper?

The CHAIRMAN: Order! I remind the hon. member for Mt. Gravatt, the hon. member for Port Curtis and the hon. member for Cairns of the rules governing interjections. I am sure they know them.

Mr. DONALD: The hon. member asked for information and I am only too happy to give it to him. I am only too happy to help anyone at any time to the best of my ability and with the little knowledge I have. The provision in the agreement reads—

“For the purpose of ascertaining the royalty to be paid, all coal won and so shipped or otherwise despatched or consumed shall be weighed in a manner approved by the Minister except that if coal is shipped without weighing royalty shall be paid on rates ascertained for rail freight purposes.”

It says, “or otherwise despatched”. I have in mind that this Bill covers coal referred to as rejected coal which is coal not suitable for export but suitable, in the minds of the Government, for home consumption. That coal can contain a lot of impurities. It is not washed and cleaned and the difference between the pit-head weights and railway weights for royalty purposes is that pit-head weight is the weight of the coal in the skip that the miner sends up; railway weight is the weight that goes into the railway wagon after it has been washed and cleaned of most, if not all, of its impurities. All the stone has been taken out of it; all the slate and material that is not pure coal has been eliminated. That is the difference.

Anyone can understand just what the difference will be if royalty is to be paid on railway weights. Of course the company would ask for railway weights because it would know the benefit it would receive, and the Government should have been awake to it as well.

I am concerned, with every justification, about the stockpiling of coal that is not suitable—that is the word the Minister used—for export purposes. It can be good coal or inferior coal. It can contain much extraneous matter. But I think we should get royalty on it. It is called steaming coal. If it is good or bad steaming coal, we should get the full miserable 5c a ton for it. Government members have talked

about the royalty we got, but that royalty on the changed value of money would now be worth about eight times as much.

The agreement further provides—

“Should the mining of coking coal necessitate the mining of other coal, then the Companies may mine such other coal.”

Correctly or incorrectly, I have formed the opinion, after listening to the debate, that most of this coal will be open-cut coal. Someone said that the inferior coal may lay below the coking coal. If the inferior, or steaming coal, that has been referred to lays deeper than the coking coal, there is no need to disturb it. It can lay there and the coking coal—

Mr. Chinchin: Rot!

Mr. DONALD: Someone says “Rot.” Why he should say “Rot”, I do not know. If the coking coal is on top and a layer of other material lies between it and steaming coal, the steaming coal should remain as an asset to the State and not be stockpiled. It would be silly to mine steaming coal that is below coking coal. Why should these companies be allowed to mine it? If they are, I hope that they will be required to pay a royalty on the steaming coal that they mine. They will not attempt to sell it, but they have asked the Government to allow them to stockpile it.

Clause 15 provides—

“... If the tonnage of such other coal exceeds ten per centum (10%) of the coal to be mined in that place, then the Companies shall give to the Minister at least one (1) year's notice in writing of their intention so to do or such lesser period as the Minister agrees. Should the Minister so require by giving at least one (1) year's notice thereof in writing to the Companies, the Companies shall deliver such other coal to the Minister for use in State power stations. If the Minister so requires, the Companies shall stockpile such other coal on the Special Coal Mining Lease in suitable manner and at suitable places, or otherwise as agreed between the Companies and the Minister.”

The Minister has a great responsibility in the matter. I doubt whether he realises the responsibility that he carries. He has the responsibility of protecting the assets of this State and of ensuring that the company pays for the coal it is disturbing in order to mine the coal that it requires. It should not be allowed to mine this steaming coal and say to the Government, “The concern is yours. It will be stockpiled. You can do what you like with it.” If this steaming coal is stockpiled, it is reasonable to assume that it will be used in competition with coal that is produced by the existing steaming-coal mines. Companies that spent a great deal of money on establishing themselves will be ruined, and their employees will be put out of work. I cannot take this with a smile and say

that that is progress. If the Government will ensure that employees who are put out of work as a result of the marketing of this reject coal, as it is termed, are placed in other suitable employment there will be no objection to this proposal. However, if this reject coal is to be used to deprive the existing companies of their rightful share of the coal trade, companies that have served the industries of Queensland faithfully over the years, a tragedy will occur. They would have to close their mines and put their workers out of employment. It might be good business to some people, but not to the employers and employees who have spent a lifetime in the coal-mining industry and have served Queensland and its industries well.

It is nice to have cheap electricity. We all know what a good servant it is, and we know that in Queensland, with very few exceptions, the energy that provides electricity and all the benefits that flow from it is derived from coal, whether it is good coal or inferior coal. It has been the life-blood of many collieries, and both employers and employees in the country have been assisted by it. Over the years the Queensland Coal Board has set a standard that had to be kept by the colliery proprietors.

It has maintained that standard and organised the coal-mining industry. It cannot be said that the board has not brought about a better understanding in the industry, particularly between the buyer and the seller. All the board's efforts over the years will be wasted by the desire of a rich company, with the permission and blessing of the Government, to dump its unwanted coal, to be sold at a price with which other companies cannot possibly compete. The provision states—

"If the Minister so requires, the Companies shall stockpile such other coal on the Special Coal Mining Lease in suitable manner and at suitable places, or otherwise as agreed between the Companies and the Minister."

Judging by the way the Government is treating this company it will agree to anything that the company wants, in spite of what the Minister may want.

Mr. Ahern: What do you suggest that we should do with it?

Mr. DONALD: I suggest that when this coal that is stockpiled forces a colliery to close down, the employer at the colliery should be compensated and useful work found for the coal-miners working there. That is a humane suggestion, and that is all that I ask. No-one can say that that is an extravagant request or that it is beyond the realms of possibility.

The provision continues—

"Upon the Companies delivering such other coal to the Minister into such stockpile or otherwise, the Minister shall pay the Companies all reasonable costs of so

extracting and delivering such other coal. Such costs shall include the costs of extracting and delivering such other coal to the Minister, taking into account in the computation of such costs any required capital investment for the production of such other coal, less the costs that would have been incurred in sending such other coal to waste."

Again we see how well the company is protected. The company may get good coking coal after passing through a good seam of steaming coal, but it does not want the steaming coal, so it says to the Government, "Allow us to stockpile it, but you will have to pay us for it." The Government said, "Of course we will pay you for it; we want you to mine our coal and export our good coking coal, which we do not have in abundance. . . ."

Mr. Chinchin: What do you want?

Mr. DONALD: All I want is justice.

The provision then says—

"Nothing in this Clause shall prevent the Companies and the Minister from entering into a long-term contract for the supply of coal thereunder on terms and conditions other than those specified in this Clause."

That proves what I am saying. The coal can be delivered but the Government must pay for it. Why should the Government pay for it? The company has to produce the coal and send it to Japan. If any physical difficulties are experienced in winning the coal, the people of Queensland should not have to pay for them. The company should pay for them. If the company wants the plums it must take the other things with it.

We then see the following:—

"If the Minister so notifies the Companies in writing, the Companies shall make available to the Minister washery reject coal and other coal discarded during beneficiation or any portion thereof for use in State power stations. Such coal shall be placed by the Companies into a suitable stockpile in the vicinity of the wash plant or other beneficiation plant. Upon the Minister taking delivery of such coal from such stockpile, the Minister shall pay the Companies all reasonable costs incurred by the Companies in so stockpiling the coal less the cost that would have been incurred in otherwise disposing of such coal. Such payment shall be exclusive of the costs of mining, beneficiation and overheads except such costs as would not have been incurred if it were not for such notification."

That emphasises what I have said. The Government is giving in to the company all the time. The company would waste this coal, although it is good coal. It is useless to the company, so the Minister buys it. The company does not say to the Minister, "You can have this coal." The Minister could sell it and give the money to charity if he wanted a way to dispose of it. The

proceeds of the sale could then be used to compensate the employers and ensure that the employees were also looked after.

It then states—

"Nothing in this Clause shall prevent the Companies and the Minister from entering into a long-term contract for the supply of coal thereunder on terms and conditions other than those specified herein."

I do not know if hon. members opposite have any idea how open-cut mining is carried out. Orthodox mining can be carried out without any great disfiguration or disturbance of the surface and without the value of the surface being lost. But open-cut mining is ugly. Many hon. members have had an opportunity to see what is happening at Moura. The overburden taken from above the coal seam is so high and so great is the quantity of it that the people round Moura call it the Mitsui Ranges. After the overburden and coal are removed, nothing but an ugly hole is left where once there was good pasture country. The surface is destroyed for all time, the locality is scarred beyond all recognition, and nothing can be done about it. The companies concerned should be obliged to put back the overburden after the coal has been removed.

The hon. member for Maryborough and the hon. member for Salisbury touched on the need to see that water discharge does not pollute our streams. Some years ago I visited the dredging operations on the Herbert River. The dredge was described at that time by Mr. Bert Turner, a personal friend of mine who sat in this Parliament for many years, as a beast wallowing in its own mud. It was a very small dredge but its operations polluted the Herbert River which is an attractive river in wet weather and in dry weather. This resulted in agitation that worried the life out of the late Mr. Jesson who was the member representing that particular district. He made many speeches on the floor of this Chamber in an effort to bring about the cessation of dredging operations on the Herbert River and its tributaries, or to stop the pollution. Anyone who has any idea of the damage that was done to that lovely stream will have no difficulty in imagining what will take place when, year after year, millions of tons of this water are discharged into Central Queensland streams which are not nearly as large as the Herbert River.

The schedule, in Part VII, clause 2 (13) again commences with the words, "The companies shall not be under any liability to any person." Once again it is not the interests of the people of Queensland that are being guarded. Nearly every paragraph starts with those words. That clause reads—

"The Companies shall not be under any liability to any person by reason of the fact that any land lawfully held by that person has been or is likely to be inundated as the result of works carried out by

the Companies or required to be occupied by any artesian or sub-artesian bores or wells, pumping stations, dams, storage basins, pipelines, roads or other requirements, in pursuance of their rights hereunder but the State shall as necessary resume any such land and the provisions of the Acquisition of Land Act of 1967 and/or the Land Acts shall apply and extend accordingly and the Companies shall reimburse to the State the compensation (if any) costs and other incidental expenses payable by the State in consequence of any such resumption."

The water used to wash coal flows over the ground and carries away minute particles of dust and other materials that settle as a nasty, black silt. This material has been known, after some time, to fill the dam from which the water was drawn for the washing plant. A dam would probably silt up quicker than a creek or river, but the process in both is the same. Precautions will have to be taken to see that the water from the huge washing plants does not destroy land, and particularly the streams into which the water flows. Washing of coal not of good quality is absolutely necessary for the benefit of the consumer and the coal-mining industry, but it is also essential to see that the land on which the residue runs is not damaged. I appeal to the Government, and the Premier in particular, to see that the company is prevented from polluting streams that are clean today but could be destroyed in the very near future.

(Time expired.)

Mr. HANSON (Port Curtis) (11.11 p.m.): It is noted in the Bill that the State shall use its best endeavours to cause the railway line to be placed in operation not later than 31 March, 1971. The agreement with Thiess Peabody Mitsui Coal Pty. Ltd. contained a similar clause under which the railway line was to be in operation by March, I think it was, or April, 1968. Several questions were asked about the various tenders connected with the construction of that railway and its eventual operation.

I want to impress upon the Government the desirability of making it perfectly clear to the contractor that he has an obligation to carry out his work to a reasonable standard of satisfaction. Past experience has shown this to be very necessary. In the construction of the Gladstone-Moura railway line, a heavy downpour of rain had a very detrimental effect on the newly constructed line. Many thousands of dollars had to be spent in placing ballast beneath the line. There were ballast-supply areas that were condemned by officers of the Railway Department, but someone overrode someone else and the ballast from those areas was eventually used on the line. It did not prove satisfactory, and there were landslides and collapses and hurried operations to get the line into operation.

I fully realise that in any project requiring the expenditure of millions of dollars there are likely to be some "bugs" in its construction and operation. This happened in the great enterprise of the alumina factory, as a result of which certain litigation is at present pending. I impress upon the Government that there should be no haste to absolve contractors from their responsibilities in carrying out work for which their tenders were accepted. The Railway Department should ensure that contractors do the work to its utmost satisfaction. Sections of the line buckled continually, and that will occur on the line from Goonyella to Hay Point unless adequate safeguards are provided to prevent a recurrence of the problem.

On many of the creek crossings on the Moura-Gladstone short railway line contractors have had to re-do work in recent months. In some instances, contractors were engaged after the line was taken over by the Railway Department to fix up the piers and foundations of bridges, and the Government insisted that they take out indemnity policies to the tune of almost \$1,000,000 to ensure that the work was completed satisfactorily and that there would be adequate safeguards to the life and limb of railwaymen and to rolling-stock passing over the bridges. I impress upon the Government that it should make sure that there is not a repetition on the Goonyella-Hay Point railway of some of the unsatisfactory work that was carried out initially in 1965, 1966 and 1967 on the Moura-Gladstone short railway line.

It was refreshing to hear the Minister for Mines, Main Roads and Electricity refer to the steaming coal that will be stockpiled for use in a future power-house. I asked by way of interjection, "Which particular power-house?" The Government has been trying to make up its mind on that question for some time, and industrial development will stagnate unless a power-house is built in Central Queensland. It is useless for the Minister to try to mislead the Committee by saying that coal stockpiled in this area will be the source of supply for a power-house to be constructed in the future. Large quantities of steaming coal with very little overburden are in the ground at present and could be used for the operation of a power-house. If the Treasurer is making a submission to the Commonwealth Government, as he claims he is, for the erection of a mammoth power-house in Central Queensland, feasibility tests would already have been conducted on many seams of steaming coal that have an adequate calorific content and will produce sufficient B.T.U.'s to enable them to be used in a giant power-house. It is no good the Minister's saying that it is imperative under this agreement to get coal at grass for use in a power station, because no power station can function unless it has an adequate coal supply.

I think the Minister for Mines said earlier in the debate that the companies are coming in more or less blindfold in regard to the

seams of hard coking coal that exist on the Goonyella field and that, despite the fact that the contract initially provides for 150,000,000 tons, they are not certain that 150,000,000 tons lie under the ground. Is that correct?

Mr. Camm: No.

Mr. HANSON: I got the impression from the Minister's speech that he did say that. I think he should have informed the Committee that adequate core drilling had been done by the Department of Mines, because I will bet my bottom dollar that more than 150,000,000 tons has been proved.

The question of the harbour was canvassed quite adequately by the hon. member for Mackay. However, I point out to the Minister who replied to him that, under the Harbours Act, Hay Point now lies within the area of the Mackay Harbour Board.

Mr. Camm: No, it does not.

Mr. HANSON: It must lie within that area, because there is a representative from Sarina on the board.

Mr. Camm: That is right.

Mr. HANSON: Hay Point would be covered by the Mackay Harbour Board area.

Mr. Newbery: No, you are wrong.

Mr. HANSON: In what area does it lie? Every harbour board in this State is divided into areas from which representatives come. On the Gladstone Harbour Board, representatives come from Miriam Vale Shire Council, which is in the harbour board's area, and a representative comes from Biloela, in the Banana Shire. If representatives of the Sarina Shire Council come to the board, then that council lies within the Mackay Harbour Board's area.

Mr. Camm interjected.

Mr. HANSON: It must lie within the area. There is a representative from Sarina on the board, and Hay Point would be within the Mackay Harbour Board area.

Mr. Camm: Look at the boundary of the seafront controlled by the harbour board. That is the area controlled by the harbour board, not the local authority area.

Mr. HANSON: Then the Goonyella field would be within the harbour board area.

Mr. Camm: No.

Mr. HANSON: That is surprising to me. If it is not within the Mackay Harbour Board area, there is no defined harbour board area in the Bill. I have been through it and I cannot see one. Is it the intention of the Treasurer eventually to proclaim a harbour board area applicable to Hay Point? I think one Government speaker said that eventually a harbour board will be created after it has been operated by the Corporation of the Treasurer for some time. I think it

is very desirable at this stage if the Government intends to create this harbour board, that the Committee should be informed from where it intends to draw the representatives. I fully realise that on the proclamation of this Act Hay Point will be similar to Lucinda Point and similar places that come under the direction and control of the Department of Harbours and Marine and the Treasury itself. I assume that will be the position for some time, but eventually a harbour board will be constituted, and I should like to know from what areas the representatives on the board will be drawn.

There is a statutory limit under the Harbours Act to the number of people who can constitute a harbour board. It would be very interesting to know whether it will necessitate another amendment of the Harbours Act. Or will clause 8 of this agreement apply? Clause 8 reads—

"Subject to the provisions of this Agreement, the provisions of the Harbours Acts shall apply to the harbour and the Harbour Board but in so far as there shall be any conflict between the provisions of this Agreement and of those Acts or any other Act relating thereto the provisions of this Agreement shall be paramount."

The provisions of this agreement will allow more or less dictatorial control by the companies in matters of this kind. This has certain evils. As a matter of fact, during the amendment of the Harbours Act last year, I was trenchantly and ill-advisedly criticised by the Treasurer for making certain submissions in this regard. I pointed out to him that the authorities that control the various conferences of harbour board representatives throughout this country—the Permanent Committee of the Australian Harbours Association and the Queensland Harbour Boards Association—adopt the principle that a harbour board itself should be in full control of the facilities in the port area. It was only a matter of weeks after I was criticised in this House by a man who should have known better but was evidently too pig-headed to accept my advice that Thiess Peabody Mitsui received a letter from the constituted and elected authority of the harbour board seeking, on behalf of another company with a large Australian shareholding, permission to use some of its facilities. That company was subjected to blatant high charges. As a matter of fact, Ned Kelly was not in it. Thiess Peabody Mitsui demanded \$2,000 a year for the easement for a pipe that goes underground for about 100 feet. Despite the fact that T.P.M. had been loading coal for many years at 27c a ton, it demanded 95c a ton from the other company when it loaded its mineral sand and insisted upon penalties at week-ends, which at one time were borne by the authority.

I urge the Government to tread very carefully in this matter and ensure that people of the State who desire to engage in various

enterprises that could be very beneficial to it are not unduly prejudiced by these companies, which, under this agreement, are given very wide powers indeed.

I refer to clause 13 of Part IX, which states—

"The lands the subject of any Crown grant, lease or licence granted to the Companies under this Agreement shall be and remain zoned for use and otherwise protected during the currency of this Agreement so that the operations of the Companies hereunder may be undertaken and carried out thereon without any interference or interruption by any municipal or Shire Council or by any other government or semi-governmental authority of the State or by any person on the ground that such operations are contrary to any zoning by-law or regulation or any such municipal or Shire Council or other authority."

That is a very wide provision.

Very recently the Utah Development Company was engaged in a dispute with a western shire council over the payment of rates. It is still engaged in that dispute, and is holding up the local authority in the performance of its duties. The company says that it is not required to pay rates, and no doubt it relies upon some legal technicality or advice that has been received from its lawyers in San Francisco, or wherever its headquarters may be.

Overseas companies that develop our natural resources should be given a clear and concise appreciation of the laws of the State's local authorities to ensure that no shire council is prejudiced by a company's failure to meet its commitments in local-authority rates. Any landholder is required to pay rates to a local authority, and I firmly believe that any company that holds land and receives a concession from the Government should live up to its responsibility and pay its rates and meet its commitments to the local authorities.

I refer to this "open-go" clause, as it was termed by the hon. member for Salisbury. In Gladstone, Thiess Peabody Mitsui is subject to the by-laws and health regulations of the local authority in its coal-loading operations. So, too, should these companies be subject to local authority by-laws and regulations. They will get away with murder if they are given the opportunity. The great alumina enterprise at Gladstone is subject to the laws of the local authority. I do not know of any enterprise that has come to this State that is not subject to the laws of a local authority. These companies have been given *carte blanche*, and this is certainly not in the spirit of the people's desires.

The Government should be ashamed of itself when it subjects the people of this State to a clause of the kind that I have referred to. It certainly needs clarification, and it should be made clear to the companies that they will have to live up to their

responsibilities and not prejudice the safeguards and other regulations that have been laid down after many years of careful thought by people engaged in local-authority administration in this State.

There is nothing more that I want to add. I look forward to the Premier's reply on this matter.

The CHAIRMAN: The question is—

"That the Schedule, as read, stand part of the Bill."

Mr. Sherrington: Mr. Hooper, I seek your advice on the second schedule. Will we be able to speak on that?

The CHAIRMAN: No. There is only the one schedule.

Mr. Sherrington: It is termed "The Second Schedule" in the Bill.

Schedule, as read, agreed to.

Clauses 2 and 3, as read, agreed to.

Clause 4—Variation of agreement—

Mr. TUCKER (Townsville North) (11.31 p.m.): This agreement has been described by many speakers on the Government side, and by the Premier when introducing it, as vital. I certainly do not argue with those sentiments, as any agreement relating to our coal extending over 42 years involving thousands of millions of dollars, which is the amount that will be obtained by the company exporting the coal, is vitally important. The company will first export 150,000,000 tons, and it has an option to export another 150,000,000 tons. That will involve thousands of millions of dollars. In addition, \$50,000,000 will be spent on the construction of the railway and in buying rolling-stock to transport the coal from Goonyella to the port, and many millions of dollars will be spent on harbour installations. I am therefore quite correct when I say that this project involves thousands of millions of dollars. The agreement quite rightly, was brought to Parliament for its approval, and the Opposition has no argument about that.

This clause deals with the variation of the agreement, but the Opposition does not agree with the provision of the clause that reads—

"The Agreement may be varied pursuant to agreement between the Premier of Queensland and the Companies with the approval of the Governor in Council by Order in Council and no provision of the Agreement shall be varied nor shall the powers and rights of the Companies under the Agreement be derogated from except in such manner."

Quite often Parliament does not meet for many months. In fact, Parliament sometimes goes into recess for seven or eight months. That period could elapse before we meet again and before any Orders in Council varying this agreement could be placed on

the table for perusal by the Opposition. It therefore appears that a variation of this agreement could be in existence for seven or eight months, and although the Opposition may have been completely at variance with the variation the desired result could be achieved in the seven or eight months. Other provisions of the agreement say that anything done in the meantime remains valid, even though Parliament itself may ultimately reject the variation to the agreement. The Opposition believes that if it was desirable to bring the agreement to Parliament for approval—and the Opposition believes that it was—any alterations to the agreement should also be presented to Parliament as an amending Bill and should not be effected by Order in Council.

If it is vital enough to ask Parliament to approve of and ratify the agreement, any variation or alteration to the agreement, which could involve millions of dollars and many people in this State, should also be presented to Parliament by way of an amending Bill. Many months should not be allowed to elapse—in this case it could be seven or eight months—before Parliament, and particularly the Opposition, is able to debate an Order in Council and determine whether it is acceptable or unacceptable. If we pass this Bill, it would be a complete farce if it was varied by Cabinet and the variation remained in force for seven or eight months before Parliament could debate it.

The Opposition believes that this should not be done by Order in Council and that any variation should be presented to Parliament so that it can decide the matter. If it does approve of the variation, it should take effect from when Parliament makes its decision, not from the date of the Order in Council issued by Cabinet, who will look at it only from the Government's point of view. If it is done by Order in Council, that which it sets out to do will be achieved for some time, even though it may afterwards be disagreed to by Parliament. The Opposition does not feel that this is the right way to vary the agreement and registers a protest at this method of varying it.

Clause 4, as read, agreed to.

Clause 5—Proclamations and Orders in Council—

Mr. SHERRINGTON (Salisbury) (11.37 p.m.): Clause 5 commences—

"(1) Any Proclamation or Order in Council provided for in this Act or in the Agreement may be made by the Governor in Council and, in addition, the Governor in Council may from time to time make all such Proclamations and Orders in Council not inconsistent with the Agreement as he shall think necessary or expedient to provide for, enable and regulate the carrying out of the provisions of the Agreement or any of them."

"(2) Any such Proclamation or Order in Council may be revoked or altered by another Proclamation or Order in Council which is not inconsistent with the Agreement."

Following on what my Deputy Leader said, a variation of this agreement may be made by Order in Council which shall be tabled in Parliament at the next sitting. I wonder whether a ludicrous situation could arise in which a variation could be made by Order in Council and then, before Parliament sits, that variation could be revoked by another Order in Council. What sort of position would Parliament be placed in if we had to debate whether the first Order in Council should be agreed to and then immediately debate whether the Order in Council revoking the previous one should be agreed to? I am concerned about this, because I notice that the Second Schedule provides, in regard to a holder of an authority to prospect—

"The Holder shall not enter on any State Forest or Timber Reserve or National Park or Scenic Area set apart under the Forestry Act 1959-1968 for any of the purposes of this Authority to Prospect without the prior written consent of the Conservator of Forests . . ."

It could well be that an Order in Council could be made permitting the holder of an authority to prospect to enter a national park. I fail to understand why an authority to prospect for coal should entail entry to a national park, particularly in view of the amendment to the Forestry Act which provides that the Conservator of Forests shall not permit entry to primitive areas or such other areas unless the person seeking it is eminent in his field.

I am considerably disturbed that under this provision in the Schedule holders of authorities to prospect could be authorised to enter national parks. This could be authorised by Order in Council during a Parliamentary recess, and we would then be placed in the position of having to decide, after the event, whether we agreed with it. Because an agreement can be varied and one Order in Council can revoke another, we can see the possibility of a very ludicrous situation being created in Parliament.

Clause 5, as read, agreed to.

Bill reported, without amendment.

MEDICAL ACT AMENDMENT BILL

SECOND READING

Hon. S. D. TOOTH (Ashgrove—Minister for Health) (11.44 p.m.): I move—

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

Details of this short amendment have already been given, and I do not propose to discuss the matter at length at this stage. The sole purpose of the Bill is to provide for the

registration in Queensland of medical practitioners who gained their primary medical qualifications in the Republic of Ireland, provided that such qualifications were obtained by examination after passing through a course of medical study of not less than five years' duration, and that any such qualification, be it a certificate or diploma, is equal to, or higher than, the degree in medicine issued after due examination by the University of Queensland.

The medical courses available in the Republic of Ireland will be examined by the Faculty of Medicine of the University of Queensland, and on receipt of a satisfactory certificate by that body, an Order in Council will be issued specifying the primary medical qualifications that should be approved for the purpose of registration in Queensland.

This is the same procedure as applies to South African applicants for registration in Queensland as medical practitioners, and the Bill provides for its adoption with respect to applicants from the Republic of Ireland because it may be that not all of the medical courses conducted by teaching institutions in the Republic of Ireland might be held to be equal to or higher than that provided by the University of Queensland.

The medical courses being conducted in the Republic of Ireland at the present time are those at the University of Dublin, the National University, the Irish Royal College and the Apothecaries' Hall. I understand that the University of Dublin is the protestant university of Ireland, and that the National University is the Catholic university, having medical schools in Dublin, Cork, and Galway. I am advised that the medical courses offered at the two universities named are similar in length and content to those offered in medical schools in Australia, and particularly to that in Queensland.

Some reservations are held, however, with respect to the qualifications offered by the Irish Royal College and the Apothecaries' Hall, but the intention of the Bill is to provide that a medical graduate from the Republic of Ireland is eligible for registration as a medical practitioner in this State only after his primary medical qualification has been duly recognised by the Governor in Council by Order in Council published in the Gazette.

As I mentioned earlier, this recognition will be dependent upon a certificate from the Faculty of Medicine, University of Queensland, that the medical qualification concerned is equal to or higher than the degree in medicine issued after due examination by the University of Queensland, and the complete details of all available courses of medical training available in the Republic of Ireland await evaluation by the Queensland Faculty of Medicine, subsequent to the passage of this amendment.

I commend the motion to the House.

Mr. DAVIES (Maryborough) (11.47 p.m.): I have much pleasure in supporting the Bill. The Opposition believes that it is necessary.

Naturally, the Queensland Branch of the Australian Medical Association asked the Minister to make certain that the courses in the Republic of Ireland are, as the Minister said, of a standard either equal to or higher than that in Queensland. It is only right and proper that this action should be reciprocal and that the Republic of Ireland should be protected, also.

Members on this side of the Chamber realise that all too frequently many parts of the State are short of medical men, and it is doubtful whether the Government can claim much satisfaction from what it has achieved in that direction. I sometimes wonder whether the Queensland Branch of the Australian Medical Association takes sufficient interest in this subject and acts as a healthy driving force in influencing medical men to give service to people living in distant parts of the State, and whether there is sufficient of the missionary zeal among medical men.

I wonder, too, when I see the ever-increasing charges that have to be borne by the public, whether a sufficient number of medical practitioners appreciate their responsibilities to the community. On many occasions one finds that a medical practitioner, after having operated on a patient, leaves far too much to others and fails to carry out fully his own responsibilities. In a number of instances the patient dies, and I think it behoves the medical profession as a whole to take note of that. It is to be hoped that the zeal and dedicated service that has been so much in evidence in the medical profession over the years is not dying.

Mr. Smith interjected.

Mr. DAVIES: We hope, despite the failure of my legal friend opposite to appreciate that I am raising this question on behalf of the people of the State, that possibly by comparison it may occur in only rare instances, but they are sufficient in number for notice to be taken of them. Possibly the admission of medical men from other parts of the world such as, in this instance, the Republic of Ireland, will act as a tonic to that section of the medical fraternity who need some inspiration, and result in a raising of the standard of medical services.

Mr. Porter: This is an attack on the medical profession.

Mr. DAVIES: On a very small minority of the medical profession. Despite the stupid interjections from the Government backbenches, I have made myself very clear on behalf of the people generally in the community. Possibly if there was less of a rush to put a shingle up on Wickham Terrace, and a little more dedicated devotion to the needs of

the people of the State we would have more satisfactory over-all medical services. I support the second reading.

Motion (Mr. Tooth) agreed to.

COMMITTEE

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

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

HEALTH ACTS AMENDMENT BILL (No. 2)

SECOND READING

Hon. S. D. TOOTH (Ashgrove—Minister for Health) (11.53 p.m.): I move—

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

In the introduction to this Bill I indicated that the general purpose of the measure is to allow milk-vendors to carry products other than milk on their vehicles. I mentioned also that these would be products related to milk which, due to technological advances can be packed and kept in such a manner that they would conform to prescribed standards and no deterioration in health practices would ensue. These products are in demand and their delivery in the manner proposed will benefit many householders.

I now propose to deal in more detail with the amendment to explain how its introduction will have the desired advantages mentioned without any disadvantages that some honourable members fear.

The present Section 115 of the Acts which it is proposed should be repealed contains four subsections. They deal respectively with—

- (1) The licensing of milk-sellers,
- (2) A demand that the milk-seller's name and address be inscribed on his vehicles and receptacles,
- (3) The prohibition of the carriage of water, separated or skimmed milk, or any other fluid capable of acting as a diluent, and
- (4) The provision for the application of the first two subsections in areas proclaimed by the Governor in Council.

The proposed amendment contains no provisions for licensing or the inscription of the milk-seller's vehicle with the name and address. At first sight, one might believe that such omission would result in relaxation of measures necessary to protect the health of the public. However this is not the case. This protection exists in other legislation, some of which is the responsibility of my colleague the Minister for Primary Industries.

The Milk Supply Acts, 1952 to 1961 provide for the registration of producers, wholesale vendors, and retail vendors of milk and make it an offence to supply or sell milk, unless a certificate of registration is held.

The same Act provides for the issue of a retail vendor's certificate which authorises the holder to sell milk in a particular milk district.

Subsection (3) of section 24 of the Milk Supply Acts states that the provisions of subsection (1) of section 115 of the Health Acts shall not apply to a person who holds a certificate of registration under the Milk Supply Acts. Other health legislation, however, does apply and retail milk vendors are obliged to follow standards which ensure that the health of the public does not suffer.

The issue of certificates under the Milk Supply Acts applies to the Brisbane milk district. In areas outside this district, regulations under the Dairy Produce Acts prohibit the sale of milk unless a licence for such a sale is held. These regulations also provide for the licensing of premises and vehicles from which milk is sold.

The obligation of milk vendors to inscribe their vehicles with their name and address will still remain after the proposed repeal of subsection (2) of section 115 of the Health Acts, as it is contained in the Milk-Sellers Regulations.

With the removal of the first two subsections from the Act, the fourth subsection would become meaningless, and its concurrent repeal is recommended.

It will thus be seen that the proposed removal of these subsections from the Acts does not entail any relaxation but the removal of redundant measures.

I now draw attention to the clause which it is proposed to substitute for the present section. The prohibition of carriage of diluents still remains, but provision is made for the carriage of approved substances or liquids.

Such substances and liquids must be approved by the Governor in Council, and power is given to prescribe the conditions under which they shall become approved substances. It is envisaged that conditions that would be prescribed would include reference to the containers in which such products are packed and the carriage of such products in bulk is unlikely to be approved. Such conditions would prevent contamination of milk and other substances carried and would help to ensure that the products delivered to the householder are of a satisfactory standard.

Should it be considered that further protection is necessary by the carriage of these products in insulated containers on the vehicle provision may be made for this.

Standards for milk and related products are set out in the Food and Drug Regulations. As new products come on the market necessary standards are considered by the Food Standards Committee of the National Health and Medical Research Council, on which Queensland has a representative. It

is usual practice for standards recommended by that body to be adopted in this State. In addition to the Food and Drug Regulations there are general provisions in the Health Acts that ensure that the public receives articles of satisfactory standard.

I feel sure that the explanation given will remove any doubt that health standards will be lowered in any way by the proposals and that the measures will be welcomed by the community which will benefit by their introduction.

Mr. DAVIES (Maryborough) (11.59 p.m.): At the introductory stage I spoke at length on matters that related to this Bill. Only one point concerns me at this stage, and that is the definition of "milk seller" in the old section 115.

Mr. Tooth: It has been covered.

Mr. DAVIES: Then it will be redundant. I have nothing further to say. The hon. member for Barcoo might wish to say something on this Bill.

[Wednesday, 11 December, 1968]

Mr. O'DONNELL (Barcoo) (12 midnight): I was not in the Chamber when this Bill was introduced. I am quite concerned about one aspect of the approval of the Governor in Council. I feel rather keenly about the intrusion of milk products from other States into Queensland, and I refer particularly to cream that is manufactured in Victoria with a gelatine content and to U.H.T. milk that is also manufactured in the South. I should say that the locally produced cream which is distributed to milk vendors is of a high quality, with a guaranteed 42 per cent. butter fat content, but I am afraid I cannot say the same about southern cream that is impregnated with gelatine. The Governor in Council should ensure that such products are eliminated from the range of products supplied by milk vendors. I appreciate what is being done by the Standards Committee, but possibly in the South those products fulfil the requirements of the Standards Committee there. Very good quality local cream is available. It would be a retrograde step to allow the importation and distribution of southern cream and U.H.T. milk, particularly when we prohibit the sale locally of U.H.T. milk manufactured in Queensland. I hope that the Governor in Council will give preference to the Queensland-produced products.

Hon. S. D. TOOTH (Ashgrove—Minister for Health) (12.2 a.m.), in reply: I am sorry that the hon. member did not hear or read my introductory speech, because basically this is the issue that brought the matter to a head. I was at pains to point out on that occasion that we had received very firm advice from the Crown Law Office that there is no way in which we can exclude interstate products from sale by milk vendors under the Health Act because of the operations of section 92

of the Constitution, unless it can be shown that a health factor is involved. In short, unless under the Health Act we can show that the interstate products are in some way deleterious to health, we run the very definite risk of being challenged under section 92 if we attempt to use the provisions of the Health Act to achieve some sort of economic purpose. That is not the purpose of the Health Act. Its purpose is to protect the health of the community. We could quite easily be challenged in the High Court for trying to use it for any other purpose. I assure the hon. member that the Health Act will be used firmly and stringently to preserve the health of the community and to ensure that the products handled will be of a quality that will not impair the health of the community, and further, that they will be related to either milk, or milk products.

Motion (Mr. Tooth) agreed to.

COMMITTEE

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

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

TRUSTEE COMPANIES BILL

SECOND READING

Hon. P. R. DELAMOTHE (Bowen—Minister for Justice) (12.5 a.m.): I move—

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

Hon. members, on perusing the Bill and comparing it with existing trustee company legislation, will realise that this consolidating measure is designed to bring up to date the statutory provisions authorising trustee companies to carry on their business, to give those provisions more general application, and to facilitate the extension of those provisions to other trustee companies if the development of the State so warrants and the applicant companies measure up to the high standard which is required of trustee companies.

The Leader of the Opposition, during the introductory stage of the Bill, made reference to the delay in the administration of estates generally. As hon. members readily appreciate, there are many and varied reasons which may cause delay in finalising even a small estate.

Upon the death of an individual, inquiries must be made to ascertain if a will was made, and, if so, the whereabouts of the last-known will. The executor appointed by the last will must be notified, and exhaustive inquiries must be made to obtain details of all the testator's assets and liabilities. This involves a perusal of all the personal papers of the deceased, including bank statements for three years prior to death and tax returns and assessments, and full details of all gifts, particularly in the two years prior to death. Inquiries must be made of numerous persons

and sources, and searches must be made at Real Property offices, Land Office registries, banks, insurance companies, stock and share brokers, and at all other places and institutions where the deceased may be recorded as holding assets or an interest in property.

Instructions for application for probate must be obtained, and the necessary advertisements must be published of intention to apply for probate and of notice calling on creditors to lodge claims against the estate.

When it is considered that the full extent of all assets and liabilities is known, instructions will be given for a complete valuation of all tangible assets, stocks and shares, and other personality and realty. Once the value of the assets and liabilities of the estate has been ascertained, estate duty and succession duty returns and an income tax return as at the date of death are prepared and lodged with the proper authorities. Requisitions are invariably issued on these returns, and delay often occurs in obtaining the required information to answer them satisfactorily.

An application for probate will be made by filing in the Court the necessary request, accompanied by the required affidavits and forms.

When the estate and succession duties and taxation have been assessed and paid, or security given for their payment and a certificate to this effect has been endorsed on the documents, probate will be granted.

The executor will comply with the grant by getting in the assets, meeting the liabilities, and filing inventories and accounts regarding his dealing with, and distribution of, the assets and liabilities of the testator in the court at the stated times.

From this brief outline hon. members will appreciate that apart from questions of renunciation, testamentary capacity and interpretation of the provisions of the will, delays will inevitably occur during the administration of an estate.

Since taking office, I have made every endeavour to obviate the delays that may occur in court proceedings, the administration of estates and in the other aspects of administration in this department.

Towards achieving this objective, a provision has been inserted in the Bill to confer power on a trustee company in small estates not exceeding \$1,000 to file in the Supreme Court an election, under the seal of the company, to administer the estate. On filing such election the trustee company is deemed to be the executor of the will or the administrator of the estate in like manner and to the same extent in all respects as if administration had been duly granted to him.

Where the consent of any person is requisite to the appointment of an administrator or trustee and the person refuses or is unable to give such consent, whether on account of not being of full age or otherwise, the appointment may be made without that consent if the court consents thereto.

This is an attempt to provide a more streamlined and cheaper procedure in dealing with small estates. Such a power has been exercised by the Public Curator in this State for many years, and trustee companies in New Zealand enjoy this power.

If it is found after the election has been filed that the estate exceeds \$1,400, the usual grant of administration must be taken out.

Similar provisions are included with respect to the unadministered balance of an estate. If the estate left unadministered on the death of an executor or administrator does not exceed \$1,000 and a trustee company would be entitled in the circumstances to a grant of administration from the court, it may file in the court an election under its seal to administer the unadministered estate, and the filing of that election has the same effect as a grant of administration.

Another provision included in the Bill is that, with the consent of a trustee company, any trustee, executor or administrator may pay to any trustee company any money being the whole amount, or the whole remaining amount, of any legacy or share in any estate to which an infant is entitled whether absolutely or contingently under a will, instrument, trust or intestacy, and, by writing in a form approved by the trustee company, direct the trustee company to account for the legacy or share according to the provisions of the will, instrument, trust or intestacy.

The Public Curator has a similar power and such a power has been conferred upon trustee companies in New Zealand.

A further provision included in the Bill is that where under any will or estate committed to a trustee company a legacy or share of such estate is payable to an infant, then the trustee company shall, subject to the terms of any will or trust instrument, hold that legacy or share as trustee for the infant until such infancy ceases, whereupon it shall account to the infant in terms of the will or trust instrument, if any, and without prejudice to the liability of the trustee company to account for such legacy or share when infancy ceases, a certificate under the hand of an officer of the trustee company that such legacy or share as so held shall be deemed to be a proper discharge therefor for all purposes and rules of law.

This provision will facilitate the administration of estates as otherwise where infants are involved the completion of the whole estate is held up until the infant becomes *sui juris*.

Another provision included in the Bill is that which will enable a trustee company, that is an executor or administrator, or is by law authorised to administer the estate of any deceased person or is acting as trustee, receiver or in any other office to which the Bill applies, to issue a certificate under its seal setting out the facts and details of its appointment, and the certificate shall, notwithstanding any law or statutory

provision to the contrary, be accepted by all courts, officers and persons as sufficient evidence—

(i) in the case of a deceased person, of the death of that person and of the appointment of the trustee company as executor or other administrator and of its right to administer; and

(ii) in any other case mentioned, of the trustee company's right to act, without any other proof. Such a provision will facilitate the administration of estates by a trustee company. The assets of a trustee company are made liable for the authenticity of the certificate.

A further provision is the extension of the present power of a trustee company to join in contributory mortgages of the lands of a corporation to enable it to make contributory investments generally. However, the power to make contributory investment is of less importance to a trustee company since the establishment of common funds.

Generally speaking, the rules of the Supreme Court with respect to the filing and passing of accounts are applicable to a trustee company in respect of any grant made to it by the court. However, it is provided in the Bill that if a trustee company files in the court a statement of assets and liabilities as rendered to a residuary beneficiary in the estate or to a person entitled in an intestacy to a distributive share and a statement showing transactions in the estate from the date of death of the testator or intestate person until the date on which the administration of the estate was substantially completed, or a date not less than six months after the date of the grant, whichever is the earlier, as rendered to those persons and verified by the affidavit of an officer of the company, the trustee company shall be deemed to have complied with the rules of court relating to the filing of inventories and accounts, unless a judge, on the application of the registrar or of a person interested, otherwise orders.

The present provisions of trustee company legislation that provide security for the due administration by the company of the offices which it undertakes are extended. Under the Bill, a trustee company will require to have a paid-up capital of not less than \$200,000 before it obtains any grant of probate or letters of administration. This sum has been increased from \$50,000, which was fixed many years ago.

Under the Bill, a provision renders all the capital, both paid and unpaid, and all other assets of the company liable for the proper administration of all estates of which it acts as executor or administrator and for the proper discharge of the duties of the various offices that the trustee company undertakes.

The Bill requires that a certain sum of the paid-up capital of a company be invested in the name of the Treasurer of Queensland. Previously, this amount was fixed at \$40,000

and was to be invested in Government securities. This sum was fixed many years ago and, accordingly, it is proposed to increase it to \$100,000. \$40,000 of this amount is to be invested in the name of the Treasurer in Government bonds or securities the repayment of which is guaranteed by the Treasurer. The remainder of the sum is to be invested in the name of the Treasurer in such investments as the Treasurer may approve.

While this sum is invested in the name of the Treasurer, the court may make grants of probate and letters of administration to a trustee company, without the bond for due administration that is usually taken in applications for administration. The sum invested in the name of the Treasurer is held by the Treasurer as security for the due performance by the trustee company in question of the duties of the office of executor or administration under any grant obtained in pursuance of the legislative authority.

A provision of the Bill relates to company regulation and deals with such matters as keeping trust accounts, setting up the reserve liability on shares held in the company in the event of its winding up, limiting the number of shares that may be held in the company, and making provision for the furnishing by the company of an annual statement as to its affairs.

Included in the general provisions of the Bill is a provision which enables the Governor in Council to extend the operation of the legislation to other trustee companies by an Order in Council amending the second schedule to the Bill and inserting in the first part the name of a trustee company and inserting in the second part of that schedule appropriate restrictions and limitations as to capital, the maximum number of shares to be held by shareholders and the liability of shareholders along the lines of the provisions set out in that schedule and applicable to the two companies to which the Bill will apply on the passing thereof, that is, the two companies presently authorised by their own special legislation to carry on business in Queensland as trustee companies. Such an Order in Council is subject to the usual power of review in the Legislative Assembly.

Mr. HANLON (Baroona) (12.21 a.m.): As the Minister has pointed out, the Bill is, in effect, a consolidation of the various Acts under which the existing trustee companies function. I think it is a good idea to provide an Act that will have general application to all trustee companies although here again—and I think this is wise—there is no blanket qualification as such. I understand each case will have to meet the requirements on its merits rather than have the wider qualifications that may allow persons who would not be regarded perhaps as having the integrity required for this type of work. Indeed, the Minister also pointed out that the nature of the function of trustee companies in administering trusts

and deceased estates requires the highest degree of integrity. It is for this reason that our thinking has been along the lines of reserving to the Public Curator some of the extensions the Minister proposes to give to trustee companies under this legislation. However, he mentioned that this has been done in New Zealand and we do not propose to adopt a dog-in-the-manger attitude and offer objections to it. We will go along with the proposals at the present time and examine the position later in the light of their operation. It will then be a matter for the trustee companies to show that they are operating as desired.

I was surprised, as I interjected, to think that the trustee companies will have many of the small estates that they will be given the power to elect to administer without grant of administration. I had the idea that they would have very few of these cases, but the Minister has been informed the number is considerable. The Public Curator has been dealing with them. Apparently the trustee companies find that they have a number, and I do not suppose that there is any reason why people who are with them should be disadvantaged and have to go to the trouble of changing over to get the same benefit as would be available from the Public Curator.

As I pointed out, we feel, because of the nature of trustee work, that possibly this function should to some extent be reserved to the Public Curator. I think there is a tendency on the part of some people to have resort to trustee companies and they should know that a commission is charged. I am not objecting to it because the Public Curator has similar rights to commission. It can amount to quite a sum. I think it is 4 per cent. on capital and 5 per cent. on income, and people with comparatively small estates perhaps should give some thought to whether they do require the assistance of these companies before they commit their estates to them. If they do, it is only fair that the company should be entitled to normal commission and charges. The Bill specifies, as in the past, that objection or appeal can be made to the court, if the scale of charges is considered to be excessive, and the court can set it aside or reduce it. The Opposition at this hour does not intend to enter into a detailed debate on the measure.

The Minister has given us a reasonable outline of what is contained in this lengthy Bill, which extends a number of the principles that have been accepted relative to trustee companies. It introduces some innovations, but it has our support because, with the repeal of various Acts, it will bring a common application of the Act to bear on trustee companies, except for an occasional section that has special application under the old Acts. We do not oppose the measure.

Motion (Dr. Delamothe) agreed to.

COMMITTEE

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

Clauses 1 to 72, both inclusive, and schedules, as read, agreed to.

Bill reported, without amendment.

MONEY LENDERS ACTS AMENDMENT BILL

SECOND READING

Hon. P. R. DELAMOTHE (Bowen—Minister for Justice) (12.28 a.m.): I move—

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

At the introductory stage the Leader of the Opposition and the hon. member for Baroona referred to the effect on credit unions of the stamp duty on credit business. It was claimed that whereas the Government had been very quick to allow money-lenders to pass on the burden of stamp duty, which they have always been allowed to pass on, it had ignored the representations of credit unions for stamp-duty concessions.

When many people hear the term "money-lender", they are inclined to conjure up pictures of the Scrooge-type characters who were commonly portrayed in stories of the past as people waiting like spiders in a web for their poor unfortunate borrowers to step slightly out of line so that they could step in and exact the most frightful of remedies and send their prey into financial ruin.

I am afraid that the Leader of the Opposition tended to cultivate such a picture and create the impression that the Government is bending over backwards to help these people, while refusing to listen to the credit unions.

The term "money-lender", as used in the Act, is very wide. In fact, it includes those people or firms registered as money-lenders. In addition, anybody who charges more than 8 per cent. interest is classed as a money-lender. Of course, a maximum of 20 per cent. is imposed. No doubt there are still a few money-lenders who apply very harsh terms and collection procedures. We know that there are. Every so often we come across cases, such as the one instanced by the Leader of the Opposition, and we try to teach the people concerned better habits. But, as he also indicated, the term also covers the major finance companies, and indeed the credit unions themselves. The legislation with which we are dealing therefore applies exactly the same concession to credit unions as to any other type of money-lender. The fact that credit unions may choose to bear the cost of the stamp duties themselves does not alter the fact that the legislation now being considered gives them the right to pass on the cost of the stamp duties as a separate charge to their borrowers, if they so desire, and also the privilege of making returns of stamp duty on a monthly basis.

While I am the first to agree that credit unions are providing a valuable service in the community, I think it is sometimes taken for granted that, because they are run on a co-operative basis, their lending rates are low. In fact, this is not so. Most credit unions borrow their funds at 5 to 6 per cent. per annum, but they charge their borrowers 1 per cent. interest on the maximum balance outstanding during each month, which is equivalent to a true interest rate of something in excess of 12 per cent. per annum. That is why they have to be registered as money-lenders.

Some credit unions also give rebates to their borrowers out of surpluses, but in most cases the difference between the interest received and the interest paid, after allowing a small proportion for loan insurance, is eaten up with operating costs. Stamp duty represents only a small proportion of those costs.

A detailed study was made of a cross-section of the annual accounts of credit unions. The unions included in the study had combined outstanding loans totalling more than \$1,500,000 at the end of the year in question. This examination showed that out of interest received, totalling \$135,000, only \$72,000 was paid to members or retained as a surplus in the credit unions' accounts.

Hon. members will no doubt recall that the extended stamp duty of 1 per cent. on credit business applies only where interest in excess of 9 per cent. per annum is charged. In considering the submissions of the Credit Union League in relation to this stamp duty, it was felt that, with the fairly low borrowing rates available to credit unions, they should be encouraged to reduce operating expenses and so qualify for the exemption from additional duty. While they continue to charge rates in the higher range, in the Government's view they should be subject to the same charges. The availability of the concession in respect of lending at rates up to 9 per cent. per annum should operate as an inducement for them to reduce their costs.

This amending Bill is a short one and its only amending provision will enable stamp duty payable as from 1 August, 1968, on the monthly return required to be submitted by a money-lender in pursuance of the Stamp Acts Amendment Act of 1968 to be passed on to the borrower.

The principle of allowing a money-lender to pass on to the borrower stamp duty payable in connection with a loan is not new and is merely being continued in this Bill. The amendment was necessary because of the assessment of additional stamp duty being made on the monthly return and not on the documents evidencing the actual loan in question.

The provision that contains this amendment has been redrafted to specify all the particular costs, fees and charges that may be passed on to the borrower so that a money-lender may no longer be able to avoid that provision with impunity.

Mr. HANLON (Baroona) (12.35 a.m.): As the Minister pointed out, the Bill is short and direct. It recognises the amended stamp duties imposed as from 1 August and recognises also that they can be passed on in the same manner as they were passed on by money-lenders to borrowers in the past.

At the introductory stage we realised that credit unions came within the ambit of the Act. We did not suggest that in this Act the Minister discriminated against them. I thought I had made that point clear. I introduced it as a case that had been submitted to the Treasurer, who rejected their claim for concession because they did not pass on the stamp duty. While the Minister is correct in saying that credit unions themselves charge a rate that brings them under the provisions of the Money Lenders Act, they have the same entitlement to pass on duty and are being protected in the same way under this legislation as other financial organisations and money-lenders generally.

Certainly the amendment is more useful to a person who passes these stamp duties on than to a person who does not. That is the point I was getting at. Obviously there is a difference in the philosophical approaches to whether, because they do not pass it on, the credit unions should be given some relief by the Government. The money-lenders, including those who charge considerably higher interest rates than credit unions—up to 20 per cent., as the Minister knows, and, in one case outlined by the Leader of the Opposition, in excess of 19 per cent.—are charging a high enough rate to allow them to do what the credit unions do and absorb some of these costs. I do not say that we necessarily should expect money-lenders and finance companies to absorb all of these costs.

The Opposition is of the opinion that we should register a protest at the idea that, whenever the Government seeks to augment its revenue by way of increased stamp duty, the increase must be automatically passed on to the person who is, in effect, the consumer—in this case, the borrower. For that reason we register our opposition to the second reading of the Bill. We realise, and I acknowledge what the Minister said, that the previous procedure has been for money-lenders to pass this stamp duty on in the same way as solicitors or someone else. I think there is a difference between the two. Nevertheless, the money-lender has been able to pass on this stamp duty in the past, and the Minister said that he seeks only to allow them to continue to do so.

We feel that we should call a halt somewhere in these increases in stamp duties and ask to what extent they should be passed on.

Whenever the Government decides that it requires additional revenue by way of stamp duties, there should be an examination whether the impact should stop at a place that can bear the brunt of the increase more than the consumer, who in this case is the borrower.

I shall not extend the discussion on credit unions, because I do not think such a discussion is appropriate to this measure. As I pointed out to the Minister in my introductory speech, I do not accuse him of discriminating. I merely took the opportunity of presenting a case for the credit unions, as very few opportunities remain in this session to do so. It is not appropriate to take a cross-section of credit unions to get an average picture of them any more than it is to take a cross-section of money-lenders and include some of the features of the worst possible people who operate in that field.

In his introductory speech the Leader of the Opposition dissociated his criticism from the finance companies who abide by the code of ethics set down by the Australian Finance Conference. However, it is appropriate to register our opposition to the idea that whatever charges are imposed should be passed on so that ultimately the ordinary person in the community is carrying the brunt of increased revenue measures. These increases should be placed where they can best be borne, and credit unions have shown, by not passing them on, that it is possible for them to be absorbed.

For those reasons, the Opposition intends to oppose the second reading of the Bill.

Question—That the Bill be now read a second time (Dr. Delamothe's motion)—put; and the House divided—

AYES, 35

Ahern
Bjelke-Petersen
Camm
Campbell
Carey
Chalk
Chinchen
Cory
Delamothe
Herbert
Hewitt, W. D.
Hodges
Hooper
Houghton
Hughes
Jones, V. E.
Kaus
Knox
Lee

Lickiss
McKechnie
Muller
Murray
Newbery
Pilbeam
Porter
Ramsden
Smith
Sullivan
Tomkins
Tooth
Wharton
Wood, E. G. W.

Tellers:

Hinze
Miller

NOES, 18

Blake
Bromley
Davies
Donald
Duggan
Hanlon
Harris
Inch
Jones, R.
Jordan
Mellor

Newton
O'Donnell
Sherrington
Thackeray
Tucker

Tellers:

Hanson
Wood, P.

PAIRS

Rae	Houston
Fletcher	Dean
Row	Wallis-Smith
Richter	Graham
Beardmore	Dufficy
Low	Lloyd
Hewitt, N. T. E.	Mann
Loneragan	Byrne

Resolved in the affirmative.

COMMITTEE

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

Clauses 1 to 3, both inclusive, as read, agreed to.

Bill reported, without amendment.

SUPREME COURT LIBRARY BILL

SECOND READING

Hon. P. R. DELAMOTHE (Bowen—Minister for Justice) (12.48 a.m.): I move—

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

The Bill will vest the Supreme Court Libraries in a body corporate to be called the Supreme Court Library Committee. The members of the Committee will be appointed from year to year and will comprise a Supreme Court judge, four practising barristers, and four practising solicitors. The Attorney-General will be an ex-officio member.

The committee will have the over-all management and control of the Supreme Court Libraries at Brisbane, Rockhampton, and Townsville, and the power contained in the Bill to make rules will be exercised to appoint subcommittees in respect of the libraries at Rockhampton and Townsville. In placing the management and control of the Supreme Court libraries upon a statutory basis, the Bill will facilitate the proper expansion and improvement of those libraries to the benefit of all persons directly concerned in the administration of justice.

I commend the motion to the House.

Mr. HANLON (Baroona) (12.49 p.m.): As pointed out by the Minister, the Bill constitutes the Supreme Court Library Committee and clarifies any doubts as to the ownership of the library that may have arisen as a result of the recent fire. The Opposition has no objection to the manner in which the Minister has constituted the committee or to the arrangements that have been made for it.

Motion (Dr. Delamothe) agreed to.

COMMITTEE

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

Clauses 1 to 16, both inclusive, as read, agreed to.

Bill reported, without amendment.

The House adjourned at 12.52 a.m.