

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

FRIDAY, 31 OCTOBER 1969

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

QUESTIONS

STANDING ORDER NO. 37A

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

Does the “seven sitting days” set down in Standing Order 37A of the Legislative Assembly refer to seven calendar days? If not, do the “double days” as set down in terms of hours for the Estimates reduce the period for notice of objection by one calendar day for every “double day”?

Answer:—

“Standing Order No. 37A was amended in 1962, *inter alia*, by the insertion of the word ‘Sitting’ after the word ‘seven’ on lines 6 and 9 of the Standing Order in order to remove any ambiguity in its interpretation. It refers to seven days on which the House sits and not to the passage of seven consecutive calendar days. A ‘Double Day’, a division of the time of a Sitting, is provided by the Sessional Order for the discussion of Departmental Estimates and as such constitutes but one Sitting Day.”

DEPARTMENTAL FLOATS IN BRISBANE, TOOWOOMBA AND MACKAY FESTIVALS

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

Which Queensland Government departments entered floats in this year’s processions for (a) the Warana Festival, (b) the Toowoomba Carnival of Flowers and (c) the Mackay Tourist Festival?

Answer:—

“(a) Health; Labour and Tourism; Transport (Road Safety); Industrial Development; Aboriginal and Island Affairs; and Queensland Housing Commission. (b) Labour and Tourism. (c) Labour and Tourism.”

PROHIBITION ON IMPORT OF PIRANHA FISH

Mr. Lonergan for Mr. V. E. Jones, pursuant to notice, asked The Minister for Conservation,—

(1) Has he seen an article in *The Courier-Mail* of October 16, headed “The Killer fish are now pets”, referring to the vicious South American fish, the Piranha, being imported and distributed in England as pets?

(2) Is the Piranha listed as a prohibited fish under Australian import laws? If so, in view of the danger to humans and livestock should such fish be introduced into our rivers and streams, will he take action in conjunction with the appropriate Commonwealth Department to ensure that there is no relaxation of the prohibition?

Answers:—

(1) “Yes.”

(2) “Live fish are prohibited imports under the Commonwealth Customs (Prohibited Imports) Regulations and may be imported into Australia only with the approval in writing of the Commonwealth Minister for Customs and Excise or his delegates. To advise the Minister for Customs, the Australian Fisheries Council has formed an Advisory Committee on the Importation of Live Aquarium Fish. This committee has produced an extensive classified list of aquarium fish species which has been approved by the Minister for Customs and permits to import are granted only in accordance with this list. All consignments of fish arriving in Queensland from overseas are inspected on behalf of the Commonwealth Customs by officers of the Fisheries Branch. Any fish inspected, which are not on the approved list and these include the Piranha, are seized and destroyed on the authority of the Collector of Customs.”

EYE-TESTING BY UNQUALIFIED PERSONS

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

(1) Are optometrists allowed to employ unqualified assistants to carry out eye-testing on persons requiring spectacles? If not, is there evidence that some optometrists do employ such persons?

(2) If his Department has evidence of unqualified persons performing eye-testing work for optometrists during the last

twelve months, what are the names of the firms involved and what action was taken against them?

Answers:—

(1) “Section 16A (1) (a) of the Optometrists Acts states—‘No certified optometrist shall cause or suffer or permit any person who is not a certified optometrist to do or perform any optometry work or business which has been entrusted to such certified optometrist, except under the direct personal supervision and in the presence of a certified optometrist.’”

(2) “I am informed that the Board of Optometrical Registration is currently investigating an alleged breach of section 15 (1) of the Acts which states—‘A person who is not a certified optometrist shall not practise optometry’. A legal opinion as to whether an offence has been committed is being obtained by the Board. I understand that this is the only incident of this nature which has come before the Board during the last 12 months.”

DRUG SQUAD VISIT TO UNIVERSITY OF QUEENSLAND

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

With reference to his Answer to a Question by the Honourable Member for Maryborough on October 9 that no evidence had been brought to the notice of the authorities that a breach of the Health Act had occurred which would justify a visit by police to the University—

(1) Has he read the claim in *The Courier-Mail* of October 30 by Dr. P. R. Patrick, Director-General of Health and Medical Services, and confirmed by Dr. Murray Williams of the Queensland University Health Service, that personnel in both high schools and universities in Queensland were certainly well-experienced in drug-taking and that this is a growing social problem?

(2) In view of this highly professional and irrefutable evidence, will he now cause a drug squad to conduct investigations into drug-taking at the University?

(3) As a police “blitz” is maintained on truck drivers in this regard to protect life on the highway, will he maintain a police “blitz” at the University to safeguard the mental and moral fibre of the students and protect them from some of the “chemically-fit” lecturers urging them to overthrow constitutional government and become social drop-outs?

Answers:—

(1) “Yes.”

(2) "If University authorities detect any reason to believe drug-taking is occurring on the University campus, they would have no hesitation in placing the matter in the hands of the police."

(3) "No."

1969 SENIOR ENGLISH EXAMINATION
PAPER

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

In view of growing anxiety and concern by teaching staff and students that the Senior English Examination paper may be presented in a different form from that of previous years and of rumours that at least one school is now aware of the change and its form, will he ensure that the matter is put beyond doubt by a clear statement at the earliest possible moment?

Answer:—

"The Senior English papers have been adjudged to be appropriate in standard and format by two assessors appointed by the Board of Senior Secondary School Studies. The chief examiner has assured my officers that there is no reason for anxiety or concern about the format of the papers. To remove any possibility of anxiety over what is a very minor change in the form of a question, the University has forwarded to chief supervisors an announcement to be read to all candidates taking Senior English."

OPERATIONS OF THE FIRM, WHOLESALE
CIGARETTE SUPPLIES

Mr. Lonergan for **Mr. Aikens**, pursuant to notice, asked The Minister for Labour and Tourism,—

Has he been informed that a man named R. Clark, trading under the name of "Wholesale Cigarette Supplies" from the address Room 4, 2nd Floor, Brisbane Permanent Bank Building, 113-115 Queen Street, Brisbane, is selling cigarettes on the "chain letter" principle which in the final analysis means that, although Clark offers 400 cigarettes for \$4, he actually demands and receives \$20 for them? If so, will action be taken to protect the public from the fraudulent practice?

Answer:—

"The activities of the firm known as Wholesale Cigarette Supplies of which the members are Robert William Clark and Annette Lorna Clark, whose place of residence is 4 Wuringya Street, The Gap, has been the subject of an investigation by officers of my Department. The firm distributes literature offering two cartons of cigarettes for \$4, i.e. 20c per packet. The literature indicates that to obtain the

cigarettes a person must sell receipt forms to four persons for \$4 each. The person then forwards to the firm his \$4 plus the \$16 obtained from the sale of the receipts. He will then receive his two cartons and forms which he hands to the four persons concerned, who then repeat the procedure. The matter was examined by the Chief Inspector of Factories and Shops who advised that the Factories and Shops Act has not been breached and that no action can be taken by my Department to stop the firm's activities. The matter was referred earlier this month to the Commissioner of Police for further investigation."

ADVERTISING OF POSITIONS OF JANITOR-
GROUNDSMEN FOR STATE PRIMARY
SCHOOLS

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

With reference to his Answer to my Question on the subject, will applications for the positions of janitor-groundsmen at certain primary schools be advertised in the area in which the schools are situated, or will the advertisements be inserted only in *The Courier-Mail* in accordance with past and current practice?

Answer:—

"Applications for the positions of janitor-groundsmen at class I and class II primary schools will be advertised locally by the head teachers of the schools concerned."

PREVENTION OF OFFENCE OF ILLEGAL
USE OF MOTOR CARS

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

(1) Has he read a report in *The Courier-Mail* of October 30, that a nineteen-year-old girl was sentenced to six months' gaol for stealing a motor car?

(2) Having regard to the circumstances under which the car was opened and stolen, will he take appropriate action to prevent the repetition of such an offence?

Answers:—

(1) "Yes."

(2) "The main way in which the offence of unlawfully using a car can be prevented, apart from the vigilance of the owner, is by the punishment of an offender by the Court in such a manner as to deter others from committing a like offence. The history of crime shows that no matter what action may be taken people will continue to commit offences by ingenious frauds at least until they are adequately punished."

ESTABLISHMENT OF MICROFILM SERVICE
BUREAU

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

In view of statements by the Public Service Commissioner in his reports in 1967 and 1968 and by the Public Service Board in its report this year, concerning the establishment of a microfilm service bureau,—

(1) As this matter has been under active consideration for three years, what hope is there that a bureau will be established next year?

(2) Why is the investigation apparently limited to plans and drawings only, when microfilm processes have a far wider scope and the promise of great savings in costs and storage space?

(3) Have investigations been made into the possibility of installing microfilm processes in the Parliamentary Library?

Answers:—

(1) "As mentioned in the report of the Public Service Board, it is planned that the Microfilm Service Bureau be established next year."

(2) "The investigation is not limited to plans and drawings only, but the application in the initial stages of the microfilm processes will be in this area."

(3) "No investigation has been made by officers of the Department of the Public Service Board, but consideration could be given to appropriate microfilm applications in this area."

INTERSTATE CONFERENCE ON DAYLIGHT
SAVING

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

(1) Does he know that (a) the Premier of New South Wales, in Answer to a Question without notice on October 28, indicated that he had called a meeting of representatives of the three eastern States to discuss daylight saving and (b) Sir Arthur Rylah had indicated that he would attend a conference in Sydney soon to discuss this matter?

(2) Has the Queensland Government received a similar invitation? If so, who will be its representative?

(3) As the New South Wales Premier indicated that daylight saving would cause havoc unless it was practised uniformly in Queensland, New South Wales and Victoria, will the proposal receive favourable consideration and co-operation from the Government of this State?

Answers:—

(1) "(a) and (b) Yes, although no date for the conference has yet been determined.

(2) "Yes, and I have informed the Premier of New South Wales that the Queensland representatives will be the Honourable Ministers for Primary Industries and Labour and Tourism."

(3) "The purpose of the conference is to consider whether some unanimity of approach to the proposals for daylight saving might be achieved by the three eastern mainland States, and the Government's views will be made known at the appropriate time."

PRIMARY AND SECONDARY SCHOOL
CLASSES, BRISBANE PRISON

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

(1) How many prisoners are at present attending primary school classes at Brisbane Prison?

(2) What has been the average attendance for the last year to August, 1969?

(3) When is it proposed to extend the education programme, conducted by officers of the Education Department, to secondary school level?

Answers:—

(1) "The total number of prisoners presently attending primary school at Brisbane Prison in two classes is forty. The highest number was fifty-three, but discharges and transfers account for the variation."

(2) "The average attendance at primary school has been thirty per day on each school day."

(3) "It is anticipated that officers of the Education Department will commence classes at secondary school level at the beginning of the 1970 school year."

VISITS BY PSYCHIATRIC SERVICES
OFFICERS TO BRISBANE PRISON

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

How many officers of the Division of Psychiatric Services visited Brisbane Prison, what was the total number of visits made and how many individual prisoners were interviewed, during the year ended June 30?

Answer:—

"Seven officers of the Division of Psychiatric Services—psychiatrists and psychologists—have visited the prison during the year. They are Drs. Charles, Hurley

and Cominos, psychiatrists, Messrs Winchip, Hancock, Seeley and Grinlinton, psychologists. In addition, Dr. Youngman, who is a consulting psychiatrist to the prison, visits twice weekly, but he is not attached to the Psychiatric Services. The total number of visits was 238, exclusive of visits by Dr. Youngman. The visits by Drs. Charles and Hurley together total 116. No records of interviews with individual prisoners are kept. The psychiatrists see many prisoners referred to them by the visiting medical officer, or at the request of the Comptroller-General or Superintendent. He often sees the same prisoner on a number of occasions in pursuance of his therapy. Many of these interviews may be described as consultations or talking treatment. The broad principle applied in prisons as regards psychiatric assessment and treatment is that prisoners whom it is considered are in need of, or will benefit by, psychiatric interview and—or treatment, or who need checking, are referred to the psychiatrist and then the psychiatrist continues his therapy as he thinks fit. He may have his own records. The psychiatrist often has his consultations with the visiting medical officer, and at times with the superintendent on particular prisoners. Any medication prescribed by a psychiatrist or medical officer is always carried out."

ROAD PASSENGER SERVICE, TOWNSVILLE—
MT. ISA

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

(1) When were applications called for the Townsville—Mt. Isa coach service which is to commence operating on November 3?

(2) How many tenders were received, what were the names of the applicants and who was the successful applicant?

(3) Will this service be permitted to pick up and set down passengers between Townsville and Mt. Isa and on what days will the service run?

(4) In view of the need to average forty miles per hour for fourteen hours, including numerous stops, and taking into account the volume of traffic and the unsealed sections on the road, will he arrange for frequent checks to be carried out to ensure the safety of the travelling public?

Answer:—

(1 to 4) "Applications have not been called by the Commissioner for Transport for a licensed road passenger service between Townsville and Mt. Isa. No such service will commence operating on November 3. An application for such a service has been received by the Commissioner for Transport and is under investigation by him."

LOSS OF CORRUGATED IRON CONSIGNED
BY RAIL FROM ZILLMERE TO
DIRRANBANDI

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

(1) Is he aware that two and one-half tons of corrugated iron consigned from Zillmere to Dirranbandi on May 28 did not reach its destination?

(2) As neither the consignor, Bunney, nor the consignee, Hegerty, is able to obtain any information or satisfaction from his Department, will he have investigations made and advise me of the result?

(3) Is there any record of frequent losses on this section of line? If so, what action is being taken to remedy the situation?

Answer:—

(1 to 3) "A quantity of loose, second-hand corrugated iron was loaded by Bunney Demolitions at Zillmere for Dirranbandi on May 28, 1969, under Sender's Load and Count conditions. Bunney Demolitions would be aware of investigations being made by the Department to locate the consignment through telephone conversations which the station-master at Zillmere has had with that firm, the latest being on September 23, 1969. The investigations have been extensive and the claims agent is making his recommendation to finalise the claim. Bunney Demolitions will be informed of the decision. There is no record of frequent losses of consignments."

APPEAL AGAINST FULL COURT
DECISION IN OBSCENITY CASE

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

(1) In the light of the recent Queensland Full Court decision upholding the appeal of Norman Staines against his conviction on a charge of obscene language, is he aware of a similar decision by the New South Wales Full Court being reversed on appeal to the High Court of Australia only last year, in the case *Crowe v. Graham* and others?

(2) As the principles involved in the quoted cases are closely analogous to the Staines case and the majority decision of the High Court of Australia, the most recent and widely recognised authority on obscenity and indecency, will he ensure that an appeal to the High Court of Australia against the majority decision of the Full Court of Queensland in the Staines case will be lodged?

Answers:—

(1) "In *Crowe v. Graham* and others, 41 Australian Law Journal Reports page 402, the High Court reversed a decision of

the Court of Appeal of New South Wales which had set aside convictions by a magistrate of a charge of publishing indecent printed matter."

(2) "No decision has as yet been made in respect of an appeal to the High Court in the Staines Case. The matter is being considered."

UNIMPROVED LAND VALUATIONS, SOUTH-WESTERN DISTRICTS

Mr. Aiken, pursuant to notice, asked The Minister for Local Government,—

How does he justify the considerable rise in unimproved land values in the south-western districts of Queensland when population numbers are decreasing alarmingly, with a subsequent drop in land sale values in those areas?

Answer:—

"Valuations are based entirely on market transactions. Increases occurring in valuations in the south-western districts relate to market trends over periods of from six years to eight years being the periods between revaluations."

AIR-CODITIONING OF RAILWAY STATION OFFICES, MOUNT ISA

Mr. Bousen for **Mr. Inch**, pursuant to notice, asked The Minister for Transport,—

(1) Is the chief station-master's office, Mount Isa, air-conditioned?

(2) If so, why is the office occupied by the assistant station-master, the ticket clerk and other staff not air-conditioned?

(3) Is he aware that industrial trouble is pending if air-conditioning is not provided in the office?

(4) Will he install air-conditioning in the office?

Answer:—

(1 to 4) "This matter was raised with the Department and following investigation into structural alterations necessary to the building, the Commissioner has already approved of the installation."

NEW POLICE STATION, CAIRNS

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

Have priorities been established and planning commenced for a new police station at Cairns? If so, when will work commence?

Answer:—

"This project is listed for consideration for inclusion in the 1970-71 loan works programme."

PAPERS

The following paper was laid on the table, and ordered to be printed:—

Report of the Department of Harbours and Marine for the year 1968-69.

The following paper was laid on the table:—

Regulation under the Prisons Acts, 1958 to 1964.

VOTING AT STATE ELECTIONS

RETURN TO ORDER

The following paper was laid on the table, and ordered to be printed:—

Return to an Order made by the House on 19 August last, on the motion of Mr. O'Donnell, giving details of the voting at the State general election on 17 May, 1969, together with details of voting at by-elections held since the general election on 28 May, 1966.

FORM OF QUESTION

Mr. JENSEN (Bundaberg) having given notice of a question—

Mr. SPEAKER: Order! The words, "If not, why not?" will be deleted from the question.

PRISONS ACT AMENDMENT BILL

INITIATION

Hon. P. R. DELAMOTHE (Bowen—Minister for Justice): I move—

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider introducing a Bill to amend the Prisons Acts 1958 to 1964 in certain particulars, and for another purpose."

Motion agreed to.

ACQUISITION OF LAND ACT AMENDMENT BILL

INITIATION

Hon. J. A. ROW (Hinchinbrook—Minister for Primary Industries): I move—

"That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider introducing a Bill to amend the Acquisition of Land Act of 1967 in certain particulars."

Motion agreed to.

GIFT DUTY ACT AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. G. W. W. CHALK (Lockyer—Treasurer) (11.26 a.m.): I move—

“That a Bill be introduced to amend the Gift Duty Acts 1926 to 1963 in certain particulars.”

The proposed Bill will increase the general exemption from gift duty as promised in the Financial Statement.

Present exemptions from gift duty vary according to whether or not the donee is the spouse or child of the donor. If such relationship does exist, gifts are exempted if they aggregate less than \$4,000 over periods of 12 months before and after the gift in question. If there is no such relationship, the relative figure is, as most hon. members know, \$2,000. The proposed Bill provides for exemption of an aggregate amount of \$4,000 or less in respect of all gifts, irrespective of the relationship between donor and donee. This amendment will bring the Queensland Act into line with the Commonwealth Act with respect to the amount of the exemption.

The aggregate amount of gifts beyond which a return must be submitted to the Commissioner is increased from \$1,000 to \$2,000 to accord with the doubling of the general exemption.

The Act presently provides for exemption from gift duty with respect to retiring allowances, pensions and gratuities paid to an employee, but not to the dependants of an employee. The situation is that, where benefits are provided at the discretion of the employer and not subject to any enforceable right of the recipient, they are subject to gift duty but are not liable to succession duty.

In conjunction with concessions proposed to be given by amendment of the Succession and Probate Duties Acts in respect of superannuation benefits, the proposed Bill extends gift duty exemption to payments by an employer, or by the trustees of any superannuation scheme operated on behalf of an employer, to any person in recognition of the service of a deceased employee, where such payment is deemed to be a succession to the recipient. This variation is aimed at putting all superannuation benefits on the same basis for tax purposes, whether or not the employer or trustees of the scheme have a discretion as to whom benefits will be paid and/or what amount will be paid in each case. The amount of payment to be recognised for exemption will be limited to the amount provided in the Succession and Probate Duties Acts as amended.

The Act presently provides for exemption of gifts to certain charitable, educational and public institutions and bodies. At times, service clubs and other like associations appeal for funds for charitable or benevolent

purposes, such appeals being sanctioned under the Collections Act of 1966. However, under the present provisions, gifts to these funds would not be exempt from the payment of duty because the club or association is not itself an exempt body.

It is proposed to provide a statutory exemption for gifts which are made to a fund which is being raised by an appeal for support sanctioned under the Collections Act of 1966, where such fund is to be used for charitable purposes or is to be paid to an institution or body in respect of which gifts are exempt.

Three minor machinery amendments have been included in the Bill.

The value of each gift on a gift duty return is to be given to the nearest dollar except where such would increase the rate of duty, in which case exact amounts are to be used. Where the calculation of duty results in an amount of dollars and cents, the cents are to be ignored. No assessment or re-assessment of duty is to be issued or refund of duty made unless the amount of duty involved is \$5 or more. This will save considerable costs in administration.

As the amendments contained in the Bill are mainly concessional, I feel that they will be generally acceptable. I therefore commend the Bill to the Committee.

Mr. HOUSTON (Bulimba—Leader of the Opposition) (11.32 a.m.): It is quite true, as the Treasurer pointed out, that the provisions contained in the Bill were publicised both during the election campaign and later in the Budget. I am naturally pleased to note that the Government is acting so quickly in implementing the promises it made publicly some months ago.

I am sure that most people hope that Governments will eventually find ways and means of financing the development of the State by taxing people on their ability to pay rather than on circumstances in which they find themselves at a particular time. Although this type of taxation brings revenue to the State from people who have assets that they no longer require, because they are passing them over to some other person, I sometimes feel that we are tending more and more, through State taxation, to penalise the thrifty while allowing those who are not so thrifty to go scot-free. For instance, if a person with money or property that he does not require decides to give some of it to a friend or a relative, he has to pay gift duty on it. On the other hand, if another person in a similar situation decides to spend the money travelling overseas enjoying himself—in which case the money is lost to this State—he pays nothing on it.

We recognise that the State must receive its revenue from some source. It is worthy of note that the amount received from this source in 1967-68 was \$476,782, whereas last year it dropped to \$368,595. From the Treasurer's remarks, I assume that is not

expecting any increase in this type of revenue in the coming financial year; but if we could find ways and means of adequately financing the State's requirements by means of taxation other than in this form, I am sure it would be more acceptable to the great majority of people.

Let me now mention in detail a couple of points raised by the Treasurer. At this point, I cannot see any reason why the Opposition should object to the general increase in the amount of exemption to \$4,000, but I wonder why the Treasurer decided not to keep the previously existing relationship between the person outside the family circle who receives a gift and the person inside the family. The Treasurer said that he thought it desirable to have a uniform system throughout Australia, and perhaps, as a general principle, that is desirable; but when Queensland is ahead of the other States in its thinking it would be taking a retrograde step if it simply conformed to the rest of Australia.

Gifts that are made within a family deserve special consideration. For a long time arguments have arisen as to whether or not a wife is entitled to half her husband's income as her due, legally if not morally. Of course, where a woman works in her own right and pays her wages into either her own bank account or a joint account with her husband, she has clearly established that she has earned that money. But if a woman stays at home and does not go out to work surely she is saving her husband the expense of paying for a housekeeper and many other household requirements. Once a marriage contract is entered into, in which each party swears to support the other and to share what he and she own, the vows should mean something in our law as well as in the marriage ceremony. If a wife decides to stay at home and not go out to work, surely she should be credited with half her husband's income if he decides to operate a joint bank account. Otherwise it would be necessary to consider paying a wife for the services that she renders.

I mention this matter because it is possible that if a husband makes a gift of something to his wife, whether it be in the form of a material object like a motor-car or not, it could be claimed that if the value of the gift exceeds \$4,000 it is a gift within the meaning of the Act. That principle is certainly not a desirable one, and I do not think it is intended that it should apply. A gift made within a family should not attract any tax.

Years ago home-ownership was more the exception than the general rule, whereas today everyone supports the desirability of families owning their own homes. As a result, a number of homes are bequeathed by parents to their children virtually as gifts. The stage could be reached when the children pay, in effect, two lots of taxation on a house that is left to them by their parents. I know of one instance in which two people were left a house by their parents and one beneficiary

was quite happy to allow the other one to stay in the house, but found that in order to transfer his half share to the other the transaction could attract gift duty.

I suggest to the Treasurer that, even at the risk of upsetting uniformity among the various States, he look into the matter again so that the previous position relative to gifts from parent and child is retained. The transferring of money within a family should be distinguished from other transactions that legitimately attract duty.

The proposal relative to gifts to institutions that are in any way associated with charity is wise. If a charity is recognised as a body that should be assisted, the State should not want any share of a gift that is made to it. A registered charity should be worth while, and usually the State recognises that fact and contributes to it quite substantially by way of gifts. By this provision we should save many book entries and much inconvenience, and I support it.

I have indicated in a general sense that the Opposition is quite happy to have the Bill introduced. Naturally we will compare it with the existing legislation, and we reserve further comments till the second-reading stage.

Mr. W. D. HEWITT (Chatsworth) (11.41 a.m.): The Leader of the Opposition made a very reasonable approach to the measure, for which I commend him. He referred to some of the prevailing problems in our rather sophisticated society. Substantial reasons certainly exist for people getting good advice on how best to administer their affairs. When harmonious relations prevail between man and wife, I think it is important that they should have a joint tenancy in their property. It is also important that each spouse should have an insurable interest in the other's life. In these days, when probate complications arise, the making of the spouse the life tenant and the children the ultimate beneficiaries to avoid duty is a matter that should be looked at. Gift duty can also be avoided to a degree by machinery provisions whereby a debt is forgiven year by year.

In looking at the broad concept of gift duty, it is timely to consider the motivating force when this tax was first levied. I confess that I have not studied its history—I wish I had done so. I think it probably dovetails with probate and succession duties. If an administration accepts the necessity to levy probate and succession duties, it becomes necessary to impose gift duty tax to preserve that revenue. I substantiate that view on the basis that if a person found himself possessed of a substantial estate that would attract heavy death duties, he could divest himself of his estate to other people before his death to avoid payment of those duties. As a consequence, the Government of the day would lose revenue. The State protects its revenue by saying, "If you divest yourself of part of your estate before death you must pay gift duty."

While I confess ignorance as to the motivating force for the introduction of this tax, I can find no other reason for it, apart from obvious revenue protection. I believe that the Leader of the Opposition would probably agree with me that gift duty is necessary as long as we accept the need for probate and succession duties. We must protect revenue from one source by levying tax on another source.

That being so, I support the introduction of the Bill. At the same time, I support the increase in the exemption rate. From time to time we find it necessary to increase exemption rates as people's incomes rise and the value of estates increases. In real terms there may not be the appreciation that there appears to be at first flush.

I commend the Treasurer for introducing this Bill to increase the exemption rate and also to implement certain other amendments at the same time.

Hon. G. W. W. CHALK (Lockyer—Treasurer) (11.44 a.m.), in reply: I appreciate the remarks both of the Leader of the Opposition and of the hon. member for Chatsworth. I think all hon. members appreciate the fact that a Government must have certain funds for its operations, and there are various forms of taxation. While it may seem to some of those who are left after a person dies that it is wrong that there should be a heavy basis of taxation on estates, etc., it could be argued equally that during the lifetime of the person he and his family are entitled to have full use of the wealth that he has been able to acquire and amass through his efforts. It is because of that type of thinking that a tax is imposed on an estate after a person dies.

On the other hand, it is also true that we cannot stand by idly and see some people, by means which could be quite legal if it were not for this Act, divest themselves of a considerable amount of their worldly belongings while they are alive. That is the reason for gift duty, and that is the purpose it sets out to achieve.

It is true, as the Leader of the Opposition said, that we have endeavoured to achieve uniformity on a State-Commonwealth basis. It is equally true that we have enjoyed one or two greater benefits than people in other areas. As I see it, we cannot eat our cake and still have it. The desire of most people is that there be uniformity.

Recently there was a good deal of publicity in the local Press concerning a Brisbane couple who wanted to give their home to a migrant family. That was quite a laudable act. However, there were difficulties, which were added to by the fact that the Commonwealth law referred to one amount and the State law referred to another. This Bill has been introduced in an attempt to achieve uniformity.

The Leader of the Opposition raised some other points. I shall refer to "Hansard" to see if the points are such that I should give further consideration to the Bill in its present form. What has been presented is a Bill based on the advice tendered to me and on the complaints that have been placed on the file over a period. All Government departments keep files of the various approaches made to them. A Minister could not rush into the Chamber and bring down a Bill every time someone made a worthwhile suggestion. Each department accumulates this information and, at the appropriate time, Ministers endeavour to effect the necessary changes.

As was pointed out by the hon. member for Chatsworth, this is good and desirable legislation. I am certain that, taken broadly, it is quite acceptable to the people of this State.

Motion (Mr. Chalk) agreed to.

Resolution reported.

FIRST READING

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

LAND TAX ACT AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. G. W. W. CHALK (Lockyer—Treasurer) (11.51 a.m.): I move—

"That a Bill be introduced to amend the Land Tax Act 1915-1968 in certain particulars."

The proposed Bill stems from a substantial increase in valuations in major local government areas of the State. As the Committee is aware, it has always been the Government's practice to review carefully land tax rates and levels of statutory exemption each year and, among other things, to take measures to cushion the impact of escalating land values.

The purpose of the Bill is to implement measures of taxation relief announced in the Financial Statement. The opportunity has been taken to close certain gaps in the law leading to avoidance of tax by lease-back arrangements, and to bring the Act up to date in various respects.

A total of 11,980 taxpayers were liable for land tax in 1968-69. Because of the increase in valuations in certain local authority areas effective from 30 June, 1969, it was estimated that, without amendment to the present Act, the number of taxpayers involved in the payment of land tax would have increased to about 16,500. The concessions proposed in the Bill are expected to cut the number of taxpayers to 11,640, or 340 fewer than the number who paid land tax in the previous year.

The special exemption to farmers and graziers who personally work their lands is lifted from \$21,000 to \$30,000. Taking account of the minimum tax provision, such a person will not be called upon to pay tax if the total unimproved value of his lands so used is less than \$32,000.

The statutory exemption to which all other individual taxpayers resident in Australia are entitled is increased from \$7,000 to \$10,000. A new table of rates of tax will be introduced. All the rates have been pitched at lower levels to reduce the effect of the higher valuations.

About 11,640 taxpayers are expected to pay tax in the current year, compared with 11,980 during last year. The break-up of taxpayers for 1968-69 was 1,000 farmers, 5,570 other residents, 5,080 companies, and 330 absentees. Under the proposed Bill, whilst the number of companies, absentees and residents other than farmers will remain about the same, only 620 farmers will pay tax as against 1,000 in 1968-69. Of the 1,000, half paid tax on their lands which were personally worked. With the lifting of the special exemption to \$30,000, fewer still will be liable for tax on such lands.

As a result of the increased exemptions and the amended rates of tax, the yield of land tax in the current year is estimated at \$5,000,000.

Since the Government took office in 1957, land tax has progressively been assuming its intended role as a tax on aggregations and a deterrent to undeveloped land. In 1957 there were 24,679 taxpayers; last year there were 11,980, and this year the number is expected to be only about 11,640. In the last year of Labour rule, 22,515 residents were paying land tax. I ask hon. members to compare that with 6,572 last year and an estimated 6,200 for the current year.

The minimum tax remains at \$6, which is reached at a taxable value of \$2,000. Taking account of this provision and the increased exemption, individuals resident in Australia will not be required to lodge returns or pay tax if the unimproved value of their lands is less than \$12,000, nor will absentees and companies if the unimproved value of their lands is less than \$2,000.

Coming to the other matters provided in the proposed Bill, there are certain provisions to close the door on tax-avoidance schemes. The Bill eliminates the concessional rate of land tax payable by mutual life assurance societies. I point out that, as Treasurer, I have been concerned for some time at the erosion of land-tax revenue due to the increasing participation in lease-back transactions between societies and business houses and companies generally. Under these arrangements, a number of businesses and companies have been avoiding full land-tax obligations.

For 1968-69, mutual life assurance societies were favoured with a concessional rate of 1.5c in the dollar, whilst other large companies were taxed at the rate of 2.5c in the dollar. Such a company leasing land back from a mutual society would have saved 1c in the dollar on the unimproved value of the land it owned. The total taxable value of lease-back lands owned by mutual life assurance societies at 30 June, 1969, is estimated to exceed \$6,000,000 and has been growing substantially in recent years. I have no objection whatever—I make that quite clear—to mutual societies engaging in such arrangements, but I feel that the State's revenues should not suffer therefrom.

The Land Tax Act provides that all lands owned by a charitable or an educational institution are exempt from tax. It does not matter for what purpose the lands are used or where the institution functions. In May, 1966, a large company sold to an American university, under a long-term lease-back arrangement, a valuable parcel of land in Fortitude Valley with a current Valuer-General's value of \$221,760. This land became exempt from land tax. The Government believes that this practice should not be allowed to extend. The proposed legislation will therefore exempt only those charitable or educational institutions which are formed or constituted in Australia.

Under the present Act, a person owning only one parcel of freehold land in Queensland under 48 perches in area is exempted from land tax provided he uses that land exclusively for his own residential use. The Bill increases the area limitation from 48 perches to 2½ acres.

Land tax is basically a tax on aggregations and a discouragement to other than the maximum use of land. To ensure that land is put to its best use, some reasonable area limitation must be retained. I have looked very closely at this and I believe that the area limitation of 2½ acres proposed in the Bill does not seem unreasonable in present times.

A 1920 amendment to subsection (2) of section 25 gave the Commissioner discretionary power to assess jointly owned land of an unimproved value of \$10,000 or more as if the land were owned by one person. It was designed to defeat bogus joint ownerships entered into for the purpose of evading tax. The amendment now proposed is a machinery one, merely to increase the relative figure from \$10,000 to \$50,000 now that the figure governing liability for residents' returns has advanced to \$12,000. Although assessments have not been made under this provision for some time, it is worth retaining in the Act as a deterrent to undesirable arrangements directed to tax avoidance.

Clearances in regard to whether any land tax is outstanding on a parcel of land are presently issued free by the Land Tax Office

and their numbers have been increasing so rapidly each year that a charge to offset rising office costs associated with their issue is justified. Six years ago 29,000 applications were handled by the office and last year the comparable figure had risen to 42,000.

It is proposed to charge a fee for each clearance application processed, payable by the affixing of a duty stamp to the application. This method of payment will be the most convenient for all parties concerned. The amount of the fee is not included in the Bill, but it is proposed to impose by regulation a fee of 50 cents per application.

The power in the Land Tax Act allowing the Commissioner to proceed to the court for penalties under the Act has not been used for some years, but the practice has been to impose maximum fines under section 49 whenever assessments have been made in the absence of returns. The Commissioner also has the authority to, and does if the circumstances so warrant, reduce or remit any such fine.

It is 10 years since the minimum penalty for default was varied, the last increase from \$1 to \$4 being in 1959. It is now proposed to lift the minimum penalty from \$4 to \$10.

I believe that the Bill, covering as it does a wide measure of tax relief and preventing tax avoidance, will be acceptable to the Committee and I commend it.

Mr. HOUSTON (Bulimba—Leader of the Opposition) (12.5 p.m.): This Bill, too, is in conformity with the Government's election promise and the Treasurer's remarks in his Budget speech. The Treasurer hit the mark when he referred to the desire to prevent aggregations of land as being one of the main reasons why this legislation was introduced originally. Since that time Governments have seen in the legislation a means of obtaining extra finance for the State. As I said in my speech on the previous Bill, it must be realised that as one source of income dries up another must be found, so I completely endorse any action taken by the Government to clamp down on tax dodgers, particularly those who deliberately set out to evade the law. When a law is framed to provide the Government with income, the expected income is calculated, and if it is found subsequently that some people are not making their just contributions under that law, then others who are willing to accept their obligations invariably are asked to contribute more. For that reason alone, we support the closing of any loop-holes in the law, provided the law is just. Of course, if the law is considered by the public or members of Parliament to be unjust, it should be amended.

We should not condone breaking of the law by individuals or companies simply because they believe it to be unjust.

The Treasurer opened up a wide field, which I shall not canvass at this stage, and he certainly highlighted the distinction between leasehold and freehold land. Although large aggregations of land are occurring in the mutual insurance field, I am sure the Treasurer realises that they are going on also in other fields in which companies take over rural, commercial and industrial properties. If those properties had remained leasehold the problem of large aggregations would not arise. As a greater proportion of the State's land is freehold many more problems will arise relative to the revenue from land. It is accepted that big companies can afford to pay large sums of money for legal assistance in finding ways and means of dodging taxation. As we know, the main purpose of large companies is to make profits for their shareholders, and they do not show much heart or conscience if they deny the State funds that are due to it or involve other members of the community in the payment of higher taxes to make up for their own deficiencies. The Opposition supports the general principle of clamping down on those who try to avoid their responsibilities.

The general idea of keeping pace with increases in valuations that have occurred over many years makes us consider the action that the Government has taken recently to stabilise land valuations. I do not want to branch out on to that matter, but I think it important to understand that if valuations had not continued to rise drastically we would not need to consider altering the legislation. The Treasurer indicated that one of the main reasons for the legislation was to bring back the number of people paying taxes to something like the previous number and also to allow for the increase in valuations. Many suggestions have been made as to the best means of overcoming that problem. It has not been tackled by the Government; it has run away from it. The sooner we get on to it, the quicker we will find a way to ensure that land valuations remain stable for a considerable time, and the better it will be for all concerned.

Considerable worry and many problems are caused by constantly changing valuations. We should all realise that if we are to progress as a State one of the greatest needs is stability in costs and valuations. I trust that the Government will stabilise land valuations for some time by tackling the problem and finding an answer. The increase in the exemption level is a direct reflection of the increase in valuations in the last two or three years, but no indication has been given that values will not continue to rise.

The Treasurer referred to the areas of land prescribed in the legislation. In the outer suburbs of Brisbane and, I dare say, in provincial towns, many people desire 2½-acre blocks as homesites. I have no objection to that and, at one stage, I owned such a block. One of the worth-while aspects of living in

a town is having an area of land around the home so that the children can play in their own grounds. The proposal to increase the area to 2½ acres is wise. As most local authorities do not permit subdivisions of 2½-acre blocks, there will be little opportunity in the immediate future for people owning 2½ acres to subdivide and make large capital gains.

I could speak at length about land aggregations and land valuations, but I think I have said sufficient to indicate to the Treasurer that we are certainly not opposed to the introduction of this measure. When it is printed we will compare it in detail with the Act.

Mr. WHARTON (Burnett) (12.13 p.m.): I commend the Treasurer for the introduction of this legislation, which emphasises the Government's policy of providing relief for landholders following increased valuations. The measure provides for increases in exemptions to encourage people to stay on smaller holdings, which is very important.

I will not deal with the principles of the Bill in detail because the Treasurer has outlined its various provisions. However, I wish to say a few words about the need for this legislation. We, as the Government, have emphasised our policy of providing necessary relief, and each Budget has done something to provide increased exemption rates so that fewer people will pay land tax. Of course, that has meant less revenue for the State, but money in the hands of the people is often better than money in the hands of the State, although I accept that the State must have funds.

I see that the Treasurer is smiling; he is a real Treasurer, protecting the State's funds. I know he will appreciate that people with money of their own to invest can do far better than any Government.

Mr. Houston: But you want Government financial assistance when a drought hits you.

Mr. WHARTON: That is fair enough. The Leader of the Opposition ducks about in his arguments a little at times, so I hope he does not mind if I duck about a bit too. I said, with respect, that we had to have some State funds to meet immediate needs. If there was less taxation, people would have more money in their pockets to beat the drought and to provide for it. I answer the Leader of the Opposition in that way.

Mr. Houston: Can you give us the winner of the Melbourne Cup?

Mr. WHARTON: I think it might be heads or tails, if the Leader of the Opposition wants a brief comment on the side.

One of the great problems facing landholders is that both costs and valuations have increased considerably. In the 10-year period from 1958 to 1968, the cost of living increased by 29.13 per cent. and wages by 38.87 per cent. Those increases must reflect

on a landowner's costs. I am concerned mainly about the small landholder. We must have people in this State. We have the land, and we must have people on that land; we must create communities to preserve it. I am in favour of the extension of this concession, which will lessen the impact of taxation. It will also encourage the small landowner to stay on the land.

Mr. Houston: What size?

Mr. WHARTON: That is a pretty broad question. A small area of land would be needed to lot-feed 100 bulls for fattening purposes, whereas hundreds of acres would be needed if they were fattened on the land. It depends on the type of activity being carried on. I am speaking of primary industry generally. Valuations in the Biggenden and Mt. Perry areas have increased by 400 per cent. in the past 12 months.

Mr. Sherrington: What is the reason?

Mr. WHARTON: Sales, which affect valuations. Victorian purchasers come to Queensland and pay prices that are higher than normal. They have funds to invest and pay exorbitant prices for property in Queensland. They cannot earn a good return on their investment, but they might use different figures and have a different code of ethics. This affects valuations greatly. I disagree with this attitude. If there were 20 farms in a row and a person bought one at a high figure, the others would be valued highly, whereas if all the 20 farms were sold there would not be a great demand for them and the selling price of each would not be very high. I admit that comparable sales are used as a criterion in valuing land, but I think their importance is over-emphasised. The many who remain in the area have to pay for the odd one who elects to sell out. I should like to think that our landowners are given concessions.

I go along to some extent with the idea that those in the company field, especially insurance, should pay their share of tax. If some people avoided the payment of tax, the others would have to carry a heavier burden. I think that in that respect the legislation is commendable.

I do not think I need say any more at this stage. I shall wait until the second reading of the Bill. I commend the Treasurer on the concessions contained in the Bill, and I emphasise the good work that the Government has done in this direction.

Mr. Bromley: Whose side are you on?

Mr. WHARTON: On the Government's side—I must be, when I look back and think of the great many who paid land tax and the way in which this Government has reduced their number by increasing the exemption rates. My hope is that the stage

will finally be reached at which no land tax at all will be payable. I commend the Bill to the Committee.

Mr. BALDWIN (Logan) (12.21 p.m.): I am very interested in land tenure, and the agglomeration and aggregation of land. Even though the Bill appears in principle to be good, I do not think that it will alter the general situation for the small landholder and, in particular, the householder. The Treasurer might well say that the Bill is not even intended to do that, and, of course, he would be quite right. However, as I see it, all these matters reflect on land tenure as a whole.

The Treasurer mentioned increases in land valuations, and estimated that the Bill will reduce to about 11,600 the number who pay land tax. That might be the position, but it will be for only a short time. During the last three or four weeks I have been flooded with complaints about valuations that have been increased by up to 750 per cent. I hope that the people concerned will object to their valuations, and I shall certainly help them to do so. I fail to see how an estimate can be made of the number of people who will be required to pay land tax after the passage of this legislation. Naturally the Government is concerned with maintaining its position, and that is the main principle of the Bill.

My concern is for the little man—the working man and the householder who should own his own block of land and not be merely a temporary holder of it. The circular distributed by the Minister for Lands prior to the last State election begins, “Dear Landholder”. I cannot think of anything more appropriate, because, as a result of rising land values and the restrictions to which the smaller man is subject, he is in fact merely a holder of land. Irrespective of whether he has 2½ acres or 5 acres, he is merely holding the land till some land shark, with Government and local-government collusion, is ready to swallow him or have him rated out of existence. That is what is happening now. The person with 2½ acres or 5 acres is merely a landholder unless he has a great deal of money. With valuations constantly increasing, he will eventually be rated off his land.

I am therefore concerned with the negative aspects of the Bill. It will not affect the cost of living in certain respects for the ordinary consumer because the big companies, agglomerating land under company rules and binding primary producers with tight contracts, can pass on increased costs. This has led to the economic death of the small producer.

I do not subscribe to the outmoded, laissez-faire philosophy that we hear so often expressed in this Chamber. Those members who praise the Bill do not know that unwittingly they are ringing their own death-knell, as they, too, in their turn, will

fall victim to the onward march of the huge companies who will get around the provisions of the Bill unless, as the Leader of the Opposition suggested, blocks are put in at the other end. My concern is that the Bill will be ineffectual in assisting small landholders who should be landowners.

Mr. LICKISS (Mt. Coot-tha) (12.25 p.m.): Unfortunately I was called away and was not present to hear the Minister's introduction of the Bill, or the reply of the Leader of the Opposition. I certainly have been appalled at what I have heard from the hon. member for Logan in the last few minutes. He complained about the impact of land tax on the small landholder. I suggest to him that, when he examines the provisions of the proposed Bill, he will find that they are exempt in any case.

Mr. Bromley: How would you know? You haven't examined it.

Mr. LICKISS: I know the principles of the Bill.

The hon. member for Logan then made an appeal on behalf of the householder. I think it is abundantly clear that for many years it has been the policy of the Country-Liberal Government to exempt a person living on an area of less than 48 perches if he uses that land solely for residential purposes.

Mr. Baldwin: What good does that do him when his rates increase?

Mr. Chinchen: Who strikes the rate?

Mr. LICKISS: I am not concerned about accepting what might be termed irrelevant interjections from the hon. member for Logan, because the speech that he made this morning was a ridiculous contribution to the debate.

Mr. Sherrington: How would you know?

Mr. LICKISS: Because I listened to it. The hon. member for Logan has shown a definite lack of knowledge of these matters. In fact, his most recent interjection referred to rating. I remind him that this is a question of land tax.

Mr. Baldwin: You see everything as one little parcel. You have a narrow outlook.

Mr. LICKISS: The hon. member should not talk about outlook, because he described himself in his speech as having a negative approach.

Mr. BALDWIN: I rise to a point of order. I said that I was concerned with the negative aspect of the Bill.

Mr. LICKISS: I do not know whether there is any point of order. However, the hon. member certainly is concerned with the negative aspects of anything of a progressive nature introduced in this Chamber.

It has been said that, in terms of land tax, the main matter of concern here is valuation, and that valuations are increasing. Let me analyse the situation. Anyone who claims that valuations in Queensland are stable, or should be stable, as related to land values is admitting that the value of land is depreciating. One cannot look at the value of land in isolation; one must look also at what is accepted as being the measurement of valuation—money. All hon. members realise that there is a slight inflationary trend in the economy. Therefore, if one looks back and sees that a certain parcel of land was valued at \$10,000 in 1954 and then sees that its valuation is still the same, in fact its value has depreciated substantially.

Mr. Bird: Do you know anybody who would be prepared to sell his land today at the Valuer-General's valuation?

Mr. LICKISS: That has always been the test, and very few people are prepared to do so. I wonder how many people would be prepared to accept the unimproved value of land as determined by the Valuer-General as being the actual value of the land in its unimproved state. Of course, everyone would want more.

What the Government is doing, in fact, is increasing the relief it provides by way of land tax concessions. It is doing it in such a way that it is combating any inflationary spiral in the economy and, at the same time, adding a sweetener that is gradually reducing the impact of land tax on property holders generally. This has been the policy of the Government, but it was never the policy of Labour when it was in power. Labour had a very unsavoury reputation in terms of land tax, and I think hon. member opposite are rather amazed at what the Government has been able to achieve in reducing the impact of what is virtually a tax on land.

Mr. Baldwin: I'll go along with this Bill if you bring one in to cut down the margin of return to the estate agents.

Mr. LICKISS: Again the hon. gentleman simply demonstrates his airy-fairy approach to these quite important problems. There was an anomaly in that people living on an area slightly in excess of 48 perches could not benefit from the land tax concession, and that was particularly so when the land was used only for single-unit residential purposes. I realise the difficulties that the Treasurer faced, but at least he has gone a long way towards alleviating this problem for landholders who reside on land which has not an income-earning capacity.

The Bill will also substantially reduce the number of rural producers who would otherwise have to pay land tax. This is also in keeping with the Government's policy. Most of the land tax will be paid within the metropolitan area on commercial or industrial

properties with income-earning capacity. I believe this is a fair method of approach to the burden of land tax.

There has been a great deal of confusion about the relationship of valuation and land tax. I again point out to hon. members that the definitions under which the Valuer-General works are laid down by this Parliament. In fact, they were laid down by the Labour Government in 1948, and as yet have not been changed. I hope that they will be changed to some extent to preserve greater relativity, but this is something for the future.

Hon. gentlemen opposite have little to criticise the Government for in the relief it has given to the man on the land, and to the landholder generally. In fact, if they have any criticism, it is basically criticism of what they introduced before this Government came to power.

Mr. Aiken: How do you explain so many people leaving the land today? Since 1960 the populations of most shires in Queensland have decreased considerably.

Mr. LICKISS: I take the interjection because it once again demonstrates the muddled thinking of hon. gentlemen opposite. Land tax would have no impact on those people. In fact, I suggest that the valuation of that land would be such that they would not be called upon to pay land tax. In any case, the Bill before the Committee gives further relief to people who have had an increase in their valuations, and I can assure hon. members that all these people will be very appreciative of the Government's action and particularly its policy on these matters.

Mr. W. D. Hewitt: The agricultural population of the United States has dropped by 28 per cent. in 10 years.

Mr. LICKISS: I did not want to canvass this matter. I have canvassed it previously and I agree with my colleague. Rural production in the more sophisticated countries on a world-wide basis is increasing not because of labour intensification but because of capital intensification. This is a trend; it is a tide of our time and we will not turn it back. To endeavour to do so in terms of rural production would be to create a peasant type of rural community. This, of course, is the type of community encouraged by Opposition members. They think they fare better when rural industries are depressed, and people are living on a pittance. That is the type of community or the type of climate that the Opposition feels is conducive to its brand of politics. We believe in a free-enterprise policy and economic production. With that type of economy people who need financial help can be assisted to a greater extent than under Labour's system of socialist Government and socialist land policies.

Mr. HANLON (Baroona) (12.36 p.m.): I had not intended to enter this debate because the Leader of the Opposition has covered the Opposition's attitude to the Bill; however, I do not wish to allow to go unchallenged the suggestion of the hon. member for Mt. Coot-tha that the Opposition is not concerned with the primary producer. I point out that this time last year when these exemptions were raised "Hansard" records that on behalf of the Opposition I made a special plea to the Treasurer to give consideration to the primary producers who were in need of assistance and to relieve them of any unnecessary obligation to pay land tax. My plea was strongly supported by the then member for Fassifern, Mr. Alf Muller. The Opposition does not wish to take credit for these things—it is recognised that a great many Governments desire to provide benefits wherever possible—but I certainly refute the suggestion that the Opposition is not interested in primary producers who deserve consideration by way of land tax exemptions.

On occasions when this Act has been amended we have pointed out that from a large number of people who pay land tax the State receives only a comparatively small proportion of the land tax revenue. I think that last year only 6,572 residents of Queensland paid land tax.

Mr. Chalk: The number is down to about 6,200.

Mr. HANLON: There will be fewer this year. I was about to say that of the 6,572, approximately 4,000 paid a total of only \$70,000 to \$80,000. We felt that those people could be relieved of that burden without causing too great a loss in revenue to the Treasurer. Nevertheless I believe that the hon. member for Logan is justified in pointing out that the Government certainly is not incurring any loss on the deal. As the Treasurer has pointed out, if the exemption level is not altered several thousands of people will be obliged to pay small amounts of land tax. Of course, those people would find it necessary to submit returns and, in some cases, make payments. The Treasurer has nipped this in the bud by proposing increases in the exemption level.

The Premier is probably more familiar with the Good Book than the Treasurer and I are, but I think that the Good Book says, "Give and ye shall receive." The Treasurer has told us what he is giving away by granting this concession, but, as the Leader of the Opposition and the hon. member for Logan have pointed out, he will collect nearly \$250,000 more in land tax this year than he did last year, so the Good Book is right in this instance. I do not know whether the Treasurer will be elevated to a sainthood in spite of the fact that he will certainly get something out of the deal.

I share the concern expressed by hon. members on both sides of the Chamber at the rapid escalation in land values. It is all

right to argue, as the hon. member for Mt. Gravatt did by interjection, that that shows the State is expanding. That may be so. However, the hon. member for Burnett tells a different story. People buy land and perhaps not always on a reasonable basis. Simply because some people have money with which to buy, they do not always buy wisely. As the hon. member for Burnett pointed out, a person from Victoria or somewhere else comes along and feels that he has sufficient money to purchase a certain property and pays the amount asked for it. In some instances he does so unwisely. This matter was mentioned last year during the debate on a similar Bill, and it was pointed out that when a person realises that he has paid too much for a property and wishes to sell it he seems to feel bound to ask for an increment on top of what he foolishly paid for it.

Mr. Chalk: He gets another Victorian.

Mr. HANLON: That is so, and adds a bit more than he paid onto the price.

As the hon. members for Burnett and Logan pointed out, the dwellers, not the sellers—those who continue to farm the land or live as residential people on rural properties—are the ones caught in the ambit of escalating values.

Mr. Lickiss: One swallow does not make a summer.

Mr. HANLON: I do not suggest that it does, but it is not as simple as the hon. member for Mt. Coot-tha makes out.

As my leader pointed out, subject to an examination of the Bill we accept what the Treasurer is doing. We do not think he is doing more than he should.

I think the hon. member for Logan was more or less trying to present his philosophy on the usage of land. At one time the Land Tax Act contained a penalty on undeveloped land. I do not think that provision has operated for many years, although I am subject to correction by the Treasurer on that point.

In the light of the difficulties experienced by people in securing home sites, some of these matters may have to be examined by future Governments, irrespective of their political persuasion. The Leader of the Federal Opposition, Mr. Whitlam—he almost became the Prime Minister—drew attention to this matter in his election policy speech and suggested that the Commonwealth would assist State Governments to enter into land acquisition and subdivision in an effort to arrest the sky-rocketing cost of land to the average home seeker.

While much of what was said may not apply directly to the Bill, it is well worth considering. It is rather interesting to note that the Land Tax Act was amended in October last year. At that time the general exemption was increased from \$6,000 to

\$7,000, and the exemption for primary producers personally working their properties from \$18,000 to \$21,000. Within 12 months the Treasurer has found it necessary to increase the \$7,000 general exemption to \$10,000 (which is almost a 50 per cent. increase), and the primary producer exemption of \$21,000 to \$30,000. If we accept that land values have increased at this rate in 12 months (I recognise that as revaluations are carried out a re-assessment is made, and this measure is a reflection of it), as the Minister amended the Act only 12 months ago believing that an increase of \$1,000 in the general exemption and \$3,000 in the rural exemption was justified, the present increase is certainly tremendous. Maybe the Treasurer is looking ahead to cover what is to happen in the next year or so. This may be the second leg of the double so far as the election was concerned, in that this time last year—like many Governments do—the Government wanted something left for after the election. I suppose that is only human nature, but I find it hard to accept that the Government could not have granted much more substantial exemptions at this time last year rather than increasing them by a certain extent and rushing back this year with a bigger exemption.

We certainly do not object to the increase in exemptions. We believe that primary producers seriously affected by drought will appreciate the benefits that accrue, and they will not be resented by the general community.

The Treasurer's action to protect the revenue in relation to lease-back arrangements entered into with mutual life assurance companies and so on is well merited.

Mr. CHINCHEN (Mt. Gravatt) (12.44 p.m.): As usual, the hon. member for Baroona brought some sensibility to the Opposition's contribution to the debate. He corrected a number of points made by the member for Logan that needed correction, and his contribution was quite good. However, he mentioned a number of matters that should be canvassed. He knows as well as I do that isolated sales are ignored in assessing valuations. Whether they are low or high, under the valuing formula isolated sales are ignored. One isolated sale does not mean that all valuations change. In any event, I think we should be proud that valuations in Queensland are going up and not down. The time we should worry is when land values are going down.

The hon. member said that we are changing again, after 12 months, the pattern of exemption from land tax. He indicated that valuations have risen in this short time. He must remember that the previous valuations have existed for five years and are becoming effective at this time. So the increase has not taken place in 12 months; it is seven years in most cases.

Mr. Hanlon: What was the one last year based on?

Mr. CHINCHEN: The hon. member knows that they are not all done on the one day. There is a good deal of movement in making valuations and it extends from one year into the other. This Government is conscious of the necessity to keep these exemptions comparable with valuations. This is sensible.

The hon. member for Logan said he was speaking on behalf of the little man. This was corrected by the hon. member for Baroona, who pointed out that only 6,200 people were paying land tax. Therefore the little man is not involved. There are people who, like me, come into a bracket because they are in a high-value area almost overnight and are thrust into the position of paying land tax for the first time. But there is no valid answer to this. We certainly have not heard one from the Opposition, and I do not know what it is. This sort of thing can happen. In my area, valuations went up about 3½ times the previous figure. The hon. member for Logan mentioned increases of 7 and 7½ times. This can and does happen. But these things must be viewed on a State-wide basis, not in isolation. This must be thoroughly understood.

Then there was a complaint about the big companies. We have heard this so many times. These big companies consist of hundreds, and in many cases thousands, of ordinary little people.

Mr. Houston: Did you hear the Treasurer's speech?

Mr. CHINCHEN: I am not talking about mutual societies. This refers to big company landowners. There is nothing wrong in using the law to one's own advantage. This is being done by mutual insurance companies, and it was quite legitimate for them to do so. However, I am pleased that the stopper is being put into that gap. At that stage it was legitimate; tomorrow it will not be legitimate. I am happy about this.

We continually hear about big companies being landowners. This is understandable because of the socialist tendencies or outlook of Opposition members. But many small, ordinary people are involved in these big companies. That must always be kept in mind. Why should they be treated differently on a fundamental basis?

I am extremely happy to support this measure. It is sensible and sound. The Government is implementing its election policy and as far as I am concerned this is very important.

Hon. G. W. W. CHALK (Lockyer—Treasurer) (12.48 p.m.), in reply: I do not think there is much to which I need reply. I think that, broadly speaking, the Bill is acceptable to members on both sides of the Chamber.

The question of valuations was discussed. I do not want to develop that argument this afternoon, except to say that the Government is mindful of the rapid increase in the values of property not only in the city area but right throughout the State. One hon. member reminded us that people from the South, with knowledge of land values there pay high prices for property and very often find that they cannot get a fair return on the capital they have invested. Having come from the South, they advertise the property not on the local market but on the southern market. This has happened in my own electorate of Lockyer. The result is that someone else with knowledge of southern property values purchases the property without making a full investigation. So the cycle continues.

The hon. member for Logan referred to what he described as the "small man". The position of the small man is one of the things that prompted the Government to make the variations that have been made both last year and this year. After all, it is the small man that the Government has tried to remove from the field of land tax. To be quite candid, we have aimed at collecting the major portion of this type of tax from the very large holdings and larger business interests.

Mr. Baldwin: That is my whole contention.

Mr. CHALK: I know that.

Mr. Baldwin: It has been ineffectual.

Mr. CHALK: But such provisions already exist. That is the hon. member's point that I cannot quite follow. What he is advocating is the very thing that the legislation, both past and present, is doing.

Mr. Baldwin: It is insufficient.

Mr. CHALK: The Government is mindful of what has been taking place following the subdivision of land on the perimeter of Brisbane. Exemption from land tax applied to areas up to 48 perches, and, with valuation increases, many people owning more than 48 perches found themselves beyond the exemption figure. People living on blocks of 2½ acres or less found themselves subject to land tax.

Mr. Houston: That exemption is what we advocated last time.

Mr. CHALK: I am not denying that. I think it has been generally accepted on both sides of the Chamber that the area should be revised, and consequently it has been increased to 2½ acres. I considered this matter carefully. On the one hand, the concession could perhaps have been further extended; on the other hand, some regard has to be paid to the purpose of the Act. We therefore decided on 2½ acres, and, in doing so, we have looked after what might be described as the working man, or the small man, in the city area.

We then gave consideration to farming communities. The value of some agricultural land has increased considerably, and for that reason \$32,000 has been set as the figure above which a landowner comes within this legislation. We have attempted to remove from this form of land taxation the small man referred to by the hon. member for Logan. Those are the things that the Government has done for the small man, and for the hon. member to say in this Chamber that this is not so—

Mr. Baldwin: I did not say that.

Mr. CHALK: The hon. member said that we were not looking after the small man.

Mr. Baldwin: I said that you were trying to, but what you were doing was ineffectual.

Mr. CHALK: I say that we are helping the small man. That is where the hon. member for Logan and I differ. I repeat that I do not think that the hon. member has a full appreciation of what the Government is doing.

The Leader of the Opposition has said that he is prepared to examine the Bill when he receives it. I think that that is the correct approach to the matter. If hon. members opposite can come forward with suggestions, they will be examined. The Government has examined this matter carefully with the one idea of giving the type of relief to which the hon. member for Logan has referred.

I do not want to engage in a major discussion on land valuation, but I point out, as the hon. member for Mt. Coot-tha has done, that the whole basis of land valuation needs examination. If that is not done, because of the formula applied today and ever-rising costs, valuations will get out of hand and we will have repercussions in various ways. I know of the difficulties facing local authorities as a result of increased valuations. I instance the valuation of my own piece of land, small as it is, in the city of Brisbane. It increased from \$1,900 to about \$6,900. A little farther along the street the increase was only about half as much. How any local authority can possibly strike a rate that is fair to me and at the same time endeavour to get the same amount of money into its coffers is beyond me.

Because of the things that are happening I believe that the Government should give serious consideration to this problem. As the hon. member for Mt. Coot-tha indicated, it is preparing to do that. On that basis, I believe that the proposed Bill will receive the general approbation of hon. members.

Motion (Mr. Chalk) agreed to.

Resolution reported.

FIRST READING

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

[Sitting suspended from 12.57 to 2.15 p.m.]

SUCCESSION AND PROBATE DUTIES ACTS AMENDMENT BILL

INITIATION IN COMMITTEE

(Mr. Ramsden, Merthyr, in the chair)

Hon. G. W. W. CHALK (Lockyer—Treasurer) (2.16 p.m.): I move—

“That a Bill be introduced to amend the Succession and Probate Duties Act 1892-1968, the Succession and Probate Duties Act 1892 Amendment Act of 1895 and the Succession and Probate Duties Act of 1904 in certain particulars.”

This Bill gives effect to those amendments of the Succession and Probate Duties Acts set out in the Financial Statement. Before I explain the provisions of the Bill, I should mention that I hope to introduce a completely new principal Act in the March session of the House and the relief given in this Bill is in advance of the general measure to overhaul the whole statute. Previously, some attempt was made to do this but it was not followed through. I believe it is very essential that I bring this complete principal Act before Parliament early next year.

It is the Government's policy to reduce the effects of succession duty on smaller estates left to a surviving spouse or children. In accordance with that policy, the Bill provides a substantial reduction in the amount of duty payable on a smaller estate where there are two or more dependent persons to whom the estate is bequeathed.

The exemption in respect of estates passing to a spouse or child under 21 years of age was last increased, from \$10,000 to \$15,000, in November 1968. Rebates apply to estate values between \$15,000 and \$19,000 so as to provide for a gradual progression up to the full schedule rate at the latter figure.

Whilst this exemption is considered satisfactory where only one dependant is to be supported out of the estate, hardship can occur where a person leaves a family consisting of spouse and children, or orphan children, and only a moderate estate to provide for them.

It is proposed that, for estates where there are two or more persons who would fall within the category of spouse or dependent child under 21 years, the present basic exemption of \$15,000 be increased by \$5,000 for each such person in excess of one, and that the present rebating system apply to estates within \$4,000 in excess of the exemption calculated on this basis. This would mean, for example, that estates passing to a spouse and two dependent children would obtain total exemption up to \$25,000, with rebates applying up to \$29,000.

A promise was made in our joint policy speech to exempt from succession duty—for both taxing and rating purposes—a reasonable amount of benefit payable to a surviving

spouse or dependent children under a scheme of superannuation entered into by the deceased bread-winner.

Under present law, benefits may be dutiable or non-dutiable according to whether the beneficiaries have a legal right to their benefits or receive them at the discretion of the trustees of the scheme. It is desirable that benefits under these discretionary schemes should be treated in the same manner as other superannuation benefits and included in the estate subject to the deductions which will apply in all cases, and the Bill provides accordingly.

To offer equity as between members of different superannuation schemes, it is proposed that lump-sum benefits be entitled to concessions similar to those granted in respect of pension payments. Many schemes operate on the basis that the widow or some other dependant of the employee is to be paid a lump sum in the event of his death before retirement. This amount would normally be invested to provide an income for the dependant, and it would be unjust to tax a lump-sum payment in full while applying liberal concessions in respect of pension benefits.

It is proposed that the deduction in the estate of a deceased who was domiciled in Queensland in respect of benefits passing to a spouse or to any child under 21 years, whether by way of annuity or lump sum, will be equivalent to the value of—

(a) an annuity of \$2,500 payable to the spouse for the period of such person's life expectancy, together with an annuity of \$600 in respect of each child until he attains the age of 21 years, and

(b) if there is no spouse, an annuity of \$900 per annum in respect of each child until he attains the age of 21 years.

Where there is no surviving spouse it is proposed that there should be a deduction from the benefit payable to the mother or mother-in-law, daughter, or a sister of the deceased—if not married or not supported by her husband at the time—who was for a period of more than 12 months prior to his death engaged in keeping house for the deceased, and was not engaged in other full-time or substantial employment during this period. The deduction proposed from the value of any benefit payable to one such person is an amount equal to an annuity of \$900 per annum for the period of such person's life expectancy.

Further, it is proposed that, where the Commissioner of Stamp Duties is satisfied that an invalid parent, child, brother or sister of the deceased or his spouse was wholly or mainly dependent upon him, except for the receipt of any pension under the Commonwealth Social Services Act, a deduction equivalent to \$900 per annum for that

person's life expectancy will also be allowable against any benefit payable to that person.

The deductions as set out above would apply in respect of both the amount on which duty is to be assessed and the amount used to calculate the rate of duty. Where the benefits are in excess of the amount to be allowed as a deduction, only the amount of the excess will affect the duty payable by the estate. Benefits payable under the statutory schemes which are specifically exempted from duty will affect the rate of duty on other assets in the estate only to the extent that the benefits exceed the amount allowable as a deduction. At present their full value is included for rating purposes.

Where a business operates in more than one State it is a common practice to centralise the administration of the superannuation scheme to cover employees in the various States. The setting up of the administration of such a scheme within the State can be advantageous because of the additional employment and funds for investment which are generated by it. To encourage the establishment of the administrative centre of such schemes in Queensland, the Bill will ensure that duty on any benefits which exceed the allowable deductions will not be payable in Queensland merely because the fund is administered here. Duty will not be payable in Queensland unless the employee was domiciled here. Where he was domiciled in another State, duty will be accounted for under the law of that State.

The Government undertook, in the case of primary producers unable to pay succession and probate duty because of the effects of drought, to allow duty to be paid over a reasonable period without imposition of interest. Because of the variety of circumstances encountered by primary producers, it is necessary, and it is proposed, to leave a great deal to the administrative discretion of the Commissioner of Stamp Duties. He will have to be satisfied, first of all, that drought has been the cause of the liquidity problem, and he will then have to determine what is a reasonable period to allow for payment in the circumstances. I know that this could vary considerably according to the size of the amount payable, the state of seasonal conditions at the time the assessment is made, and the extent to which the earning capacity of the property has been set back by the drought.

The Commissioner will be authorised to extend the period previously set by him in the event of any subsequent deterioration in seasonal conditions or other factors affecting the capacity to pay. It will be a requirement that the estate as a whole lacks realisable assets, other than those used in

primary production, from which the duty could be paid. Extension of time will not be permitted merely on the grounds that the particular beneficiaries entitled to the primary-producing property do not have realisable assets to meet the duty on their share of the estate. Where an estate as a whole contains realisable assets other than those used in primary production, it will be regarded as having been the testator's responsibility to see that they are divided in such a way that the duty can be met by the due date. It is intended that the provision of interest-free time for payment should apply to all amounts of duty due and payable on or after the date the Act comes into force.

The Succession and Probate Duties Acts at present contain no detailed provisions as to the holding of securities by the Stamp Duties Office for the future payment of duties. The holding of such securities is necessary in cases where property does not pass immediately to the successor but is to be held by a life tenant. The duty is not payable until the death of the life tenant but security for such payment is obtained before the release of probate is authorised.

Some years ago it was the practice for such securities to be held in the name of the Commissioner of Stamp Duties and the Under Treasurer, and more recently they have been held in the name of the Commissioner and the executor of the estate concerned. Problems have arisen in arranging dealings with such securities following the retirement or death of the Commissioner in whose name they were held, and provisions have been inserted in the Bill to overcome these problems by creating a perpetual corporation for this purpose. The Bill also provides for the transfer of securities at present in the name of past Commissioners or the Under Treasurer to the Corporation.

I feel that the concessional nature of the Bill will make it acceptable generally, and I commend it to the Committee.

Mr. HOUSTON (Bulimba—Leader of the Opposition) (2.31 p.m.): This Bill, like the other two introduced by the Treasurer today, deals with concessions in State taxation. It is difficult to make a final assessment of the matters raised by the Treasurer before relating the clauses to the existing legislation, and I am sure that the Treasurer realises that there are a few facets of this measure that could not be appreciated in detail while he was introducing the Bill. I believe that he indicated that this is an interim measure. Naturally, we look forward to seeing the Bill to be introduced in the March session next year relative to this matter.

There are not many pieces of legislation that could evoke as many arguments as this one does, because it defines who will pay

and who will be exempted from paying taxation. The State must have finance. Last year the State derived almost \$17,000,000 from this source, and naturally, if a much lesser amount is to be received from this source in the future, there must be an upward adjustment in some other field of taxation.

There are two points which we must remember when we are dealing with the payment of succession duties. The beneficiary under a will might not have contributed very much to the estate, and from that point of view, it is legitimate that tax should be paid. On the other hand, the person who made the money could have paid, during his lifetime, income tax, company tax, and land tax.

An Honourable Member: It would be a capital gain.

Mr. HOUSTON: That is right. We must consider those two factors. It is not a simple matter to decide whether it is fair to impose double tax by making the beneficiary pay tax on money on which tax has already been paid by the principal.

The Treasurer said that, under the November Act, there was total exemption up to \$15,000, and that \$19,000 was the amount at which full tax was paid. This indicates the extent of the inflation that has taken place in recent years. Although \$15,000 is a large sum of money, there are many people who would own their own homes, motor-cars and the other usual essentials of life, the value of which would exceed \$15,000. Of course, that value would be reduced in cases of joint ownership. There is no doubt that in the future there will be many people in that category. If the present inflationary trend continues, particularly in land values, the figure of \$15,000 will have to be looked at again.

The Treasurer said that an extra \$5,000 would be allowed for each dependant child. The age of 21 was mentioned, which introduces what might be considered by some people to be an anomaly. A single person over the age of 21 years is not included, whereas a married man or woman aged 20, who might be set up in his or her own household, is included. It is a question of whether it is wise in this enlightened age to make a distinction between children who are over 21 and those who are under 21. If the age of majority is reduced to 18, further problems will be encountered in determining who should and who should not be included. It is desirable that there be a close association between family groups, and that parents and their children assist each other by contributing to the family income, and thus the value of the estate. In families where there are, for example, two or three boys, very often they contribute substantially to the maintenance and improvement of the family home.

The Minister also mentioned superannuation schemes. I am sure that many people will be pleased with this provision. The Minister said that it was included in the Government's policy speech for the last election. It was, of course, also included in A.L.P. policy in one form or another.

I feel that this provision draws attention to people in another category who appear to have been left out of consideration. I refer to those who are either self-employed, or work for a firm that does not provide a superannuation scheme. I have in mind an employer such as an electrical contractor who employs only one or two people and who, to give himself what virtually amounts to superannuation coverage, takes out an insurance policy. I do not believe that he would be covered under the Bill. Although it is no doubt too late to change the Bill, I believe the Treasurer should give consideration to people in that position. As this is only an interim measure, some thought should be given to covering those who have a type of insurance which is designed to provide at retiring age benefits similar to those provided by superannuation schemes. It must be borne in mind that payment to dependents under such a scheme would be made only after the death of the insured person, who would have had in mind, when taking out the policy, the very considerations that weigh with a person entering a superannuation scheme.

The Minister also spoke of allowing time to pay in the case of primary producers who are in financial difficulties as a result of drought. There can be no quarrel with that concession. However, I should like the Minister to give some thought to those who, although they are not primary producers, are also affected, directly or indirectly, by drought conditions. When a drought hits country areas, farmers cannot carry out work that they would normally pay to have done. There are therefore many people associated with primary industry in a secondary way, such as fencers and well-sinkers, who are directly affected by drought. I suggest to the Treasurer that, when this part of the legislation is reviewed, he consider rephrasing the relevant clause so that it includes not only those who are primary producers but those who can show that they are directly associated with primary producers and are similarly affected by drought. The whole idea of the legislation is to make it unnecessary for people who are short of capital because of drought or some other hardship to have to sell assets that are left to them.

I do not wish to delay the Committee. The Treasurer's introductory remarks indicated that the proposed Bill will contain some features that will improve the situation of the great majority of people in the community. Again, the Opposition will allow the Bill

to be introduced and reserve further comment until it has had an opportunity of comparing the clauses with the sections of the Act and analysing their effect.

Mr. WHARTON (Burnett) (2.41 p.m.): I commend the Treasurer for introducing this legislation.

Mr. Bennett: What would you know about it?

Mr. WHARTON: Every time the hon. member opens his mouth he shows how much he does not know.

The Bill that the Treasurer proposes to introduce gives effect to a promise made in the policy speech of the Government parties, and in my opinion it is high time that such a measure was introduced.

Opposition Members interjected.

Mr. WHARTON: I have no fears for the future. I think that everyone on this side of the Chamber will eventually finish up in Cabinet. The proposed legislation is sensible and is something that should be done in the interests of the people.

Mr. Aiken: Would you recognise anything sensible?

Mr. WHARTON: I will not comment on that interjection.

In my book, the legislation may in some ways be overdue. I have raised the subject of probate and succession duties in this Chamber on other occasions because the people I represent are vitally interested in it. Primary producers are in a somewhat different position from people in other callings. They build their assets by different means, and often work for very little remuneration. They do not draw a salary or a wage; they benefit by the appreciation in the capital value of their property. In many instances they put everything they earn back into the land. I do not think it is fair that a person who has lived humbly over the years and built up considerable assets should have to leave a large part of his hard-earned assets to the Government when he passes on. Although, as I said in an earlier speech, perhaps the amending Bill does not go far enough, it does help considerably, and I again commend the Treasurer for introducing it.

Probate and succession duty varies from 3 per cent. to 30 per cent., so hon. members can well appreciate the amount of tax paid in this direction by various sections of the community. I do not wish to repeat what I said in an earlier speech, but I believe that there should be some reduction in the rate of this duty. I ask the Treasurer to bear in mind that a primary producer may have lived on a very small income while building up his assets.

In 1958-59 the revenue from succession and probate duties was about \$6,000,000, in 1960 it was about \$8,000,000, and in 1968 about \$16,000,000, so that over a period of approximately 10 years the revenue to the State from this source has more than doubled. During that time farmers have lived on virtually fixed incomes and thus have not been able to pass anything extra on to their families who, incidentally, have played an important role in building up their assets. On the farmers' death the benefit is handed over to the Government.

Mr. Davies: Did Mr. Neville of the Country Party spend \$20,000 on his election campaign in order to avoid succession duty?

Mr. WHARTON: That interjection shows the limit of the hon. member's intelligence. He asks a silly question that has no application at all to the Bill.

I suggest that since the amount of tax collected from this source has doubled, we should halve the rate, or at least reduce it considerably.

Mr. Bennett: Why can't farmers spend some of their wealth on their families before they die?

Mr. WHARTON: That is done to some extent but, generally speaking, one cannot go too far in that direction.

Speaking on behalf of the rural sector of the community, I commend the Treasurer for the assistance provided in this legislation for farmers who have been affected by drought. These are difficult times and many primary producers' estates will find difficulty in meeting the duties payable. It is only right and just to give time to pay, interest free. If these taxes which are collected by various means continue to increase, not through anybody's fault but as a result of an increase in values, the best method of affording relief is to reduce the rates.

Mr. Bennett: Tell us where you stand on the liquor issue.

Mr. WHARTON: I will tell the hon. member about that in due time. I am now talking about probate and succession duties. The more the hon. member thinks about liquor, the sooner he will be paying succession and probate duties.

We should look at this Bill with the knowledge that further legislation has been promised for next year. I will reserve some of my remarks until it is introduced. I have very many valid points and I will reserve some of them until then.

I believe the best way to give assistance in the matter of probate duty is to reduce the rates. The higher the value of an estate the greater the rate of tax, and this is where we should tackle the problem if we intend to afford some permanent relief in the matter of estate duties.

I should like now to say a word or two about superannuation. Some concession has been made in this regard but it is not applicable to primary producers. As a compensatory measure for the relief from death duties extended to superannuation payments, I suggest that land used for primary production should be assessed for duty at only a proportion of its valuation for duty purposes and that duty on it be payable over a period of years with interest at a low rate. I think this would be a compensatory concession to primary producers in line with that applying to superannuation schemes.

Mr. Chinchen interjected.

Mr. WHARTON: I will answer that interjection because there is quite a difference between an ordinary business and a primary-producing one.

Mr. Chinchen: I cannot see any distinction between the disadvantages applying to a businessman and those of a farmer.

Mr. WHARTON: A businessman is able to provide for superannuation out of his profits. He has the profit on his turnover, he draws his salary, and so on, but the primary producer cannot do that. He has to accept whatever price he can get for his product. The businessman adds a margin to his costs and thus has an assured profit. That way he either progresses or goes under.

Mr. Chinchen: That is it. He goes under at times.

Mr. Davies: Under this Government 12,000 dairy farmers have gone under.

Mr. WHARTON: So long as the hon. member for Maryborough doesn't go under, it is all right; I worry about him. Those dairymen have not gone under; they have shifted into some other avenue of endeavour. I am with them as much as anybody. I am with them in spirit and with sentiment, and conscientiously, not in a derogatory sense as the hon. member is.

Mr. Davies interjected.

Mr. WHARTON: The hon. member wants to make a point about our own parliamentary superannuation scheme. That does not come into it at all, but there is a principle involved in this.

People outside say to us, "You stay in Parliament for so long and you receive a pension." However, they forget that we pay into our superannuation scheme, just as outside people pay into their schemes. Recently we had the unfortunate death of the former hon. member for Burdekin, who had contributed to the superannuation scheme so that he could be assured of an income upon his retirement from Parliament. Only a few months after he retired he passed on, so that he lost the benefits that he would otherwise have received from the

scheme if he had lived for some time. Our scheme should be reviewed on a broad basis so that members can receive a lump-sum payment upon retirement.

I commend the Treasurer on his introduction of the Bill. Its provisions will be greatly appreciated, even though, as I have said, they do not go far enough. However, in the near future the Government will be introducing another Bill, which will be of great interest to me, and on that occasion I hope to speak on the effectiveness of that legislation.

Mr. HANLON (Baroona) (2.52 p.m.): I am pleased to see that the Treasurer is taking steps to correct a long-standing grievance about superannuation. As most hon. members are aware, the Australian Council of Salaried and Professional Officers made submissions both to the Government and to the Opposition on the matter. It is remarkable that the anomalies to which our attention was drawn have been allowed to continue for so long. I know that many difficulties arise—and, in fact, the Treasurer referred to a number of them—but the council submitted that something should be done to correct the anomalies. The submissions were made prior to the election, and now the Government is left with the task of remedying the situation.

Attention was drawn to inconsistencies in the cases of four widows: the first, the widow of an employee of the Commonwealth Bank of Australia; the second, the widow of an employee of the Bank of New South Wales; the third, the widow of an employee of a Queensland company whose superannuation fund was domiciled in Queensland; and the fourth, the widow of a Queensland public servant. In the first case, the superannuation moneys are not included at all; in the second, superannuation payments are included for rating purposes only, as a result of the decision in the Barnett case; in the third, where the estate is hit the hardest, duty is charged on the superannuation moneys; and in the fourth, the estate is allowed the same relief as that applied to the estate of the employee of the Bank of New South Wales.

The council argued that, in most cases, duty levied on an estate affects the widow and children. The Opposition contends that all should be treated equally, and I think that that is what the Treasurer has set out to do. On the face of the Bill it seems that the Treasurer has met the submissions made by the council. However, I do not know whether there might still be variations between individual cases. The Treasurer referred to encouraging funds to Queensland. It is desirable that they be encouraged to this State. I am sure that the bodies that constitute the council and other persons who contribute to superannuation schemes will

examine the Bill to see if it goes as far as they wish. I hope that no distinction is drawn between one estate and another, but that may not be possible.

I support the Leader of the Opposition, who underlined the necessity of recognising the contribution that a wife makes to the joint estate of herself and her husband even though she does not receive any income or possess property that enables her to build up the estate. Women who do not go out to work will find themselves at a disadvantage. A woman who goes to work can indicate an income source from which to acquire certain household property and help the bread-winner to acquire other assets, whereas the woman who stays at home cannot do so. There is merit in my leader's suggestion that some value should be placed upon her service in the home. Although I admit that it may be difficult to draft legislation to cover the matter, I believe we should pay more attention to it.

On the subject of assurance for children, I instance the case of a person in my electorate. He found that many years ago his wife had taken out policies for their sons. I think the policies were to mature when they reached the age of 25. On her death, they were about 18 or 19 years of age and he kept up the payments. When they turned 21 he decided to transfer the policies into the boys' names, and was rather surprised to find that they should have been assessed in his wife's estate. He had to pay a considerable sum in extra duty.

I know that by opening up this loop-hole the Treasurer may make it possible for people to avoid duty in one way or another, but I think consideration should be given to exempting policies up to a certain amount. The amount involved in the instance I cited was not huge as the policies were just normal endowment policies. Some scope should be allowed to parents to take out a policy on children at an early age, so that the children will have some cover in the event of the premature death of their parents. Some exemption should be provided in these circumstances because if the parent had taken advantage of the gift duty limits of the Bill introduced recently by the Treasurer, he could probably have passed on to the children as much as the amount of the policies.

I look forward to studying the Bill and the measure that the Treasurer will be introducing next session to correct some anomalies and, we hope, to simplify succession and probate procedures.

Mr. BALDWIN (Logan) (2.57 p.m.): At the outset I will make my position clear, for the benefit of those who walk in or go to sleep half way through my speech, or only half hear what I have to say. I am in favour of the principle involved. I think it is a good principle, but I repeat what

I said when discussing a previous Bill, namely, that it goes only half way and is only a temporary measure. Like many measures introduced during this session, it is symptomatic of the Government's inability to handle the tide of inflation that is sweeping the country. Like a tired swimmer, the Government is prepared to be swept away by an avalanche of self-caused, self-inflicted wounds.

A Government Member: Would you say this is not happening in any other country?

Mr. BALDWIN: This measure is just a placebo. It is an attempt to heal, by old methods, a wound of modern making. It is countenancing inflation when, I repeat, our main object should be to prevent inflation.

I intend to prove my allegations by citing certain examples. A Logan elector came to me about probate assessment of a property. I found that 23 scabby old cows—I would bet that the youngest of them was 15 years old—had been assessed at the market value of pedigreed beasts. A run-down property that would not have realised \$20,000 on the market was assessed at \$93,000. An old lady whose husband had died came to me. He was a hobbyist who had spent thousands of hours encouraging hobbies in the district and the making of models. He left tools and equipment of all kind, some of which had no market value, but each item was assessed at from \$2 to \$3.

In another case, a young man whose mother had died came to me. She liked to keep relics. She had 17 hats that were 50 years old, and these were assessed at \$1 each. Old newspaper cuttings were assessed because of the book covers that contained them. This young man would have been better off putting a match to the place and inheriting the insurance, because in fact he inherited a debt.

Mr. Chinchen: You should not have suggested that to him.

Mr. BALDWIN: I did not. That is merely my thought on the matter.

This Government is failing to grapple with the real problems of inflation. It introduces placebo measures that have only short-term validity, and, as my Leader so ably pointed out, are caught up with in 12 months' time. This is symptomatic of the inflation that is swamping this State and to which we must find a real answer.

Hon. G. W. W. CHALK (Lockyer—Treasurer) (3.1 p.m.), in reply: I think that I should reply first to the valuable contribution made by the hon. member for Burnett who always takes an interest in the primary producer. I can assure him that I will examine the points he raised. I shall wait until I see them on paper, because I want to have a close look at them.

The Bill, in general, seems to have the approbation of both sides of the Chamber. A layman would need to do a tremendous amount of study before he could understand the complexities of the assessment of probate and succession duties. Any person who makes a will or handles matters relating to an estate should take legal advice. Unfortunately, too many people today find themselves in unfortunate circumstances not as a result of dishonesty but because of a lack of knowledge. However, the Act is there and it must be enforced by those responsible for its administration.

The hon. member for Logan referred to the valuation of tools of trade associated with a hobby, and of a collection of hats. It is difficult for an assessor who has to value such articles to simply pass over them, because they have some value. No doubt, a good deal depends on the circumstances in which they were collected. As I said, where an estate is involved legal advice should be taken, because the State does not want to collect more than its due. Many people try to live within the law and at the same time so arrange their affairs that they obtain the maximum benefit. Nobody can decry their doing that.

Each measure that this Government has introduced has related to a matter that has been raised in recent times. All I have endeavoured to do on this occasion is introduce a preliminary Bill, as it were, to enable the matters that are urgent and are simple to implement, and can also be dealt with without too much effort, to become law immediately. Next year I hope to introduce a completely new basis for an Act. That will be the occasion for a considerable debate.

An Opposition Member interjected.

Mr. CHALK: The hon. member for Burnett has always taken an active interest in debates in this Chamber. As far as I am concerned his contributions are valuable, and I certainly will consult with him.

The Leader of the Opposition referred to a self-employed person who has a small number of employees. I know that this is a problem that is very hard to get around. He also referred to conditions in the West to show that not only primary producers are deserving of help. I recognise that there are small storekeepers, for example, who are having an extremely difficult time, and that there are men on the land who normally employ a number of workers but are now unable to do so. The Government has endeavoured to relieve that situation by channelling drought-relief funds to local authorities in the hope that they will be of some benefit to those who are affected in this way. Whilst I appreciate that this does not meet all the points raised by the Leader of the Opposition, it does to some extent assist those whom I have described as "small storekeepers".

I gave consideration to this matter some time ago when an approach was made to me by a couple of men who conducted reasonably successful small businesses in a western area and who were just as hard hit by the drought as primary producers have been. The Government has not started any scheme, nor do I know how it could be carried out, that would ensure that such people received assistance. By making money available for employment through local authorities, the Government has endeavoured to keep people in drought-affected areas, to maintain a demand for goods, and to keep a certain amount of money circulating in the community. What has been done is at least some assistance towards that objective.

I shall give consideration to all the points raised before the second reading of the Bill. I do not think it is possible to make any further changes now. This is a field in which my predecessor tried to effect some major changes, and he ran into difficulties because of varying views. During the last six months I have had officers carefully examining the whole situation, and I do not think I am giving away any secret when I say that there is now in the drafting stage a Bill that will bring about many changes and will be for the betterment both of the legislation and of the community as a whole.

On the other hand, I sound a warning to those people who want major benefits but are not prepared to give away any of the benefits that they already have and which are much greater than those applicable in other States. They cannot have it both ways. There has to be a happy medium, and finding it is one thing on which I am sure there will be some discussion.

At this stage I indicate that I shall examine the views expressed by hon. members this afternoon. If I feel that I should comment further, I shall do so at the second-reading stage.

Motion (Mr. Chalk) agreed to.

Resolution reported.

FIRST READING

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

SPECIAL ADJOURNMENT

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

"That the House, at its rising, do adjourn until Tuesday, 11 November, 1969."

Motion agreed to.

The House adjourned at 3.11 p.m.