

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 16 MARCH 1976**

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## Regulations under—

Local Government Act 1936–1975.

The Sewerage, Water Supply and Gas-fitting Acts, 1949 to 1967.

Clean Air Act 1963–1972.

Building Act 1975.

Main Roads Act 1920–1975.

Public Service Act 1922–1973.

Queensland Marine Act 1958–1972.

Ordinance under the City of Brisbane Act 1924–1974.

## PERSONAL EXPLANATION

**Hon. A. M. HODGES** (Gympie—Minister for Police) (11.4 a.m.), by leave: In reply to a question in Parliament on 10 March 1976, I told the honourable member for Nudgee (Mr. Melloy) that action under section 131 of the Criminal Code was commenced against Freier, Herbert and McIntyre during May 1975. A typographical error has been discovered, as a result of which I quoted the wrong section of the Criminal Code. It should have been section 121, and not section 131.

## QUESTIONS UPON NOTICE

## 1. AUSTRALIAN CO-OPERATIVE DEVELOPMENT SOCIETY LIMITED

**Mr. Burns**, pursuant to notice, asked the Minister for Justice and Attorney-General—

(1) Is he aware that in the Supreme Court of Queensland on 5 March an order was made by one judge of the court for the appointment of provisional liquidators of Australian Co-operative Development Society Limited and that the order was discharged by another judge of the court late on the following Sunday afternoon upon the sworn evidence of directors and solicitors who had acted for the co-operative?

(2) Is he aware that the documents and records of the co-operative were ordered to be handed back by the provisional liquidators to the directors of the company?

(3) In view of the differing attitudes by some judges in the handling of company business of the court, does he consider it desirable in the public interest that one or more judges should be set aside exclusively to deal with such business?

(4) Is he aware that the co-operative has been in a hopeless state of insolvency for some time and that the directors knew or ought to have known this and that they have nevertheless continued to take very substantial sums of money from the unsuspecting public on deposit, where such moneys cannot be repaid and where more than \$1,000,000 has disappeared from the funds of the co-operative?

(5) Is he aware that present and past directors and three solicitors who have acted for the co-operative have directly or

## TUESDAY, 16 MARCH 1976

Mr. SPEAKER (Hon. J. E. H. Houghton, Redcliffe) read prayers and took the chair at 11 a.m.

## PAPERS

The following papers were laid on the table:—

## Proclamations under—

District Courts Act 1962–1972.

Acquisition of Land Act 1967–1969 and the State and Regional Planning and Development, Public Works Organization and Environmental Control Act 1971–1974.

## Orders in Council under—

Collections Act 1966–1975.

City of Brisbane Act 1924–1974.

The Sewerage, Water Supply and Gas-fitting Acts, 1949 to 1967.

Clean Air Act 1963–1972.

City of Brisbane Town Planning Act 1964–1975.

Harbours Act 1955–1972.

indirectly borrowed from it very substantial sums of money which are unsecured, and that few, if any, repayments of principal or interest have been made on such borrowings?

(6) Is he aware that an associate building society, the Australian Permanent Building Society and Bowkett, which is involved with this co-operative and others, is in serious financial difficulties?

Answers:—

(1) Yes.

(2) Yes.

(3 to 6) The affairs of the Australian Co-operative Development Society Limited have been under inspection by officers from the Office of the Commissioner for Corporate Affairs and, as a result of their inquiries, I have appointed an inspector under the special investigation provisions of the Companies Act 1961–1975 to investigate the affairs of a number of companies associated with this society. The Registrar of Co-operative and Other Societies has also appointed an inspector to hold an inquiry into the affairs of the Australian Co-operative Development Society Limited and also the Rural Co-operative Development Society Limited. The Registrar of Building Societies has also appointed an administrator to conduct the affairs of the Australian Permanent Building Society and Bowkett. All aspects of the affairs of these companies and societies will be thoroughly investigated and appropriate action and prosecutions undertaken as required.

2. MEAT INSPECTION

**Mr. Burns**, pursuant to notice, asked the Minister for Primary Industries—

(1) As there is concern among meat inspectors at the reports that there will be a change of control and that meat inspection will be handed back to the States, what progress has been made in this matter?

(2) What guarantees will meat inspectors have that their industrial conditions, wages, etc., will not be affected by these changes?

(3) Will this move mean that meat inspectors will be employed by the State Government but will maintain national standards, or will each State be allowed to set its own standards?

Answers:—

(1) The Commonwealth Government has set up an Administrative Review Committee, chaired by Sir Henry Bland, C.B.E., one of the tasks of which is to look into the matter of so-called duplication of Commonwealth/State meat inspection services. Senior officers of my department have appeared before the committee and, as well, a written submission has

been forwarded. It is understood that representatives of other States—New South Wales and Victoria at least—have also appeared before the committee. The advice of the committee is being awaited before the matter progresses any further.

(2) These matters will need to be negotiated if, and when, any changes are agreed to.

(3) No changes have yet been agreed to.

3. HOUSING COMMISSION HOMES FOR HERVEY BAY, CHILDERS AND BUNDABERG

**Mr. Powell**, pursuant to notice, asked the Minister for Works and Housing—

As I am constantly being approached by people in my electorate to seek housing for them, will he, as a matter of urgency, direct the Housing Commissioner to purchase land on behalf of the Government and erect houses in (a) Hervey Bay, (b) Childers and (c) Bundaberg?

Answer:—

The savage cut in funds by the former Commonwealth Government last year severely reduced commission activity both in land acquisition and construction in all areas including the areas mentioned. However, on the honourable member's representations I have been able to approve four houses at Bundaberg from limited State funds. I emphasise "State". These are in addition to five houses and seven pensioner units approved in late December.

4. TOURISM-PROMOTION PAMPHLET FOR BUNDABERG AND HERVEY BAY DISTRICTS

**Mr. Powell**, pursuant to notice, asked the Minister for Tourism and Marine Services—

As tourism is an ever-increasingly important industry in the Isis electorate, will he ask his department to make plans for a tourism-promotion pamphlet for Bundaberg and district and Hervey Bay?

Answer:—

The Queensland Government Tourist Bureau already produces one publication which describes the tourist attractions of the Bundaberg/Maryborough/Hervey Bay region. The possibility of producing separate brochures on the Bundaberg and Hervey Bay areas will be considered by the bureau when its financial allocations are considered to be sufficiently extensive to permit it to act along the lines suggested by the honourable member.

5. CONTROL OF BEACH EROSION, HERVEY BAY

**Mr. Powell**, pursuant to notice, asked the Minister for Tourism and Marine Services—

(1) What plans have been prepared by the Beach Protection Authority for the

combating of beach erosion in Beach Erosion Control Districts Nos. 14 and 16, Hervey Bay?

(2) If no plans have been made, what are the reasons?

*Answer:—*

(1 and 2) The honourable member will be aware that the responsibility for the implementation of a scheme of works under the Beach Protection Act lies with the local authority concerned, subject, of course, to a State Government subsidy of 20 per cent. The necessary investigation by the Beach Protection Authority for the purpose of preparing such a scheme for the Urangan to Pinalba area would take about three years at an estimated cost of \$200,000 to the authority. In these circumstances the Beach Protection Authority as a matter of policy does not prepare schemes of works for the protection of beaches within beach erosion control districts until the local authority concerned indicates that it is prepared to accept a commitment for implementation. A preliminary estimate of the cost of a major beach-replenishment scheme for the Urangan to Pinalba areas is approximately \$600,000, and, in view of the council's recent curtailment of the beach-replenishment project at Urangan, it seems unlikely at this stage that it would be prepared to undertake such a scheme. Where the local authority is not prepared to undertake a major scheme, the Beach Protection Authority will provide advice on request on the desirability and costs of various option schemes for beach restoration, together with recommendations which have due regard to the capacity of the local authority to pay for the works. The Beach Protection Authority has advised the council accordingly and is at present awaiting the council's decision in the matter.

#### 6. INCREASED SENTENCES FOR ARMED ROBBERY

**Mr. Ahern** for **Dr. Scott-Young**, pursuant to notice, asked the Minister for Justice and Attorney-General—

As he is aware that the sentences recently imposed on armed bank robbers in Victoria and New South Wales have been very light, for example, Ian Jakobi, who robbed six Victorian banks of \$18,000 while armed, was sentenced to a \$100 good-behaviour bond, will he assure the House that when this Parliament reviews the Crimes Act during this session, sentences for armed robbery will be increased and made more severe to serve as a greater deterrent?

*Answer:—*

I am unable to make any comment on whether New South Wales or Victorian courts are lenient in respect of sentencing

persons convicted of bank robbery. There are many factors which enter into the sentencing process and it is unwise to pass judgment without a full knowledge of all relevant circumstances. I have some acquaintance with the case of Jakobi. At first sight, the sentence may seem extremely light. However, Jakobi had committed the offence for which he was sentenced some years earlier and in the meantime had spent some years in gaol in South Australia before being extradited to Victoria to be dealt with in respect of the offence committed in that State. It would seem that the court did take into account the length of time served in the South Australian prison. Once again there may have been many factors which would account for the apparent leniency. In any event, I have no jurisdiction over Victorian or New South Wales courts. There is no specific offence of bank robbery in Queensland. However, the Criminal Code provides already for severe penalties in respect of robbery. Where robbery takes place and there are circumstances of aggravation, such as being armed or being in company with one or more other person or persons, the maximum punishment is imprisonment with hard labour for life. Even without the circumstances of aggravation, the maximum punishment provided is 14 years. It will be seen therefore that there is really no point in increasing the penalties. I am conscious of the need to punish severely any offence of this nature and, if the need arises, I am quite prepared to exercise my powers of appeal against any inadequate sentence for this and other types of offences.

#### 7. IMMIGRANTS FROM VIETNAM AND CHILE

**Mr. Ahern** for **Dr. Scott-Young**, pursuant to notice, asked the Premier—

(1) Has he seen the report in "The Townsville Daily Bulletin" of 6 March that the Commonwealth Government has given permission for the immigration to Australia of 800 Vietnamese who, because of their love of a democratic way of life, were forced to flee the Communist takeover of their country?

(2) Has he been informed of the number that will come to Queensland?

(3) How many Marxist socialists from Chile were readily admitted to this country by the A.L.P. after rejection of Marxist socialism or Communism by the citizens of Chile?

*Answers:—*

(1) I am aware of the article to which the honourable member refers. The 800 refugees who have been granted sanctuary by the Commonwealth Government comprise Cambodians, Laotians and Vietnamese.

(2) Final State allocations have not yet been determined, but it is anticipated that

only a relatively small number will come to Queensland. The State Migration Officer will liaise with the Commonwealth authorities regarding their reception.

(3) I am not in a position to give the exact number, but I have been informed on very good authority that approximately 8,000 refugees who fled Chile when the Socialist/Communist regime was overthrown in that country were assisted to sanctuary in Australia by the Whitlam Government. I will leave it to the honourable member to work out what that means.

8. COASTAL LOWLANDS STUDY,  
MARYBOROUGH DISTRICT

**Mr. Alison**, pursuant to notice, asked the Minister for Primary Industries—

Has the coastal lowland study of the lowlands to the east and north of Maryborough been concluded, and when will the report be made available to the public?

*Answer:—*

The coastal lowland study is nearing completion, but it is not possible to indicate when the report will be made available to the public.

9. MARYBOROUGH POLICE STATION STRENGTH

**Mr. Alison**, pursuant to notice, asked the Minister for Police—

(1) What is the present official strength of the Maryborough Police Station and what are the details of the positions and ranks making up this total?

(2) Does this total include the five extra officers promised by him last year?

(3) What positions are vacant at the present time and when will they be filled?

*Answers:—*

(1)—

Established strength	Maryborough
Inspector .. .. .	1
Senior Sergeants .. .. .	2
Detective Sergeant 1/C .. .. .	1
Sergeants 1/C .. .. .	5
Sergeants 2/C .. .. .	5
Detective Constables .. .. .	3
Constables .. .. .	23
	—
Total .. .. .	40
	—

(2) No. Allocation of these officers will be attended to as soon as sufficient additional personnel are recruited and trained.

(3) All vacancies have been filled. Actual strength is one below the established strength pending the arrival on transfer of a constable in approximately two weeks.

10. ACCIDENTS ON WARREGO HIGHWAY

**Mr. Gunn**, pursuant to notice, asked the Minister for Police—

(1) Has the apparent increased activity of police radar and patrols on the Warrego Highway over the past six months resulted in a decrease in the number of road accidents on that highway?

(2) How many fatal accidents occurred on the Warrego Highway between Brisbane and Toowoomba over the past six months?

(3) How does this compare with the prior period?

*Answers:—*

(1) Yes. It is always difficult to ascertain the specific result of increased police activity especially on traffic flow, but on the information presently recorded at the Traffic Branch, Brisbane, there has been a marked decrease in road accidents. For the period 1 March 1975 to 31 August 1975 there were 147 accidents compared with 105 accidents for the period 1 September 1975 to 29 February 1976, a decrease of 28 per cent on that part of the Warrego Highway between Riverview and Toowoomba.

(2 and 3) There were six fatal road accidents resulting in the deaths of six persons for the period 1 March 1975 to 31 August 1975. For the period 1 September 1975 to 29 February 1976 there were only four fatal road accidents. These unfortunately resulted also in the deaths of six persons.

11. DEER-SHOOTING, BRISBANE VALLEY

**Mr. Gunn**, pursuant to notice, asked the Minister for Lands, Forestry, National Parks and Wildlife Service—

(1) How many permits have been issued to shoot deer in the Brisbane Valley?

(2) What steps are being taken to police shooters in that area?

*Answers:—*

(1) Three permits have been issued for one property. Tags when available will be issued to the permit holders.

(2) The main objective in policing the shooting is, of course, to prevent illegal activities, and the main aspects of this are—(a) to prevent shooting outside the declared open season and particularly in advance of it; (b) to prevent shooting on Sundays; (c) to prevent shooting on sanctuaries or on properties other than those covered in the permit held by the particular shooter. It is considered prudent not to divulge details of the proposed policing, but it can be stated that this will involve extensive patrolling particularly on week-ends and public holidays, the use of police officers and the use of light aircraft. If 500 deer

tags are issued, this will represent an income of \$10,000 to the Crown, so that it is reasonable to incur appreciable expenditure in policing the open season. In addition to the direct action outlined above, all ex officio fauna officers in the region will be briefed on the deer season. These include police officers and forest officers.

#### 12. GORGE ROAD, CANUNGRA

**Mr. Gibbs**, pursuant to notice, asked the Minister for Local Government and Main Roads—

(1) Has the road to Canungra known as the Gorge Road been reopened and, if not, when will it be reopened?

(2) What are the future plans for permanent works?

(3) When can maintenance be carried out?

*Answer:—*

(1 to 3) There has been some flood damage to the Gorge Road, and the Albert Shire Council has been allocated \$12,000 so that the road may be repaired and re-opened as quickly as possible. Maintenance on the road will continue. As to the future of the road—its history goes back, of course, to about 1947, when Sir Arthur Fadden called a meeting at Warwick relative to the building of a fast road to the coast. All members representing South Coast electorates attended that meeting. Needless to say, it is something in which I am greatly interested, because the area came under my control when I was chairman of the Albert Shire. I thank the honourable member for his question. He can take it for granted that, as I know I will pass this way but once, I am determined to have that road sealed if it is the last thing I do whilst I am Minister for Main Roads. So he has me right on side, and not only because of his representations. He is a dead set certainty to have it sealed as quickly as possible.

#### 13. REPORT ON AUSTRALIAN ASSISTANCE PLAN

**Mr. Moore** for **Mr. Lane**, pursuant to notice, asked the Minister for Community and Welfare Services and Minister for Sport—

(1) Has he received a copy of the report of the Social Welfare Commission on the operations of the A.A.P.?

(2) Has the report yet been examined regarding its implications on future administrative arrangements for social welfare, having regard to proper Commonwealth-State relations?

*Answer:—*

(1 and 2) I have received a copy of the "Report on the Australian Assistance Plan (1973-1975)" from the Commonwealth Minister for Social Security, Senator the Honourable Margaret Guilfoyle. A copy of the report was tabled in the Senate on Thursday, 4 March 1976, and, in doing so, Senator Guilfoyle made comments in the following terms:—

"The Australian Assistance Plan is now in the final year of the three-year pilot programme. Independent persons were appointed to evaluate the effectiveness of the Plan and to report their findings to the Social Welfare Commission. Having regard to the evaluation reports and to its consultations with interested parties, the Social Welfare Commission has made a number of recommendations regarding the future operations of the Australian Assistance Plan. These recommendations are part of an overall assessment of the Plan and will need to be considered in the light of the recommendations of the Administrative Review Committee under the chairmanship of Sir Henry Bland on future administrative arrangements having regard to Federal and State relationships. Comments that will be forthcoming from individuals, groups, voluntary organisations, as well as State Government and Local Government Authorities on this Report, will be considered. I have already forwarded to my State colleagues a copy of the report for their information and comment. I have directed my Department to arrange meetings with these groups and institutions at an early date so that a comprehensive basis will evolve for the Government to review the policy objectives which the Australian Assistance Plan incorporates. As already mentioned to Honourable Senators, there will be a Conference held from 30 April to 3 May at the Australian National University on the Australian Assistance Plan at which this Report, together with all of the other evaluation material will be considered."

The report is at present being examined and appropriate action will be taken in relation to the formulation of this State's attitude. The eventual outcome, of course, will be as a result of negotiations between the Commonwealth and State Governments. From the "Tabling Statement" made by the Commonwealth Minister for Social Security, it would appear that the attitude of the Commonwealth will be influenced by the recommendations of the Administrative Review Committee under the chairmanship of Sir Henry Bland as well as the conferences which are to be held to discuss this matter at length.

14 and 15. ROADS (CONTRIBUTION TO MAINTENANCE) ACT

**Mr. Houston**, pursuant to notice, asked the Deputy Premier and Treasurer—

(1) What is the anticipated gross revenue for this financial year under the Roads (Contribution to Maintenance) Act?

(2) What were the figures for the previous three years?

(3) What percentage of the money estimated is collected from transport operators?

(4) What is the estimated cost of implementing and policing this Act in Queensland?

(5) Is he able to estimate the amount of money that is uncollected under the provisions of this Act?

*Answer:—*

(1 to 5) The estimated collections under the Roads (Contribution to Maintenance) Act for 1975-76 are \$5,000,000. Figures for the previous three years were—1972-73, \$5,193,706; 1973-74, \$5,420,312; and 1974-75, \$4,108,292. The department does not maintain the sort of records and statistics necessary to answer the remainder of the honourable member's question.

**Mr. Houston**, pursuant to notice, asked the Minister for Community and Welfare Services and Minister for Sport—

How many men and women are currently serving time in Queensland prisons for violation of the Roads (Contribution to Maintenance) Act?

*Answer:—*

It would be necessary to check over 1,400 prisoners' files manually to provide the answer to the honourable member, and it is considered that the time involved would not be warranted.

16. T.A.B. BUILDING, ALBION

**Mr. Houston**, pursuant to notice, asked the Deputy Premier and Treasurer—

(1) Concerning the new T.A.B. building at Albion, what was the original estimated cost of (a) the land, (b) the building and (c) the equipment?

(2) How much has been spent in each category?

(3) What is the estimated further expenditure in each category?

(4) What percentage of the building will be used for the T.A.B. operation and who will occupy the remainder?

*Answers:—*

(1 to 3) The site for the T.A.B. building at Albion comprising 296 perches of land was purchased for \$326,850 and no

further expenditure will be incurred under this heading. The original estimated price based on the tender price for the building was \$3,900,000. Additionally the contract provided for rise and fall and additions due to any increases in the scope of the work. To date, the building costs amount to \$5,590,000, and it is estimated that a further \$500,000 will be spent under this heading to meet the final cost of the building. Presumably the term "equipment" refers to the computer system, and the estimated cost based on the tender price was \$4,480,000 plus sales tax, freight and exchange rate fluctuations. Payments to date total \$520,000, and it is estimated that payments totalling a further \$5,100,000 will be made under this heading.

(4) The T.A.B. will occupy approximately 80 per cent of the building immediately and eventually may require almost 100 per cent of the building. At the present time the National Bank of Australasia occupies bank premises on the ground floor. Two floors of the building are vacant at present but one has been leased by the Education Department; the other is still to be leased.

17. CONDITION OF MT. ISA-CAMOOWEAL ROAD

**Mr. Bertoni**, pursuant to notice, asked the Minister for Local Government and Main Roads—

(1) Is he aware of the deterioration of the road between Mt. Isa and Camooweal, caused by recent rain in the area?

(2) What action is being taken to upgrade this road?

*Answers:—*

(1) Yes. I am fully aware that the recent flood rains have damaged this road in Queensland and the Northern Territory.

(2) Work to strengthen 18 floodways will commence next week. This should overcome the worst sections. Further works will be considered when the Commonwealth advises what the funding for national highways will be for the next three to five years.

18. GOLD COAST BEACH PROTECTION PROGRAMME

**Mr. Dean**, pursuant to notice, asked the Premier—

(1) Is he aware that Alderman Colin Cox of the Gold Coast City Council has claimed that the newspaper advertisement—under the name of the Premier and paid for by the State Government—stating that the Beach Protection Authority has spent millions of dollars on the Gold and the Sunshine Coasts was not correct?

(2) As Alderman Cox has suggested that the authority would not have spent more than \$20,000 on Gold Coast beaches, what is the exact amount of money spent by the authority on restoration work and what sum of money was charged against advice which Alderman Cox alleges was in some instances pretty useless?

(3) Have Gold Coast ratepayers borne the majority of the cost of their beach-protection programme?

(4) Does a Beach Protection Advisory Board meeting cost approximately \$1,000 to convene, as was suggested by the Gold Coast mayor?

*Answers:—*

(1 and 2) I am not in the habit of making statements unsubstantiated by facts. On the contrary, Alderman Cox's reported allegation of "pretty useless advice" having been given by the Beach Protection Authority is definitely a mis-statement. It is true that on occasions the council has failed to accept advice offered to it by the authority, and the results on those occasions have generally been waste of money or inferior works. There can be no doubt that where the scheme of beach restoration works approved by the authority is being followed by the council the result has been eminently successful. So far as the alderman's estimate of \$20,000 as the total expenditure by the authority on Gold Coast beaches is concerned, I merely wish to verify my original statement by pointing out that the true figure is estimated at some \$2,636,000. It should be realised that the authority operates for the whole of the coast of Queensland, and the costing arrangements within the authority's accounts are not dissected under local authority headings. Consequently, one cannot be precise in assessing expenditure authorised by the authority in connection with the restoration of Gold Coast beaches, but a figure of \$2,636,000 is, as I have said, a reasonable one. The authority has spent \$320,000 on studies by the Delft Hydraulics Laboratory covering beach restoration and training of the Nerang River entrance; it has spent \$266,000 on Gold Coast works including the Kirra groyne, earthmoving on The Spit and revegetation of The Spit; it has authorised State Government subsidies to the Gold Coast City Council for beach protection works to the extent of some \$870,000, and finally, since its establishment in 1968, the authority has spent an inordinate amount of its time in providing advice and comment to the council on matters pertaining to the Gold Coast erosion problems. These have predominantly been matters raised with the authority by the council or its officers, and a reasonable estimate of the cost of the service provided by the authority to the council in this regard is \$1,180,000.

(3) It is estimated that the expenditure by the Gold Coast City Council on beach restoration works is slightly in excess of \$3,600,000.

(4) Once again, this is a mis-statement of fact. The cost to the authority of a meeting of the Beach Protection Advisory Board is presently about \$240.

19. PATROLLING OF QUEENSLAND BEACHES

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

(1) What action has the Government taken as a result of the public debate over the patrolling of popular Queensland beaches and the number of persons drowned in unpatrolled areas in the holiday season?

(2) What assistance does the State Government give to local authorities for the provision of beach inspectors or life-saving patrols?

(3) Has the Government offered any assistance to the Queensland Surf Life Saving Association in the proposed plan to set up a Surf Safety Committee to conduct a serious study of the problems that have occurred as a result of the growing number of people who use our beaches in unpatrolled areas?

(4) Has the Government carried out any investigation into the different proposals suggested by members of the public, such as TV scanning, use of aircraft, mobile patrols, etc., with a view to providing Government assistance if any feasible proposal is found?

*Answers:—*

(1) As the honourable member will know, the more popular Queensland surfing beaches have been declared bathing reserves in terms of the Local Government Act 1936-1975. The various local authorities having jurisdiction in these areas have by-laws controlling bathing within such reserves. However, it will be appreciated that in an area with a coastline such as that of the City of Gold Coast it would be totally impracticable to declare the whole coastline a bathing reserve and attempt to control bathing therein. Generally speaking, the provisions have operated satisfactorily and the local authorities and the Surf Life Saving Association have made a great contribution towards safe bathing at our beaches. Normally, problems arise only when people surf outside declared bathing reserves, often in very adverse conditions and often even when localities have been signposted by the local authority as being an adverse area for bathing. It is very difficult to prevent accidents occurring in these circumstances when individuals seem determined to disregard all precautions designed for their personal safety.

The question of whether further legislative steps should be taken in this whole area is being examined by the appropriate authorities.

(2 and 3) I understand that Government financial assistance to surf life saving clubs is limited to the payment of subsidy on bona fide collections, a form of aid that has been given continuously since 1938. This subsidy is paid on collections made during the preceding financial year, in quarterly instalments, to the Queensland State centre of the Surf Life Saving Association, which distributes it to clubs after deducting administrative charges. It is within the clubs' discretion as to how this money is expended. The total subsidy paid during 1974-75 was of the order of \$290,000.

(4) See answer to (1).

20. PETROLEUM FUEL SALES

**Mr. Dean**, pursuant to notice, asked the Minister for Industrial Development, Labour Relations and Consumer Affairs—

What was the total amount of fuel, both diesel and petrol, sold in Queensland for each of the past two years?

*Answer:—*

The Monthly Summary of Statistics for February, 1976 gives the following figures for the sale of petroleum products in Queensland:—

—	Motor spirit (million litres)	Automotive distillate (million litres)
1973-74	1 804.3	938.2
1974-75	1 903.3	1 042.7

I would mention that the Queensland marketing area includes the Murwillumbah district of New South Wales. Should the honourable member require further details, I would suggest he consult the aforementioned publication, which is issued by the Queensland office of the Australian Bureau of Statistics.

21. KERBING AND CHANNELLING IN ELIZABETH AVENUE, REDCLIFFE

**Mr. Frawley**, pursuant to notice, asked the Minister for Local Government and Main Roads—

(1) Was the Redcliffe City Council prevented from proceeding with kerbing and channelling in Elizabeth Avenue by the Main Roads Department's refusal to give the council details of levels?

(2) Has the Redcliffe City Council's previous request to the Main Roads Department for information on the levels in Elizabeth Avenue been refused?

*Answers:—*

(1) No. A planning layout showing the proposed future kerb alignment over the whole length of Elizabeth Avenue was prepared in consultation with council engineering and planning staff and completed in October 1974. Detailed design has not been done and therefore final kerbing and channelling levels have not been fixed. Design work of this kind is normally undertaken by the local authority as part of the over-all design of the storm-water drainage system.

(2) The Redcliffe City Council has not been refused information regarding Elizabeth Avenue. The council wrote to my department on 26 February 1976 regarding this matter and a reply is being prepared so that the council can proceed with the design.

22. INTERSECTION OF BRUCE HIGHWAY AND BRIBIE ISLAND ROAD, CABOOLTURE

**Mr. Frawley**, pursuant to notice, asked the Minister for Local Government and Main Roads—

What plans are in hand to eliminate the hazardous intersection of the Bruce Highway and the Bribie Island road in the Shire of Caboolture?

*Answer:—*

Because of the representations made continuously by the honourable member for Murrumba concerning this matter—probably he is one of the best honourable members in this House—I have requested that planning proceed for an overpass at that site with works to commence in the 1976-77 financial year and continue into the 1977-78 financial year since it is a major job costing close to \$1,000,000. This can be put in the Redcliffe papers: it is only through the honourable member's representations.

23. FLOODING OF BALD HILLS—STRATHPINE SECTION OF BRUCE HIGHWAY

**Mr. Ahern for Mr. Akers**, pursuant to notice, asked the Minister for Local Government and Main Roads—

What is the present position regarding the elimination of flooding problems on the Bald Hills—Strathpine section of the Bruce Highway?

*Answer:—*

This question, again, is asked by another responsible member. Because of his representations, work on this section is programmed for commencement in the 1976-77 financial year. This is another feather in his cap.

## QUESTIONS WITHOUT NOTICE

### AUSTRALIAN PERMANENT BUILDING SOCIETY

**Mr. BURNS:** Because the Minister for Justice is not here, I shall direct my question to the Premier. In doing so, I refer to statements by Mr. Robinson, the Minister assisting the Treasurer in the Federal Parliament, that the trading banks would assist responsibly managed building societies. As the Government is investigating the Australian Permanent Building Society and Bowkett and the companies associated with it that have collapsed, how soon will investors in the Australian Permanent Building Society be informed if that company is properly managed? That is the real question for them. Who will make such a determination? Will we make it as a State Government or will that be left to Mr. Robinson and his Federal colleague? The company is operating under our rules.

Mr. Speaker, I see that the Minister for Justice is now in the Chamber. May I redirect my question to him?

**Mr. Knox:** I have been in the House all the time.

**Mr. BURNS:** I wonder where you were.

**Mr. SPEAKER:** Order!

**Mr. BURNS:** Then I direct my question to the Minister for Justice. In doing so, I refer to the statement by Mr. Robinson, the Minister Assisting the Federal Treasurer, that if a building society was properly or responsibly managed, he would ask the trading banks to assist it financially to ensure that investors in it did not lose their money. I want to know how soon investors in the Australian Permanent Building Society and Bowkett, which is under investigation, I understand, by the Minister's department, will be told whether the company is responsibly managed or not, because that is an important decision for them and bears on whether they will get any money from the Federal Government or not. Will that decision be made by the Queensland Government or by the Federal Government, that is, if it is not made by the Minister's department? If it is found that the company has been properly managed, will the Minister make the necessary representations to the Federal Government for Federal finance to assist the company?

**Mr. KNOX:** I do not know why the honourable member has addressed the question to me. It is not within my jurisdiction. I suggest that he place it on the Business Paper and direct it to the appropriate Minister.

**Mr. BURNS:** If no Minister in the Government is prepared to answer this question, I will place it on notice. If Ministers are not concerned—

**Mr. SPEAKER:** Order! The Leader of the Opposition will either place the question on the Business Paper or forget about the question.

**Mr. BURNS:** I place it on notice, directed to the Deputy Premier and Treasurer.

### AUSTRALIAN PERMANENT BUILDING SOCIETY AND BOWKETT

**Mr. BURNS:** I ask the Deputy Premier and Treasurer: Has the Government plans to assist investors in the Australian Permanent Building Society and Bowkett whose life savings in many cases are threatened by the failure of this society to obtain full recompense? If so, what are the plans and when can these Queenslanders expect some assistance?

**Sir GORDON CHALK:** To my knowledge the honourable member will move the adjournment of this House later this morning to discuss what he has described as a matter of particular interest to Queensland, namely, building societies. I suggest to the honourable member that a question of the nature he has asked could be more adequately dealt with during that debate.

**Mr. BURNS:** Standing Order No. 137, which covers a motion for adjournment of the House, states in part—

“In the Debate on a Motion for Adjournment reference may be made to facts disclosed in answers to Questions put to Members either on the same day or on a previous day.”

I was trying to ascertain some facts today, in accordance with the provisions of the Standing Orders, but obviously Ministers don't want to tell the people.

**Sir GORDON CHALK:** You don't think I was going to give you a run on the rails; I have been here too long.

**Mr. SPEAKER:** Order!

### TELEPHONE CALL TO MINISTER FOR TRANSPORT

**Mr. LANE:** I ask the Minister for Transport: Did he receive a telephone call late last night from a Mr. Frank Dawson of New Farm, the husband of the A.L.P. alderman for Hamilton (Mrs. Beattie Dawson), who apparently thought that he was talking to the honourable member for Archerfield (Mr. Kevin Hooper) and proceeded to suggest how a personal attack could be made under privilege in this Parliament upon me and upon the Liberal Party candidate for Hamilton (Mr. Syd McDonald)?

**Mr. K. J. HOOPER:** I rise to a point of order. I have no knowledge of this. It is completely untrue.

**Mr. SPEAKER:** Order! I ask the honourable for Archerfield to resume his seat and the honourable member for Merthyr will complete his question.

**Mr. LANE:** At approximately what time of the night was this telephone call received and what did Mr. Dawson say when he discovered that he was talking to the wrong Mr. Hooper?

**Mr. K. W. HOOPER:** I am amazed at the efficiency of the intelligence service of the honourable member for Merthyr because I am unaware how he knew of this phone call.

I did receive a phone call at a very late hour last evening. I could not say what time it was; I was in bed and asleep. The gentleman who telephoned me identified himself as Fred Dawson. I said, "Yes?" He then went on and said that he wanted to tip the bucket on the honourable member for Merthyr and Mr. Syd McDonald, who is the Liberal Lord Mayoral candidate, or the candidate for the Hamilton ward. He continued trying to identify himself in a very hasty manner. I could not get a word in edgeways. I told him and kept on telling him that my name was Keith Hooper. He said, "Yes, it is you, Keith, that I want to talk to." The gentleman said that he was Beattie Dawson's husband. I said, "Who is Beattie Dawson?" He did not inform me who Beattie Dawson was, either. He did go on to say that he had rung telephone number 483001, which happens to be my number. Finally I did get a word in. I said, "I did tell you that my name is Keith Hooper. I think you have the wrong telephone number and, indeed, the wrong person." He said, "Oh, no, I haven't. I want to tip this bucket under privilege on these people." I said, "In fact, there are three Hoopers in this House." He said, "They all belong to the A.L.P. don't they?" When I said, "No; I am a Liberal," he said, "God, I have put my foot in it, haven't I?" That is where the conversation finished. He did in fact realise my identity at that time.

#### ABOLITION OF DEATH DUTIES

**Mr. ELLIOTT:** I ask the Premier: Has his attention been drawn to a report in today's "Courier-Mail" that other State Premiers may combine to oppose the elimination of death duties in Queensland? Is he aware of a statement by the New South Wales Premier, Sir Eric Willis, that the Queensland Premier's advice on death duties is "sound"? Is he also aware of claims by the Assistant Treasurer of New South Wales that his State and Victoria are subsidising Queensland and other States?

**Mr. BJELKE-PETERSEN:** My attention has been drawn to the statements to which the honourable member refers and to reports generally on this matter. My first concern is for Queenslanders and all who live in our State; what other States do is their affair. I have been disturbed for a long time by the effects of probate and succession duty on a very wide section of the community. Death duties were originally a wealth tax but they are now

hitting people in all walks of life and can no longer be called a wealth tax in anyone's language.

This morning's report indicates what I have long known and stated, namely, that the benefits arising from the abolition of death duties far outweigh any so-called loss of revenue. Indeed, I think their abolition would prove a very effective tax incentive throughout the State, as people would then be able to use their money to the benefit of growth and development in their homes, their businesses, their land or any other activity. The State would benefit ultimately in the long term.

There has been talk of the States of New South Wales and Victoria benefiting Queensland. Taken overall, the situation is in fact very much the reverse. Queensland has, with Western Australia, been carrying New South Wales and Victoria for a long time. Queensland's export earnings have enabled those States to import materials required for their manufacturing industries. It has been proved over and over again that we could buy manufactured articles—Mercedes motor-cars, for instance—very much cheaper if we could buy them direct from the country of manufacture instead of protecting and supporting manufacturers in South Australia, Victoria and New South Wales. I therefore do not accept for a moment that those States are supporting Queensland. The situation is in fact very much the reverse.

Doubtless the abolition of death duties would generate a lot of interest in our State. A lot of assets and very much business will ultimately be brought to Queensland when this suggestion is taken up by Cabinet and the party and implemented.

#### SAND-MINING INSPECTIONS, FRASER ISLAND

**Mr. ALISON:** I ask the Minister for Mines and Energy: Will he advise how often Mines Department officers carry out inspections of the sand-mining activities of D.M. on Fraser Island with a view to ensuring that the company is abiding by the lease conditions?

**Mr. CAMM:** During the last 12 months numerous inspections have been carried out by officers of the Mines Department on their own and also in company with officers from other State departments and the Commonwealth. Those inspections would have averaged about once a month during the last 12 months. I might say that the conditions imposed in the mining leases on Fraser Island were drafted in collaboration with the Forestry Department, and the officers concerned in the inspection and rehabilitation of the island are from the departments of Mines, Lands, Primary Industries, Harbours and Marine, and Forestry.

VISIT TO BUNDABERG OF MINISTER FOR LOCAL  
GOVERNMENT AND MAIN ROADS

**Mr. JENSEN:** I ask the Minister for Local Government and Main Roads: In view of the fact that he has not visited Bundaberg and district in his ministerial capacity even to open the new \$400,000 Main Roads building now in operation, and that vital issues, such as a traffic bridge over the Burnett River, the proposed bridge over Smith's Crossing, the state of some roads in the Gooburrum Shire and the local government issues concerning the people of Burnett Heads, require his personal involvement, will he make every effort to visit the area within the next few weeks?

**Mr. HINZE:** Provided the honourable members gets me a bottle of his Bundaberg rum, I will say yes.

**Mr. Jensen:** When?

**Mr. HINZE:** Next week.

LANDS PURCHASED BY BRISBANE CITY  
COUNCIL

**Mr. CHINCHEN:** I wish to direct a question to the Minister for Local Government and Main Roads. On 25 November last I asked him a question about the purchase of land by the Brisbane City Council and he said that he would convey the information to me when he received it. Obviously he has not received it as I have had no further reply from him. I now ask whether he will take immediate steps to obtain this information and to please convey it to the House because many people are interested in it.

**Mr. HINZE:** I missed that part of the honourable member's question where he said that I had failed to reply. What was he asking then?

**Mr. CHINCHEN:** If I might repeat my question, Mr. Speaker—on 25 November last I asked the Minister a question about the purchase of land by the Brisbane City Council. In reply he told me that he would endeavour to obtain the information from the Brisbane City Council and convey it to me. As it is now almost four months since I asked that question, I ask whether the Minister will now please endeavour to obtain the information urgently from the Brisbane City Council and convey the reply to the House rather than to me, because this is of great interest to many people in Brisbane.

**Mr. HINZE:** I will endeavour to get from the Brisbane City Council the information requested by the honourable member, and I will convey it to the House for the reasons suggested by him.

**Mr. SPEAKER:** Order! The time allowed for questions has now expired.

MOTION FOR ADJOURNMENT

AUSTRALIAN PERMANENT BUILDING  
SOCIETY AND BOWKETT

**Mr. SPEAKER:** I have to report that I have received the following letter from the Leader of the Opposition:—

“Parliament House,  
“Brisbane, 4000,  
“16 March, 1976.

“The Honourable J. E. H. Houghton,  
M.L.A.,  
“Speaker,  
“Legislative Assembly,  
“Parliament House,  
“Brisbane.

“Dear Mr. Speaker,

“I beg to inform you that in accordance with Standing Order 137 I intend this day, Tuesday, 16 March, 1976, to move—

“That this House do now adjourn’

“My reason for moving this motion is to give this House an opportunity to discuss a definite matter of urgent public importance namely the financial position of building societies in Queensland and the concern expressed by investors in these societies over the suspension of operations of the Australian Permanent Building Society and Bowkett at 4.00 p.m. on Friday, 12 March, 1976 and reports quoted ‘from a top Government source’ in the ‘Courier-Mail’ of Saturday, 13 March, 1976 that at least five other building societies are in imminent danger.

“I believe that such an urgent debate is necessary so that the men and women of Queensland who have invested in these societies can be informed by the Government of Queensland which is charged with the administration of the Act controlling building societies, clearly and concisely in this Parliament, whether funds in these societies are government guaranteed as has been quoted by some societies’ sales representatives or failing such guarantees, what is the true position in relation to the security of their investments.

“I believe that an urgent debate is necessary because of the rumours that some building societies have been investing funds in real estate developments and areas outside of private home building for which they were originally created.

“I believe there is a need for an urgent debate so that the people of Queensland who invest in building societies can be clearly and concisely made aware of the Government's interpretation of the statement by Mr. Robinson, the Minister assisting the Federal Treasurer, that trading banks would consider sympathetically requests for finance from building societies which were responsibly managed and had adequate asset backing.

“I believe that an urgent debate is necessary so that the Government can advise this Parliament what action it will take to

assist those investors whose funds in the Australian Permanent Building Society and Bowkett are now threatened as many of these people are small investors who deposited their life savings because they believed that these funds were Government guaranteed.

"Yours sincerely,  
"Tom Burns".

Not fewer than five members having risen in their places in support of the motion—

**Mr. SPEAKER:** Honourable members, I have considered this matter. I believe it is of paramount importance to everybody in this State—to investors and the people responsible. I believe, too, that it is of an urgent nature and I intend to allow the motion.

**Mr. BURNS** (Lytton—Leader of the Opposition) (12.9 p.m.): I move—

"That the House do now adjourn."

The Opposition does not intend to try to score a political point in this debate.

**Mr. Lane:** Are you serious?

**Mr. BURNS:** We believe it transcends party politics.

**Mr. Lane:** What a load of rubbish!

**Mr. BURNS:** Today we are discussing a very urgent matter. To the interjector I point out that over the week-end a lot of people rang me seeking information. One woman was very upset when she spoke to me on the phone to tell me that her son had invested all the money he had received as a result of an accident in this particular society because it was conveniently located in her area. It has an office in the Morning-side Fair in the Lytton electorate and it was convenient for those people to go there and put their money in this building society. This lad had planned to purchase a car when he reached the age of 17 years. All of his money—everything he has—is involved. I could not give him an answer. I really cannot tell him.

What I am asking today is that the Government, through this Parliament—and this is what Parliament is supposed to be all about—advise the people of this State who have invested in this concern. I do not know what would happen to me if I woke up one morning and found that the Government had announced that the building society that had all the funds that I had gathered together in my lifetime was gone like that. I would want somebody to tell me the exact situation and I think everybody else wants to know.

This is not a party-political issue. I am not trying to create a run on building societies or to score a political point. What I am trying to do is to suggest that we use this Parliament to answer the questions that are being asked by the people—to settle the issue

down, to defuse it and to clear up some of the problems that concern many people in the community just as they concern me.

In the article in "The Courier-Mail" which reported that the building society was closed, the following appeared:

"At least five small building societies could be closed down soon following the suspension of a society yesterday by the State Government.

"This is the prediction of a top State Government source."

That in itself created a tremendous amount of debate in the community. My daughter has invested in one of the building societies and my father, who has money in a building society, rang me and asked which of the five was under threat. As soon as a statement is made that more societies are threatened, greater concern is engendered in the community.

We do not want to create a run but any honourable member can imagine what that statement did. It affected some of the biggest building societies, which I believe are stable and secure. My father has invested in Queensland Permanent Building Society and he rang me to find out what he should do. I suppose that every Minister and every other member of Parliament has received similar requests. That Press statement ought to be answered in this Parliament.

**Mr. Bjelke-Petersen:** What did you tell him?

**Mr. BURNS:** I told him to leave his money in there. I told him that it would be completely crazy if everybody decided to withdraw money. At the same time, while I gave the same advice to some of the people who have invested in the smaller societies, I qualified it a little because I would hate to think that on Friday or Saturday I advised them to put more money in and on Monday another society went to the wall. One person in my area had put \$10,000 into that building society on the Monday and it went broke on the Friday. Anyone can imagine his concern. A woman in my area went to the building society to withdraw \$60 to pay for her groceries on Friday. She was told to return later, when it might have some money available. She went back in the afternoon and was told, "No, bad luck. We have just closed down. We do not even have \$60 to give you to pay your grocery bill." That is the situation that people are facing.

I am pleased that Mr. Speaker has agreed that this matter is urgent. The real problem is what some of the building society people are saying. For instance, Mr. Steel from the Association of Permanent Building Societies wipes it off in this way—

"He said the Australian Permanent was 'a very small one'."

Hundreds of people are involved because \$3,000,000 is at stake. The life savings of

people are involved, yet it is said that it is a small one and so we should not be concerned about those people. We are not dealing with professional investors or speculators who are accustomed to fluctuating share prices or land values. We are speaking about people who believe that building societies are similar to banks, that they have all of the guarantees that banks have and that they are Government-guaranteed.

A number of people have said just that, but Sir Gordon Chalk was reported in "The Sunday Mail" last week-end as follows:—

"But Sir Gordon said that unfortunately the impression had been gained in some quarters that building society funds were Government guaranteed.

"Such is not entirely correct. Loans to persons for homes are guaranteed repayable through insurance. But this is over the fixed period of the loan."

An article in this morning's "Courier-Mail" reads—

"The Association of Permanent Building Societies executive director (Mr. M. Stitt) said yesterday assurances by Federal and State Government officials that building societies would be 'backed' had prevented any run on societies yesterday."

That is a very bland statement and people will use it later to say that the Government supports building societies all the way.

This Government's Minister for Works and Housing was quoted on the front page of "The Australian Financial Review" yesterday as saying that he welcomed the statement by the Federal Treasurer (Mr. Lynch) in effect giving Reserve Bank backing to local banks involved with building societies operating on a stable and properly managed basis. That is the question that comes up when one contemplates investing in a building society. We want to know exactly what the Minister Assisting the Federal Treasurer meant last Sunday when he said that trading banks would consider sympathetically requests for finance from building societies which were responsibly managed and had adequate asset backing. To my mind, that is a statement similar to the one made by Mr. Hayden in 1974. On that occasion the Reserve Bank made the statement and Mr. Hayden said that he would back the Reserve Bank.

To the ordinary man and woman in the electorate of Lytton or in Toowoomba, where the building society that we are concerned with had an office, or Bundaberg or the Gold Coast, where one person seems to have lost \$50,000, the question is what is meant by "consider sympathetically" and "responsibly managed"? Who makes that requirement? Is the implication that some societies operating under the Queensland Act are not responsibly managed? Is it suggested that we are aware of some societies in this State that are not properly managed? We are left to our own interpretation of that statement.

What the Minister really says is that, as long as a society has a ton of assets and good management, the Government will allow the banks to back it. In future, that is the type of statement that I will be making to people.

People concerned with the society under consideration come and ask, "Was it properly managed?" We do not know; we shall have to see what the investigation reveals. If it was properly managed and went to the wall only because of a run on funds following the 10½ per cent bond issue, or because it was too small, will the Government step in and back it? If a society is properly managed and has satisfactory assets, will it have the backing of the Reserve Bank? Or does it mean that every time anyone stops at the office of a building society he has to have at the back of his mind, "I wonder who manages this society? I wonder if its money is being invested properly?"

Most people have regarded building societies as being very similar to banks. They have acted like banks and been treated like banks, and people have placed in them the faith that they would place in banks. All who telephoned me over the week-end had felt that building societies were Government-guaranteed and that therefore they had had no reason to worry. They had felt that, even if the manager got away with some of the funds, as some bank accountants seem to do from time to time, their pockets would not be affected. They never thought that one morning they could pick up the newspaper and find that the society had gone to the wall and their money was lost.

I think that some people worry, too, about whether the Government is on top of the situation. A gentleman told me this morning that, when he presented a cheque drawn on a building society, he was told that there were no funds to meet it. Another society is saying now that it cannot pay for three months. Those things must start to worry the people. They certainly worry me. When people read of these events in the Press and ring asking for advice, what does one say? I say, "They should be O.K. Mr. Robinson has made a statement that, if they are properly managed and properly asset backed, they will be backed by the Reserve Bank." Under the circumstances, that is as much as one can say.

I do not think that that is good enough for people who have placed money in a major area of investment in Queensland today. Housing societies have established branches at all shopping centres and virtually on every corner. They advertise heavily on television. People now deposit with them in the belief that they are backed by the Government. I repeat that Mr. Stitt said this morning that the statement that building societies would be backed had prevented a run on them. I am very glad

there was no run on building societies yesterday, but to me that statement has implications for the future. I fear that unscrupulous operators will use it by saying, "Don't worry about investing your money. Just read this statement. It was in 'The Courier-Mail' so it must be right." If the Government is going to back building societies, let it make that position very clear. We want to know the exact position.

As I say, this motion is not designed to arouse panic. Quite the opposite; its objective is to solicit a clear Government statement that will clear the air, clear areas of confusion and allay the fears of thousands of very worried Queenslanders.

I hope that the motion and the debate on it will remove the prospect of premature runs on society funds. I do not believe there is a sense of security abroad in relation to building societies today. I believe the good sense of our fellow Queenslanders was of great benefit to us. Most of them said, "Look, I think it will be all right. We will wait." A lot of them took a tremendous gamble but they put their faith in us, in the statements we were making to them and the statements made by officers of this Government and the Commonwealth Government. Let us not let them down. As far as I can see, there is no greater faith that people can put in their Government than that which the people displayed yesterday in leaving their life savings invested where they were in such circumstances.

I presume there will still be a number of people taking money out of building societies because they are concerned, and that after one run in 1974 and another yesterday, some of them will be saying, "I don't think it's worth while staying there. I don't think we ought to gamble any longer." So I suggest we need a clear Government statement that will clear up that confusion, clear the people's minds and allow some of us who have been involved with them to be able to say, "Well, the Government said this in the parliamentary debate on this matter. The Government went ahead and cleared these matters up."

The matters that I think we want to know are:

(1) To what degree are building society investments protected by Government guarantee?

(2) What constitutes the term "properly or responsibly managed" as used by the Commonwealth Government in regard to guarantee? and

(3) Who defines it in each individual case?

I say again: do not worry about scoring political points. We are not trying to score them off Mr. Robinson. Mr. Hayden or a Reserve Bank spokesman used a similar term in 1974.

(4) What action can investors take against building society directors if a fund

is found to be improperly managed and precluded from Federal Government guarantee?

(5) What steps does the Government take to ensure that funds of societies are invested in private housing, which I understand from the original debate was the reason for their creation? and

(6) What steps do we take to ensure that they are not diverted into fields such as real estate or the sort of speculation that I understand recently the Millmerran council would not approve?

(7) What investigations are undertaken by the Government and what guarantees are sought at the time of registration of a building society?

(8) What checks do we make of building society directors?

Just recently we saw a number of fights among people seeking to take control of a building society. Obviously a lot of money is spent in the desire to take control back from someone else or simply to take over control. I understand that some of the people in the take-over attempts I have referred to are involved in the building society currently under threat. What investigations do we make? To what degree do we check new directors of building societies? We could have a very competent society taken over by people who want to manipulate it for their own ends. To what degree did the Federal Government's 10½ per cent savings bond issue early this year, described by the national Treasurer as being of benefit to the housing industry, affect the building societies? Was it the cause of our problems today? Was there in fact a run on the societies themselves recently?

As I said at the outset, Mr. Speaker, this is not a party-political debate. I hope the Government will grasp this opportunity to allay the worries of thousands of Queenslanders. I hope it will also take the opportunity to explain clearly once and for all the degree of protection and guarantee that exists on investments in building societies. I want to know what checks are made by the Government into the continuing liquidity of building societies. I am interested to know how a company such as the Australian Permanent Building Society and Bowkett could solicit and accept new investment as late as last Friday, when it was obvious that it was in a position which it could not possibly get itself out of.

(Time expired.)

**Mr. K. J. HOOPER** (Archerfield) (12.24 p.m.): I have great pleasure in seconding the motion so ably and eloquently moved by my leader. I make it quite clear at the outset that the Australian Labor Party is not opposed to building societies, particularly those that are properly run. However, a number of building societies are less than honest and they should be cleaned up. As a matter of fact, I would like to refer to one society. I am told that the Queensland

Permanent Building Society has not as yet published its balance sheet or financial statement for the year ended 30 June 1975. I am also told on very good authority—I want to hear the Minister for Works and Housing or the Treasurer deny it—that that building society sustained a loss for the trading year ended 30 June 1975.

Of course, the motion now before the House has been moved, as my leader said, because of the failure of the Australian Permanent Building Society and Bowkett, which collapsed at 4 p.m. on Friday last, 12 March. It is common knowledge in building society circles that the Australian Permanent Building Society was being run by crooks—and I say that advisedly, Mr. Speaker.

Incidentally, I am told that a barrister by the name of Dale Smith, who formerly was associated with some shenanigans in the Tasman Permanent Building Society, has been the leading light in the Australian Permanent Building Society. Some of the other directors who have fallen by the wayside have been only a front for Dale Smith, who recently was admitted to the Queensland Bar as a barrister. He is the real villain of the piece, and I say advisedly that, if any villiany is sheeted home to Mr. Smith, he should be disbarred immediately.

**Mr. Wright:** Hear, hear!

**Mr. K. J. HOOPER:** That is correct.

One aspect of the collapse of this society disturbs me particularly. Last Friday, at 3.45 p.m., the daughter of a friend of mine—her name is Jane Aitchison—deposited \$250 in the Booval branch of the Australian Permanent Building Society. The society took her money, quite immorally. What I have said is true, and I should like the matter investigated so that what I have said can be proved correct.

Yesterday I got in touch with the liquidator, Mr. Rees, and drew his attention to the matter, but I did not get a very good reception; he more or less hung up in my ear. I am not worried about his rudeness. What I am worried about is that the young lady, Miss Jane Aitchison of 2 Ninth Avenue, Silkstone, deposited \$250 with that society, that the society took her money immorally and that she is going to lose the money.

**Mr. Moore:** When are you going to tip the bucket on Syd McDonald?

**Mr. K. J. HOOPER:** I have no time to tip buckets on Syd McDonald. I think the electors know that Syd McDonald is a dill.

As my leader said earlier, a Gold Coast resident and his wife stand to lose \$50,000 because of the collapse of the Australian Permanent Building Society.

The Great Australian Permanent Building Society, of which I have made frequent mention in the House previously, leaves much to be desired, and none of the criticism that I have aimed at that society, either by way of

question or in two speeches in this Chamber, has ever been refuted. Neither the Treasurer nor the Minister for Works and Housing has been able to refute anything I have said, because everything that I have said has been spot on.

The Great Australian Permanent Building Society has been run by white-collar criminals. There is no doubt about that. Though I cannot name them, that is common knowledge. I can see by the vacant look on the face of the Minister for Works and Housing that he agrees with me. There is no risk about it. If the Minister had been doing his job correctly right from the beginning, he would have done something about the Great Australian Permanent Building Society long before I first brought the matter up in this Chamber.

I think it is only fair to say that, by its action, the Australian Labor Party Opposition in this Assembly can fairly claim to be responsible for legislation introduced last year to provide some restriction on permanent building societies and also for the legislation that I believe is to be introduced this month.

The Great Australian Permanent Building Society also leaves a lot to be desired at the moment because, according to an article in "The Courier-Mail" today, investors have to wait up to three months to withdraw funds. That is scandalous. Some of the people involved are the ordinary little guys in the street; others have invested their life savings, their superannuation or, in some instances, even their holiday pay. They have to wait three months to collect their money. I repeat that that is a public scandal.

The Great Australian Permanent Building Society is one of the worst building societies to have operated in Queensland. As I said earlier, it is common knowledge that it was controlled by white-collar criminals in grey-flannel suits who manipulated the funds of the society for their own use. Directors obtained loans from the society with which to build nursing homes. One director obtained a loan of \$190,000 to build a house at Sunnybank. That is hardly a worker's dwelling Mr. Speaker. As a matter of fact, I am told also that if one goes out and looks at this home owned by—

**Mr. Moore** interjected.

**Mr. K. J. HOOPER:** I do not wish to listen to Deputy Whips. I hope the position carries a salary. That home at Sunnybank—it is in McCullough Road—cost \$190,000. I know that, if I built a home which cost \$190,000, I would want to show it off. But that home has a 6 ft. fence all the way round it, and there is a sign outside saying, "Savage dogs patrol these grounds". There are also trapdoors in the fence through which tradesmen can deposit groceries and so on.

**Mr. Burns:** It is to keep the depositors out.

**Mr. K. J. HOOPER:** To keep the depositors out, as my leader says. I would say that certain members of building societies in Queensland have formed a building society Mafia.

The Great Australian Permanent Building Society used the services of a management service company which wasted investors' money. I should like to quote portion of a question I asked of the Minister for Works and Housing on 11 September 1975—

"(5) Did the society lend any money to its members or others for purposes other than owner-occupied housing in 1973-74 and 1974-75 and, if so, how much, to whom and for what purpose?"

"(6) Does the society use the services of a management service company and, if so, how much did it spend on the service in 1973-74 and 1974-75?"

The Minister replied—

"(5) It has been established that this form of lending is not a policy of the society. However, the information is being sought from the society and the results will be conveyed in writing to the honourable member as soon as possible.

"(6) Yes. This is disclosed in the auditor's report for the year ended 30 June 1974. Details of the amount involved are being sought by the Office of the Commissioner for Corporate Affairs and will also be conveyed in writing to the honourable member as soon as possible."

That was six months ago. I do not know whether the Minister has writer's cramp, but I have still received no further notification from him. What I said is true. The directors of the Great Australian Permanent Building Society used investors' funds to build nursing homes. There are no two ways about that. I will name three of the homes—Nursing Town, Mt. Gravatt; Nursing Town, Jindalee; and Coonoona Nursing Home. I would like an answer from the Minister as soon as possible.

**Mr. Jensen:** He might want to go there.

**Mr. K. J. HOOPER:** He could want to go there. He is so inept in the House that that is probably where he should be.

The Minister appears to be protecting corporate crooks who were formerly directors of the Great Australian Permanent Building Society. From the way I have been fobbed off in the House, I have formed the opinion that some members of the Government, particularly some members of the Cabinet, have a vested interest in protecting the depredations of these white-collar criminals in building societies.

I agree with my leader that legislation should be introduced to protect the rights of investors in building societies in this State. The Government should insist on more truth and accuracy by building societies. Societies should not be allowed to masquerade as banks. That is what they

are doing at present. As has been stated by my colleague the honourable member for Rockhampton, they are guilty of a half-truth advertising technique. In their advertising they use prominent members of the media and prominent sporting personalities. Their advertising on TV is usually during prime viewing time. I should like to know where the money is coming from. It is probably from investors' funds.

**Mr. Moore:** Of course it is.

**Mr. K. J. HOOPER:** The honourable member for Windsor agrees.

They use somebody like Greg Chappell, who is a great sporting personality in his own right. Naturally people believe what he says on TV. He says, "I'm banking my money with the building society." As the Treasurer knows, that is not so. When one puts money in a building society, one takes shares. Personalities like Greg Chappell say on TV, "This is my passbook. I am going to see the teller." There is no such thing as a teller in a building society. I was always under the impression that the only place one finds tellers is in a bank. Advertising should make it quite clear that the rules of building societies allow them in certain circumstances to defer payments, as is being done at present by the Great Australian Permanent Building Society.

To allay the fears of investors, the Government should institute a full judicial inquiry into the affairs of building societies. If it has not the intestinal fortitude to do that, it should at least set up an all-party committee of this House to conduct an in-depth inquiry into the society. I am quite sure that the overwhelming majority of building societies in this State would welcome such an inquiry because it would clean the industry up and give the people of this State, particularly small investors, renewed confidence in building societies.

**Hon. Sir GORDON CHALK** (Lockyer—Deputy Premier and Treasurer) (12.34 p.m.): First of all let me say that in my view the Leader of the Opposition, as a responsible member of the Opposition, has acted correctly in bringing this matter before the House. But I emphasise that I do not agree with the action of the honourable member for Archerfield in trying to introduce a discussion about two particular building societies.

The affairs of the Australian Permanent Building Society and Bowkett and those of the Great Australian Permanent Building Society are presently under close investigation, and any debate in this Chamber in relation to them would produce nothing more than a detrimental effect on both depositors and creditors as well as on those associated with mortgages. For that reason I do not propose to discuss the issues raised by the honourable member for Archerfield.

In the past, building societies have served an extremely useful purpose in the home-building industry, and they will continue to serve a useful purpose in the provision of homes for people. It is true that within the past week or so certain circumstances have arisen that call for some clarification. I should point out that the administration of a building society is not in the hands of a single administrator. A society is administered by directors of the individual concerns. Just as there is competition in other forms of business, there is keen competition among building societies. Quite candidly, instead of being to the benefit of building societies generally, this has reacted to their detriment.

The Leader of the Opposition raised five issues on which an explanation should be given. I hope that after such an explanation has been given, and one or two other members have made their contributions, the debate will be concluded. I hope it is not allowed to continue for the whole of the allotted time. I believe that the longer this debate proceeds, the greater the harm that will be done to the building society movement.

The first issue raised by the Leader of the Opposition concerned the Australian Permanent Building Society and Bowkett, in relation to which, at 4 o'clock on Friday afternoon last, a liquidator was appointed.

To clarify the situation—in the Act as amended by this Parliament last December provision is made to appoint an administrator if reports are received to the effect that in a certain building society things are not as they should be. Such an administrator has certain responsibilities. In this instance, having received certain reports, we appointed an administrator. At 2 o'clock last Friday afternoon he reported to Mr. Lee and to me that on the advice not of one accountant but of three experienced chartered accountants there was no possibility of this society trading itself out of the financial difficulties that it had got itself into.

Having received that report, and knowing only too well what would happen if information concerning it were to circulate quickly, we agreed on the spot that it was necessary there and then to appoint a liquidator. This was done for the purpose of ensuring that creditors, members and depositors in the building society could be protected. It was done to prevent a large investor from withdrawing his or her funds, leaving the small investor, say, in the country unaware of this situation until he found out that there were no funds within the society. That was the basis on which we moved.

The second point raised by the Leader of the Opposition related to the Press report the following morning. It is true that the paper referred to five other building societies. Those words, possibly, are not quite correct. On the Thursday, the Minister for Justice and Attorney-General answered a question

in this Chamber dealing with something that was, to a major degree, well removed from building societies. On the other hand, the Minister for Works and Housing and I do not hide the fact that we are looking into the affairs of a number of building societies.

When certain advice is received, an inspector is asked to examine the affairs of a society. That is the basis on which inspectors have been appointed. That is what we wrote into the Act in December. There is no basis for a denial, but I am certain that neither I nor any of my Ministerial colleagues would accept responsibility for naming the particular societies involved, or stating whether there were exactly five, because until we have the reports we do not know just what the situation is. Let no one misunderstand the position: it is true that other companies are being looked at.

The next point raised by the honourable member was that the Government of Queensland, which is charged with the administration of the Act controlling building societies, should say clearly and concisely in this Parliament whether the funds in these societies are Government-guaranteed. I make it quite clear that society funds are not Government-guaranteed, and it has never been said that they are. But it is true that some societies, in their advertising, have referred to a guarantee. That guarantee is not a Government guarantee of the funds of the building society. It is a guarantee under the Housing Loans Insurance Corporation.

That is an entirely different issue. It guarantees that the person who has borrowed the money will repay the money to the building society over a period of time. But it does not for one moment say that it will pay more than the mortgage value and the interest involved. If a society has been mismanaged, if it has run itself into debt, the guarantee of this particular insurance to refund the amount of the mortgage over a period of time covers only that amount that has been loaned to the individual. The cost of society advertising and administration is outside that guarantee. It is misleading if the contrary has been said by anyone.

On the basis of our responsibility for the integrity of a society, we can, to a high degree, ensure that it is protected, but we cannot legislate against what might be described as dishonesty, irrespective of what type of legislation we have.

Reference has been made to investing outside the terms of the Act. It is true that information now provided indicates that there are societies operating outside those terms. At the present time inspectors are trying to check on that. If there have been offences, appropriate action will be taken. I believe that there is a need for an urgent

debate so that the people of Queensland who invest in building societies can be clearly and concisely aware of the Government's interpretation of "guaranteed by the bank."

I believe that I have indicated the position relative to banks. The Reserve Bank is prepared to guarantee not a society, but a bank, that is, the bank of that society, provided it is satisfied that the society is well managed and has adequate assets backing. That is the position in relation to that issue.

The Leader of the Opposition asked what the Government is prepared to do. What the Government has written to the association and indicated is that we are prepared to place a levy on the total sums received by the building societies so that a contingency fund could be established. This contingency fund, however, is only as sound as the amount of funds put in by the societies; whether it happens to be 0.1 per cent or whatever it is. Precepts could also be levied against certain companies. That is the position. The funds paid in would be of some assistance but, because I have no knowledge of it at this stage, I cannot say just what any deficit might be. But at least the Government is prepared to take action there.

The time allotted to this debate is limited. All I can say is that I hope the people of Queensland will realise that investing money in a building society is the same as investing money in anything else, whether it be in a company that goes broke or not. Money is invested because the lender is looking for the highest rate of interest that he can get. Consequently, very often, a person is induced to invest his money in a building society feeling that it is secure. I believe that in nine cases out of 10 building societies are secure. There will always be a society or two that can and will fall by the wayside.

I hope that, as the result of what has happened, people will be a little more careful. Also, I hope that what has been said in this Chamber today and outside it during the week will not be used to the detriment of building societies generally. On the other hand, I have to say that the published reports of statements that have been made by prominent members connected with the association are not always quite as clear and as factual as they might be. I was concerned this morning when I read a statement by Mr. Stitt that all was well yesterday. All was not well yesterday, and that is the situation. On the other hand, I believe that an explanation has been given.

I do not intend to disclose in this Chamber the amount of money that has been withdrawn from building societies, but it is a considerable sum. I hope that people will have faith in the larger societies at least and will return that money to them. I am disturbed when I pick up a newspaper and read a statement by a prominent person indicating

that all is well, when I know that cheques have been dishonoured by the bank and people have been standing in queues at the offices of various societies. I believe that that is the type of propaganda by the societies which neither does them any good nor assists the movement in this State.

Building societies can be operated successfully and the majority of them are. It is unfortunate, of course, that the larger societies undertake extensive advertising and the little ones try to follow them. Very often this sort of advertising and propaganda and the type of building that they occupy have a bearing. If a small society with \$3,000,000 or \$4,000,000 spends \$X, that sum could represent 1 per cent or less of its general turnover, whereas the society that has 40 or 50 times that amount invested in it, can spend the same amount, but as a proportion of its turnover, the percentage is much less.

**Mr. HOUSTON** (Bulimba) (12.50 p.m.): Naturally, Mr. Speaker, I support the letter written to you by the Leader of the Opposition. I am very pleased, firstly, because you have seen fit to accept the letter and, secondly, because Parliament has endorsed your action. I was also pleased to hear the Treasurer support the motion moved by the Leader of the Opposition. However, after listening to the Treasurer's statement, I was rather disappointed, because it is clear that the Government has had quite a few days to consider the whole matter. They have known of the things to which the Leader of the Opposition has referred. They know how many small people—I use that expression in terms of financial capacity—are affected. The Leader of the Opposition, for instance, mentioned a lady who could not pay for her groceries because she was relying on money that she had deposited with the building society. There are thousands of such examples.

I believe that this is a clear case in which the State Government, through the Treasurer, has to say quite clearly in respect of this society, "We will guarantee the money that was invested with it in good faith." After all, in times of droughts, floods and cyclones, Governments come to the aid of people who, for various reasons, have not taken out adequate insurance cover against those risks. Those who have sufficient insurance cover do not require Government assistance. I believe that in such cases the Government should come forward and say that it will take up the leeway. I am not saying that all investors with this society should be allowed to withdraw all their funds immediately—in other words, that the Government should put \$3,000,000, or whatever the amount is, into the society—but at least a certain amount should be made available to meet the requirements of those who need money from day to day and who can show that the money has been put aside for a particular purpose other than investment only.

There are people and organisations who have deposited money with building societies purely and simply to obtain an investment return. Banks and insurance companies have money invested in building societies. However, I believe that those organisations are able to deal with their own financial problems. Speaking now for the many hundreds of private investors who have placed their money in building societies, I call on the Premier to say quite clearly, "We will guarantee the money of those people." I had hoped that the Treasurer would say it, but he did not.

The Government should then make it clear that it will have an investigation of all other societies. In 1958, in the debates on building societies in the early days of this Government, we were told many things. I think the first housing society Bill that came before the new Government in those days was for the purpose of increasing the amount that such societies could borrow. From memory a society was enabled to borrow up to four times the capital held by it. Exactly what capital is, I do not know. Many people have been using many different words and giving many different explanations. In my concept, capital is the amount of money invested by way of shares or debentures over a long period. If that is the meaning of "capital", the "four times" would surely refer to the amount of money deposited to be withdrawn just as money can be withdrawn on a passbook at a bank, rather than money deposited for a specified period of time. I think that someone should say on behalf of the Government whether that part of the Act has been strictly enforced. If more than four times the capital of a society is being borrowed, someone is falling down on the job of administering the Act. I do not know; but I believe that that is something on which the House should be informed by the next speaker on the Government side. Section 24 of the Act presently reads—

"Issue of shares. A Registered Society may from time to time, in accordance with its rules, raise funds by the issue of shares of one or more denominations, either paid up in full, or to be paid by periodical or other subscriptions, and with or without accumulating interest, and may repay such funds at such time as is provided in the rules of the Society."

A later amendment is concerned with interest, but section 26 states—

"Power to borrow money. With respect to the borrowing of money by societies under this Act, the following provisions shall have effect:—

(1) Any Registered Society may receive deposits or loans, at interest, for a term not less than two months, within the limits in this section provided, from the members or other persons, or from corporate bodies or companies, or from

any Building Society or Friendly Society, to be applied to the purposes of the Society."

So it goes on. But there are two distinct classifications—the investment and the money that is borrowed—so I would like to hear from the Government quite clearly the current interpretation of that.

I think one of the things that went wrong with this whole concept—there again, whether someone allowed it to happen or whether it just evolved, I do not know—is that these building societies have actually become banking institutions in the full sense of the word. I do not think that was ever intended when building societies were originally created, and that goes back to before the turn of the century. But today people who put money into building societies look upon them as their bank. This is where the system has fallen down, because as other people have said, they cannot take money, lend it long term and then be prepared to meet their borrowing commitments overnight if someone wants his money.

We are talking about a possible run on the societies now and I appeal to the public not to panic and draw their money out. If the Government does its part, things will turn out all right. I think the Government has learned its lesson, and I think the administrators have learned their lesson, but in the meantime let us also stop building societies from being purely banking institutions. We cannot allow things to go on as they are. After all, if a run did occur, it would bring about chaos in all the societies. So I appeal to the public not to panic. Let us leave things as they are. Most of the building societies—especially those that I know anything about—are very well managed. They are honourable societies. But a crisis exists now and it is just as big as the flood of a couple of years ago. Millions of dollars are involved, and I think we have to say to the small investors, "You can get your money."

The Government is talking about abolishing death duties and having to find \$28,000,000 somewhere else. To my mind, at this moment the important thing is to allow a woman who has her money in a building society to draw some out on Wednesday to buy her groceries or allow the kid who is saving up to buy a motor-car to draw his money out to do so, as long as he has enough invested in the society to do so. He should not have to wait months. After all, these people invested their money in the societies in the belief that they were safe because of the administration of the Act and because the Commissioner for Corporate Affairs had virtually an overriding authority over them. It is because of these things that the public had faith in these societies. Each time one goes wrong, a lot of people are hurt.

**Mr. Moore:** You can't borrow short and lend long.

**Mr. HOUSTON:** Of course not. The Government knows that. For 12 months or more in this Parliament, the honourable member for Archerfield has constantly attacked that principle. But what has happened? Every time, unfortunately, some Minister has tried to score points off him. The trouble is that honourable members opposite have been closing their eyes.

(Time expired.)

[Sitting suspended from 12.59 till 2.15 p.m.]

**Mr. LOWES** (Brisbane) (2.15 p.m.): The motion moved by the Leader of the Opposition is that we consider as a whole the finance industry of building societies. Building societies represent an industry involving an investment of about \$850,000,000-odd—an amount which has increased from about \$650,000,000 in 1973-74, or by about one-third. It is an industry that provides housing for about a quarter of a million people in this State, or some 50,000 homes. It provides employment for a large section of the building industry, and it has enabled the development of large areas of the State and the creation of whole new suburbs.

Building societies have been with us since 1874, so there is nothing new about them. I say quite clearly that, because of their existence over that period, they have justified their very existence. Therefore, it was repugnant to me to hear the words of the honourable member for Archerfield, who spoke about one particular building society collapsing, and also to hear the Leader of the Opposition speak about one particular building society going broke. Nothing could be further from the truth. In fact, what has happened is what the Treasurer told the House earlier today—that trading ceased because it was realised that it was not possible for one building society in particular to trade its way out of its difficulties. That is vastly different from the scene portrayed by the two members of the Opposition to whom I have referred. There is no evidence of either a society collapsing or a society going broke.

People who invest in building societies do so knowing full well the terms and conditions. One of the conditions under the Act is that they are entitled to a copy of the rules of the particular society. In the rules of the society there is reference to the fact that a person investing in that society may recover the amount of the investment by giving three months' notice. In fact, and in practice, societies do not adhere to that rule. Generally, societies operate on the basis of day-to-day deposits and withdrawals, and it is only since there has been a refusal by a particular society to allow a withdrawal immediately that this flutter has occurred.

I remember an interjection by the honourable member for Cairns—it was more an aside than an interjection—when some time last year questions were being asked about another society in which members of the Opposition might well have an interest. A

question was asked then about the availability of funds on demand, and the honourable member for Cairns suggested that if an investor looked at the rules he would know that he was not necessarily entitled to get his money back on demand.

The honourable member for Bulimba made comparisons earlier in the debate—and they tended to be odious comparisons—between building societies and banks. I submit that building societies are merely another avenue for financial investment. As I said, they are not new; they have been with us in Queensland since 1874. It is true that they have expanded a great deal since the early 1960s; but in that expansion they provided housing for people who were demanding it. They provided housing on a low deposit; consequently, they provided housing for people who were on low incomes. They gave houses to people who otherwise might not have had an opportunity of acquiring their own home.

The management of some of the societies may well be looked at. However, as against any claims made by members such as the honourable member for Archerfield, I could well point to the very sound management of societies conducted by banks carrying on the usual practice of banking and by life assurance companies that have been long established in this country. Because of the existence of building societies, investors are given a choice of putting their money into a savings account at 3½ per cent or into a building society at as much as 9 per cent. We are giving investors a fair and reasonable choice.

We have heard talk here today about runs on building societies. We have had runs on banks since the 1930s; we had a run on a building society in 1974. All the runs over that period have been without foundation. They were all created by mischievous words and activities such as the questions asked by the honourable member for Archerfield during the last year.

In recent years there has been a great increase in the use of credit cards, and recently we have seen the introduction of the Bankcard system. There has been a great increase in the use of cheques. It is quite impossible for any bank or any collection of banks to provide on any given day a cash payout to every depositor. Only a few years ago in Brisbane one company had to tender an amount of \$1,000,000 to another to satisfy a contract. To get \$1,000,000 in cash, the bank had to charter an aircraft to fly cash from Melbourne. Was there any suggestion that the banks were insolvent and could not meet their debts or could not pay their depositors? Of course not. It is just the way the financial system of this country has developed. The Reserve Bank was right behind the banks on that occasion, and the banks are behind the building societies now.

I deprecate the intemperate words of the Opposition. Obviously, their intention is to disrupt the economy, to create fear and uncertainty in the community and to have

another hit at that section of the community which the Labor Party has always opposed, namely, the small home owner, the property owner.

Building societies in Queensland are sound. Proof of that is their 100 years of existence. The action we took in 1974 further secured their position. Under the Act passed in 1975 we have power to suspend the activities of societies where necessary, and this we do to protect the investors. The investments of the societies are supervised. We have made provision to give financial assistance to societies. The only thing left to be done is the setting up of a contingency fund. This could be done at minimal cost. With that in existence, there would be no loss to any person in Queensland. I can assure the House and the investors in building societies throughout Queensland that building societies in this State are sound. They are well managed and well supervised, and their money is safe and secure.

**Mr. WRIGHT** (Rockhampton) (2.23 p.m.): I was somewhat amazed to hear the honourable member for Brisbane speak as he did. I listened with great interest as the Leader of the Liberal Party and Deputy Premier (Sir Gordon Chalk) put forward a very balanced approach to the whole debate. He made one point with which I completely concur, that is, that we are not to whitewash the issue at stake here. We have an obligation to ensure that we do not create further unnecessary concern.

It amazes me that the honourable member for Brisbane tries to whitewash the whole issue. This is an extremely worrying time for Queensland. Until the honourable member for Brisbane rose, the debate was a very positive one. It is a great pity that he split straws and drew red herrings across the whole debate. He tried to make out that the society we are talking about has not gone to the wall. He says that it is simply no longer carrying on the services to the people. Like hundreds of thousands of other Queenslanders last night, I listened very intently to people being interviewed on TV as they came out of that Permanent office and indicated what the liquidator had said. One old lady said, "We may get a few cents in the dollar." If that is not going to the wall, I don't know what is. This is a worrying time. I agree with the honourable member on one point: we often forget the important part that building societies play in the community. We forget that at this time the societies have accrued assets totalling approximately \$850,000,000, that they have 500,000 depositors and have lent money to approximately 50,000 borrowers. It is regrettable that the public image of building societies has been marred by the unscrupulous and fraudulent activities of a few directors of a limited number of societies—societies that the member for Brisbane is endeavouring to cover up. The public revelations of these defalcations have cast doubt on the

security of societies as an avenue of investment. Furthermore, they have resulted in losses to investors of millions of dollars.

Many warnings have been given by members on both sides of the House, by prominent directors of societies and by investors themselves that things were not well. Yet the member for Brisbane tries to make out that everything is nice and cosy.

**Mr. K. J. Hooper:** Would you say he was trying to defend crooks?

**Mr. WRIGHT:** I will not cast such aspersions, but I must admit that his words leave me in some doubt. He is, of course, aligning himself with the inaction of this Government. There is no excuse for it. I am concerned at the fact that the Minister for Works and Housing has not yet entered this debate. Perhaps he is trying to emulate the three wise monkeys; he sees no evil, speaks no evil and will listen to no evil.

The problem confronting building societies is not peculiar to Queensland. I remember reading an article that appeared in "The Bulletin" in 1973 under the headline "Building Societies Bubbles Burst". The article referred to the predicament in which building societies in New South Wales found themselves. In 1972 the West Australian Government expressed concern at the position of building societies and carried out an in-depth inquiry into their activities. As I say, this problem is not confined to Queensland.

I accept that it is unwise to use this debate as a means of throwing further doubt on the security of particular societies. However, they should not be covered up. I concur with the member for Archerfield and I, for one, would like to know what this Government has done or is doing about those directors of the Australian Permanent Building Society who only recently, at an extraordinary meeting held this year, grabbed control of another well-known and respected building society. I would like to know, too, what part Dale Smith played in this matter and what role he plays generally in building societies. In saying that I am not casting aspersions on other building societies, but it is necessary to clean out the bad apples. Obviously there is need for legislative action. The member for Brisbane claimed that the contingency fund will overcome the present problem. I challenge him on that score and say that that is not so.

**Mr. Greenwood:** Are you against it?

**Mr. WRIGHT:** Of course not. It is necessary to protect investors.

**Mr. Greenwood:** Why are you attacking it, then?

**Mr. WRIGHT:** All I am saying is that it is not the only alternative. Let us look at the Act and do away with the advisory committee. Let us accept some of the recommendations that have been put forward in

other States and appoint a commission of building societies. This is not my own idea; it has been espoused and propagated throughout the length and breadth of the nation. But what has been done? The Government has set up an advisory committee, of which the Registrar of Building Societies is a member together with representatives of the industry itself. How many of these people have the necessary expertise in the financial management of societies?

I hark back to the report, which stated quite clearly that one of the most important criteria in appointing people to such commissions is experience and expertise in the management of societies. I suggest that we establish a commission of building societies in Queensland, consisting of—to pick a number at random—nine members. The Registrar of Building Societies should be its chairman and the membership should comprise persons who are actively engaged, qualified and experienced in the management of building societies—representation from the Housing Commission and Treasury Department and representation from the building unions and the Housing Industry Association. I believe that by setting up such a commission we would come to grips with the problems confronting building societies.

I lay emphasis on the need for expertise in financial management as well as on the need for the commission to be given sufficiently broad powers to enable it to act in the best interests of the industry. Let us consider the setting up of such a commission to replace the advisory committee and let us do away with simply laying the power at the feet of the Minister for Works and Housing.

Firstly, this commission would be responsible to the Minister, but it would be responsible for the administration of the Act. It should be a corporate body. Its role would be to determine interest rates, to set guidelines for charges associated with the granting of advances, to prescribe minimum liquidity requirements for building societies, to determine guide-lines for the level of reserves, to control the size and volume of funds that a society may receive from any one source and to set guide-lines for investment in buildings, in particular, the building asset that is used for the conduct of the societies. It should also determine such things as advertising. A wide ramification of roles could be carried out by this commission. It could concern itself with any other matter relating to the protection of interests which would also work in the interests of the building societies.

We admit that building societies are playing an important role, but surely the real question concerns the borrowing by these societies on a very short-term basis and lending on a long-term basis. In such circumstances very careful and restricted management procedures are necessary. I give full credit to the Minister for his

efforts; I know that the Treasurer and many other honourable members have been concerned; but we have no excuse; this Parliament has not acted properly. Until we do so, we should take just as much blame as the directors involved in the defalcations.

We have a responsibility in this Chamber to do something about this matter. Notice has been given already about the contingency fund. Let us grip this opportunity with both hands. Let us review completely the building-society industry. If we set up a commission for building societies, I am sure we will overcome many of the problems that exist today.

**Mr. JENSEN (Bundaberg)** (2.32 p.m.): As most honourable members know, in November 1971 I brought to the notice of this House the matter of property investment syndicates and building societies and asked that the people of Queensland be warned. I asked the Press to do something about it, but not one word of my statement at that time was published. In 1971, when I spoke in the Matters of Public Interest debate, I said—

“I rise in this debate to warn the people of Queensland against building syndicates, investment syndicates and some building societies. I realise the truth of the old adage that trying to protect a person against himself is like trying to rescue a donkey from a burning stable—one is likely to be kicked to death. In spite of that, I think that a warning should be given to the people of Queensland, and, as the Government has not seen fit to issue one, I intend to do so.”

At that time I referred to my statements in this House about the Stock Exchange and the smashing of Reid Murray. I later referred to advertisements appearing in the Press which, I said, were the same as those of 1960 when normal interest rates ranged from 4 to 6 per cent and advertisements were offering 7 to 10 per cent. I pointed out that syndicates were offering 12 to 14 per cent. The Government did something about the syndicates and stopped their operations, and some were taken to court. About that time I also gave a warning about Mutual Loans, which went through the courts and its operations were stopped. It was another firm that was robbing the people.

In my speech in 1971, when I referred to the building societies, I told the then Minister for Housing (Mr. Hodges) that I had withdrawn my money because I did not trust the building societies in that each was competing with the other in offering high interest rates. At that time, when one building society was offering 6 per cent, another went to 6½, another to 7 per cent and yet another to 7½ per cent. There was no control on interest rates then, but in 1972 the Government introduced a Bill to control building society interest rates.

Later in my speech I said—

“For too long this sort of thing has been occurring without any public warning being given. I consider it my duty to warn the public that on Federal Government policies we are heading for a recession next year.

“It is leading the country into a recession. Some of the people who invest in organisations that are offering 10 to 14 per cent can rest assured that they will lose their money. People with a little money put aside for their old age and those who are drawing superannuation will be fleeced by investment syndicates of this type.”

That is all here for anybody to read. This Government ignored it completely. The Press ignored it completely and did not offer one comment on it. It was my statement in 1971 that forced the syndicates out and forced the Government to introduce legislation to control interest rates of building societies. It is all here in the records. I went on—

“It is the Government’s place to look into some of the advertisements that appear in the Press. Let those who want to gamble do so, but, in issuing my warning, I have in mind those who do not want to gamble with their savings. They should have second thoughts before investing in such organisations. I suggest that they ask their bank manager whether the necessary security is available. I have no brief for banks, but they have long experience and ability, and their assets are secured. Money is fairly secure in banks or in Commonwealth Loans.

“. . . I refer to as the permanent building societies. They are offering a guaranteed 7 per cent—‘All loans are insured against loss with the Commonwealth Government Guaranteed Housing Loans Insurance Corporation.’”

I mentioned them and said that they were not guaranteed and were not as permanent as they are made out to be. I raised all these matters in this House in 1971. Even the honourable member for Landsborough tried to say that I was knocking building societies. In his speech he even mentioned the security of a certain building society. I said that I was not concerned with security. He said—

“Metropolitan has a liquidity of 30 per cent.”

I said—

“I am not concerned about any single company having a liquidity of 30 per cent. What I am concerned about is the type of advertisement that offers security when that security is not there.”

That was my point. Advertisements were offering security when it was not there. The Government did nothing about it then and it has done nothing since. It let people go to the wall. I referred to syndications

and other firms and I said that building societies would go the same way. The Government did take some notice of me and introduced legislation in 1972 which controlled building society interest rates. Before then, building societies were competing with one another. The Government introduced that legislation. At that time I said to the Minister—

“The Minister has, at least to a certain extent, restored my confidence in building societies. Approximately a year ago I had the sum of \$2,000 invested in a building society, but before November 1971, when I spoke in this Chamber on syndications and issued a warning about the activities of building societies, I withdrew my money.”

The Minister for Police knows quite well that I told him about the confidence that he put back into building societies when he was Minister for Works and Housing. But nothing was done about their false advertising and their making out that they were as secure as banks, with their passbooks as the honourable member for Bulimba said. I have had confidence in certain building societies. My own friends came to me about Australian Permanent, which was offering a little more than Esanda—13 per cent for two years as against 12½ per cent. A few of my friends invested a thousand dollars.

This company opened up in Bundaberg some months ago and went into a new office a fortnight ago. Carlton Jewellers went out of its office in Bundaberg and Australian Permanent took over that office. That was only a fortnight ago and it is broke today.

I should like to find some remarks of the Deputy Speaker (Mr. W. D. Hewitt) in this report. In 1972, when the Bill was introduced to try to protect people in building societies, I again spoke on the matter. I said at that time—

“When the interest rates for building societies began to increase in line with the syndication rates, the public became concerned—and so did I. As a result, I withdrew the money I had invested with one of them. However, the Bill has restored my confidence . . .”

I then went on to say—

“In reply to my question the Minister said that, thanks to the Housing Loans Insurance Corporation, permanent building societies were fairly safe and he indicated that there was reasonable security for the money invested. However, as the honourable member for Barooka pointed out today, it is a serious matter when certain business interests invest funds in building societies for a few months at 6½ per cent interest and the societies cannot put the money to its best use.”

That was the interest rate in those days. I continued—

“These people make a short-term investment and then withdraw their money, with the result that the societies cannot use the money for house-building purposes.”

They were investing money in the short term at 6½ per cent and catching the building societies. I went on to say—

“Some safeguard should be provided so that building societies cannot be used by investors who should really be depositing their funds with the banks. Money invested in building societies should be available for home construction rather than being used virtually to rob the society and other people who invest so that houses can be built.”

I continued—

“I intended to show that building societies were outbidding one another for deposits, that they used various agencies to bring in business, and that some people were getting a ‘cop’. It is time that something was done to stop one society trying to outdo another in advertising for funds. I would hate to hazard a guess at the amount that has been spent by building societies on advertising and business premises, but these things will now be controlled.”

They have not been controlled; they are still advertising in the same way. The Government has done nothing. It has allowed people to go to the wall. And all the societies will go to the wall very shortly. I warn that if there is a slight recession, a depression or a war, the people will be in serious trouble, because they cannot withdraw their money at a moment's notice. It might be guaranteed over 20 years, but it cannot be withdrawn. Reference was made today to a person who cannot get his money from a building society for three months. Yet the societies say, “There are no term loans. Invest today and draw out tomorrow.” That is a deliberate lie, because tomorrow they will say, “You cannot get your money for from three to six months.”

(Time expired.)

**Mr. HALES** (Ipswich West) (2.43 p.m.): It seems to me that if the honourable member for Bundaberg were a competent businessman, which I am sure he is not, he would not have as much faith in bank managers as he seems to have. Many bank managers that I know would have as much ability as the honourable member for Bundaberg. My advice to all is to take their own advice before the advice of many bank managers.

Building societies fill a need in today's society. Without them the economy of the building industry would be at a low ebb. A total of \$850,000,000 is invested in Queensland building societies and they have financed 85,000 homes in this State. Throughout Australia \$4,000 million has been invested in permanent building societies. In my

opinion, this country needs viable permanent building societies to help return the economy to a buoyant state, which will benefit all Australians.

**Mr. K. J. Hooper** interjected.

**Mr. DEPUTY SPEAKER** (Mr. W. D. Hewitt): Order! The honourable member for Archerfield has just returned from an enforced holiday. I hope he is not looking for an extension of it.

**Mr. HALES:** Basically what is needed in this clouded issue is for someone in authority to acknowledge which societies are soundly managed. I make no apology for being parochially patriotic towards Ipswich societies. As one who has been involved in the real estate industry for 20 years in the Ipswich area, I would like to state my supreme confidence in the financial responsibility of the directors of the two permanent building societies in the Ipswich area, and I am personally concerned that the irresponsibility of a few will cause harm for the majority, who function with incorruptible sincerity.

The Ipswich and West Moreton Building Society has been in operation for almost 100 years. It weathered the great depression of the '30s. I can assure the public that it is a soundly managed society. This might be said of many other societies which weathered the depression. The other society in Ipswich—the First Provincial Building Society—is similarly managed. Indeed, this society pioneered the Singer Computer System used in building societies throughout Australia. Officers of the First Provincial Building Society have been instrumental in the installation of this system in building societies throughout Australia. Therefore it is proved beyond the shadow of a doubt that the two societies in Ipswich, which both have assets of round \$20,000,000, are quite competently managed. Finally, I just want to assure everybody who has money invested in those Ipswich societies that they can be supremely confident of the good management of those societies.

**Mr. JONES** (Cairns) (2.46 p.m.): Only two years ago in September-October 1974 a situation similar to the one we now face obtained. There was also a run on building societies last Monday. Queenslanders have begun to use building societies more and more because they pay better than bank interest. The societies have highlighted this aspect because it is good for business. Unfortunately, the societies are not guaranteed by the Government. There is always a risk when a society with a short-term investment potential extends long-term loans. The building societies are seeking a sympathetic hearing from the Government in their attempts to have the Government back them. They do not care whether it is the Federal Government or the State Government which does this, as long as they are backed by a Government. I

believe that what we need here is an assurance from Governments and from the Ministers concerned that there is no need for this run on building societies—and there is a run on building societies. Last Friday we saw published a list of five building societies which, as somebody aptly put it, went to the wall. The repercussions were felt in Cairns in Far North Queensland. I would say that on Monday a sum of the order of \$500,000 was withdrawn from building societies in my area.

We have to consider the availability of building society offices. They are more conveniently located than bank offices; their trading hours are longer than those of banks and they pay better interest than banks. Over a long period the building societies have gained the confidence of the average person; he sees them as a good investment paying good interest. There are small and large investors, but my concern is for the little fellow because he can ill afford to lose money if he invests in a crook society.

I do not want honourable members to misinterpret what I am saying. The situation today seems to me to be a repeat of a similar occurrence a couple of years ago in Far North Queensland. It reminds me of a caricature of what happened in the American Old West that we saw portrayed in films or read about in books when there was a run on the banks, or the realism of the American scene in the pre-depression days.

Perhaps the run in Cairns yesterday occurred because the city is far removed from the central scene of activity. I suggest that the reaction of the people of Cairns was not unexpected. In the absence of the reassurance that the Opposition is seeking in the House today, they were left virtually in isolation and ignorance. Therefore it is not strange that a run became apparent in Cairns. Because the community is closely knit, no doubt there was an unsettling effect and those who were not directly concerned caught the bug. If something is done, it is seen to be done in Cairns. As the people did not have sufficient assurance or information and did not know what action was being taken, what was done by a few people reverberated throughout our close-knit society in Cairns.

A return of 9 per cent on savings is a fair inducement for people to invest, but I do not believe that a person who invests in building societies at that rate of interest should consider that his capital is at risk. I have spoken with officers of more responsible building societies in Cairns and they have advised me that when the run occurred on 3 October 1974, for example, people withdrew large sums of money but reinvested within a few days or a few weeks. In my opinion, therefore, not only the people of Queensland but also the building societies need to be protected in situations such as that, and I am speaking particularly of the responsible building societies in Far North Queensland.

No society can remain viable while lending on a long term and borrowing on a short term. Societies lend money for housing. Who borrows money for housing? The young marrieds borrow over a long period for home purchases. They need the money but cannot afford high interest rates, and building societies provide one of the few avenues through which they can purchase a home in Queensland today. I ask honourable members to think about that.

In my opinion, home finance should be made available much more easily and cheaply than it is at present. It should be made available to people who need the finance, not to people who want to speculate in home-building. Home seekers must be long-term borrowers; yet building societies are subject to withdrawals at short notice by lenders at any time. Panic may occur at a moment's notice. If assurances are not given, investors will panic if they cannot withdraw money quickly. Such a situation can affect the community detrimentally, and also knock the building society industry to leg and disrupt it.

The Government has certain responsibilities, and it may be necessary for it to appoint liquidators and administrators if such situations arise. What happens when their reports are received? By that time, in most instances, the society cannot trade itself out of its difficulties. The facts—known or surmised—are reported in the Press and when inspectors are appointed to examine the affairs of a society, the public are not to be blamed for adopting the attitude that where there is smoke there is fire. Naturally, concern grows and the run is on. Despite what some building societies may advertise, building society funds are not Government-guaranteed. In the long term it may be said that the Government does insure against a particular situation of the building societies.

I support the Leader of the Opposition in bringing this matter forward today. It is a matter for debate, and I support his motion.

**Mr. GREENWOOD** (Ashgrove) (2.55 p.m.): I have listened today with a great deal of disquiet to the allegations that have been made against one of Australia's most important industries. We are talking about an industry which has been a good custodian of the savings of 500,000 Queenslanders. We are talking about an industry which has housed 50,000 people in this State. We are talking about an industry which has looked after \$850,000,000, and looked after it well. We are also talking about one society which has been forced to close its doors—a society which does not account for 10 per cent, which does not account for 5 per cent, which does not even account for 1 per cent of the over-all investment in this State, but which accounts for only 0.3 per cent. That is what we are talking about when we seek to attack this industry, as some honourable members opposite have sought to attack it. So I ask honourable members opposite to put this matter into perspective.

The Leader of the Opposition asked for explanations as to the guarantees that are given to the investors in these societies. I should not have thought that somebody who is the Leader of the Opposition in this State would need to seek information on the guarantees that are given. Let me explain once again for his benefit precisely what they are. In the first place, there are the guarantees against the mortgage debts. Under the Act, if a building society provides in excess of 75 per cent of the money needed to buy house and land, that building society is compelled by law to have the mortgage guaranteed by an approved insurer. There are two approved insurers—the Housing Loans Insurance Corporation, which is guaranteed itself by the Commonwealth Government, and the Mortgage Guarantee Insurance Corporation. And the Leader of the Opposition will learn, if he bothers to go and find out from the building societies, that it is not only the loans over 75 per cent which are guaranteed in this State. Most of the permanent building societies in this State, as a matter of policy, insist that every loan, whether it is over 75 per cent or under 75 per cent, is guaranteed.

So when we talk about the society with 0.3 per cent of the over-all investment, let us spare a thought for the other Queensland building societies with 99.7 per cent, societies which are run properly and which have cast-iron guarantees on the loans they make. It is the policy of the big societies such as Metropolitan Permanent and others to ensure that all their mortgages are guaranteed. Their mortgages are guaranteed by the Commonwealth Government in that mortgage guarantee corporation. So much for the aspect of the guarantee!

The other aspect of the matter is the Reserve Bank's undertaking, made through the Treasury, to stand behind building societies when they encounter temporary liquidity problems.

**Sir Gordon Chalk:** It stands behind the banks.

**Mr. GREENWOOD:** Quite so. Not only is there the problem of bad debts—we have seen that because of guarantees there cannot be bad debts—but also there are temporary liquidity problems. I am sure we remember the events of 3 October 1974 when there was a great run on the Hindmarsh Building Society in Adelaide. At that time \$4,500,000 was taken out in one week and \$2,000,000 was taken out in one day. I am sure we also remember that on Friday, 4 October, after an undertaking by the then Federal Treasurer (Mr. Hayden) and the Reserve Bank, the money flowed back in once more. There is, of course, nothing surprising about this. The trading banks have facilities with the Reserve Bank to overcome their liquidity problems, and the Reserve Bank has encouraged the trading banks to do for the building societies the same as the Reserve Bank has done for

the trading banks. The trading banks are prepared to advance to building societies temporary funds to overcome liquidity problems—provided they are well run. And that, as I say, goes for 99.7 per cent of building societies, which somehow or other seems to have been overlooked today in the Opposition's attack on building societies.

**Mr. Houston:** Until they go broke, how do you know whether or not they are well run?

**Mr. GREENWOOD:** The honourable member has made a valid point. I suppose he would ask, "How do we answer those unfortunate depositors in the Australian Permanent Building Society and Bowkett, whose doors were closed on Friday?" That is the central point and the one that we should be talking about today.

I would like to say precisely why the Australian Permanent Building Society and Bowkett is the pariah, the outcast, the rotten apple in the barrel—the one exception. The Treasurer has indicated that it would not be proper, while the matter is still under discussion and investigation by the courts, to say too much about it in this Chamber. I will, however, say that that particular society—let us think about that particular society—was uninsured on huge debts. There should be no reason why any society should be uninsured.

What we can say to the people of Queensland, pending the outcome of the inquiry, is this: "For goodness sake don't be worried by the fact that the Australian Permanent Building Society and Bowkett has been closed down by the Government inspectors. If your building society has its loans secured, as it should do, you are in a completely different situation from that of the unfortunate depositors in Australian Permanent Building Society and Bowkett." We can also say to the people of Queensland, "You are probably in that 99.7 per cent, in the other building societies. Find out from your building society whether or not it is insured. The overwhelming odds are that your building society is insured and that there is nothing whatsoever to worry about."

(Time expired.)

**Hon. N. E. LEE** (Yeronga—Minister for Works and Housing) (3.5 p.m.): This motion has been particularly well canvassed and particularly well answered by the Deputy Premier and Treasurer. He covered extremely well the five points raised in the motion. As he said, we have not shirked our responsibility. Certainly we have not and we never will. Never have we given a guarantee to building societies.

**Mr. Houston:** You let the public believe that you did.

**Mr. LEE:** We have never done anything of the sort. One of the troubles is that people like the honourable member for

Bulimba have encouraged the people to believe that societies were guaranteed by the Government.

**Mr. Houston:** We are not on trial; it is you who are on trial.

**Mr. LEE:** We have never at any time guaranteed the societies.

I shall now take up some of the points raised by members of the Opposition. The Leader of the Opposition said that I had misled this Parliament and that the Government had misled Parliament. I deny that emphatically. We have never misled Parliament. The only person who could have—

**Mr. Burns:** When did I say that?

**Mr. LEE:** The honourable member said it. When he reads his speech in "Hansard" he will see it.

Where the honourable gentleman is mistaken is that, when Hayden was Treasurer, Labor said that it would back any well-managed society, and he has taken that as our having said that we would give a full guarantee to all societies. We have not said that at any time and I am sure that we will not be saying it in the future. We cannot give a guarantee against bad management.

The Leader of the Opposition spoke about societies going to the wall.

**Mr. K. J. Hooper:** What about the Great Australian Permanent?

**Mr. LEE:** If the honourable member had not stuck his big nose into it, the Great Australian Permanent would have been going along swimmingly today. It was only the great big leak inside the society that was feeding information to the honourable member which allowed him to learn anything about it. That led to his probing and questioning. Before that, he did not even know that building societies existed; he did not have the least idea about them. Only through the leak inside this society was he able to get this information and, through it, he got great political advantage out of the thousands of people who had invested their money. The questions asked by the honourable member helped put these permanent building societies in their present position.

The Leader of the Opposition referred to the three-months clause. It has always been there. People are able to read, and the clause can be invoked at any time. The one-month clause is there. I agree that the societies have never invoked it previously and therefore the public might have expected to be able to withdraw at notice.

**Mr. K. J. Hooper:** You protected three crooks because—

**Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt):** Order! The interjections from the honourable member for Archerfield are becoming a little tedious. I suggest that he restrain himself.

**Mr. LEE:** Thank you very much, Mr. Deputy Speaker.

The honourable member for Archerfield is very quick to knock the Queensland Permanent Building Society. It is one of the better societies in this State, yet he wants to knock it. He wants to make the people feel that they should withdraw their money. He would like to see a run made on that society. As his utterances could cause a run on these societies, I hope that he cannot sleep at night. If it were not for the legislation introduced in December last year—

**Mr. K. J. Hooper** interjected.

**Mr. LEE:** We were drafting that legislation months before the honourable member even thought about asking a question. He likes to get on the band wagon. Because of his great leak from inside and the knowledge that we were preparing legislation, he immediately started to ask questions.

A lot was said about Australian Permanent. Let us get some of the facts straight. First of all, the directors asked us to bring in an administrator.

**Mr. Houston:** Why?

**Mr. LEE:** Because they knew they were in an impossible financial situation. After two experts from leading accountancy firms had investigated the books, they asked for a liquidator and it was our duty to put a liquidator in. Within 24 hours we had a liquidator in there because had we let it go over the week-end we would have had others going through the courts and putting their own liquidator in there. Then the Opposition would have had something to cry about because the public's money would not have been protected as it is today. The Opposition should be very thankful that we introduced legislation to allow us to bring this to a head so quickly. Instead of stirring up trouble and muck-raking, the Opposition should have been assisting by asking reasonable questions.

All Opposition members have spoken about the G.A.P. As I said before, we were investigating it and, following the investigations, we commenced drafting legislation and it was introduced.

**Mr. K. J. Hooper:** Because of me.

**Mr. LEE:** No, nothing to do with the honourable member. It was introduced through the close co-operation of the Association of Permanent Building Societies and the Government.

The registrar has been criticised a lot. The honourable member for Rockhampton said we needed a commission. He is quick to knock the registrar and the very loyal people behind him. They work day and night into the early hours of the morning, and week-end after week-end, trying to protect the very people whom the honourable

member wants to be protected. Within the resources available to him, the registrar is keeping a close watch on all societies. However, in these cases, the check can be only similar to an audit. There cannot be a complete inspection until there has been an audit in which something is found wrong; then a total investigation can be commenced.

**Mr. K. J. Hooper:** I told you this six months ago.

**Mr. LEE:** A person does not need to have brains to know that.

(Time expired.)

**Mr. M. D. HOOPER** (Townsville West) (3.15 p.m.): In entering the debate, I should like to say at the outset that I deplore some of the language used by the honourable member for Archerfield when he described the directors of one society as crooks.

**Mr. K. J. Hooper:** They are, too.

**Mr. DEPUTY SPEAKER** (Mr. W. D. Hewitt): Order! I ask the honourable member for Archerfield to restrain himself. I remind him of the provisions of Standing Order 123A. I hope he does not make me invoke them.

**Mr. M. D. HOOPER:** Thank you, Mr. Deputy Speaker. The fact that a building society is under examination at present does not give any member the right under privilege to call any group of men crooks. I deplore that language because undoubtedly the media will use it this evening and tomorrow in referring to this debate. I hope that they will also report some of the comments of the honourable member for Ashgrove, who pointed out that approximately 99.7 per cent of depositors' funds in Queensland were lodged in responsible and well-run building societies. Those funds are completely safe and those investors have no cause to regret their investments.

**Mr. Houston** interjected.

**Mr. M. D. HOOPER:** The honourable member for Bulimba is now interjecting. He made a rather irresponsible suggestion that the Government should guarantee any losses of depositors' funds in building societies.

**Mr. Houston:** In this society, yes.

**Mr. M. D. HOOPER:** That is a completely unreasonable suggestion. If the Government was required to guarantee the funds of investors, it would be subsidising people's investments and forking out constantly.

**Honourable Members** interjected.

**Mr. DEPUTY SPEAKER:** Order! There is too much crossfiring in the Chamber. I will not tolerate it. I am listening to the honourable member for Townsville West.

**Mr. M. D. HOOPER:** During the debate on a Bill to amend the Building Societies Act on 28 November last, I proposed the introduction of legislation under which the Government could guarantee building societies who wish to help themselves. That is in fact what they want to do in their own responsible manner. One member pointed out that over \$800,000,000 has been invested in depositors' funds throughout Queensland, and in the main they are wisely administered. Building societies do a tremendous job in providing the bulk of housing finance. Without them there would be a complete slump in the building industry because banks do not advance nearly the same amount of money for this purpose. Building societies are the first to admit that there is always the possibility of a weak link in any chain, and they are prepared to take steps to meet this possibility. There is a precedent to be found in the Law Society and the manner in which that body helps itself. It is a well-known fact that—

**Mr. Wright:** They help themselves to people's funds.

**Mr. M. D. HOOPER:** As a body they do not do that, as I am sure the honourable member for Rockhampton will agree. In those cases in which errant solicitors have helped themselves, the deficiency has been made good from the fund built up from interest on trust accounts for the specific purpose of covering such losses. In the same way, building societies wish to provide a measure of protection to their depositors. When one considers capital of \$800,000,000, one sees that a voluntary levy of 0.1 per cent would produce \$80,000 yearly for a trust account.

**Sir Gordon Chalk:** \$800,000.

**Mr. M. D. HOOPER:** I am sorry—\$800,000. The amount of the levy would be covered in their overhead expenses and in five years the trust fund would amount to \$4,000,000. If it was necessary to draw on the fund in the first or second year, Government support would be needed by way of a temporary guarantee for a few years until the contingency fund was strong enough to cover losses such as the ones sustained at present.

The Treasurer said today that something of this nature is in mind at present. If this had been done six months ago, what is happening now might not have happened. I believe that the Treasurer has this in mind and I hope that he and the Minister for Works and Housing will take advantage of the co-operation of the building societies in the imposition of a voluntary levy. This would mean that a contingency fund would be established and the present unfortunate situation in relation to building societies would not arise again in Queensland.

**Mr. BURNS** (Lytton—Leader of the Opposition) (3.20 p.m.), in reply: Through you, Mr. Deputy Speaker, may I first thank Mr. Speaker for making the debate possible. I would like to compliment most members who contributed to the debate. There were a couple who tried to take it away from what we intended, which was to obtain from the Government some very clear declarations in relation to the problems that have been facing many Queenslanders, and will still face some of them, those who are involved in the society that had to be put in the hands of an administrator last Friday.

I would like to compliment the Treasurer particularly on the frankness of his speech. As I said at the beginning, this debate should be above any political differences and, if possible, we should consider the people concerned. That is why I am a bit disappointed with the honourable member for Ashgrove in that he talked about percentages. Percentages should not count in this sort of situation. When I walked down to the Morning-side Fair the other morning and saw hundreds of people lined up, I really could not have cared less if 99.999 per cent of building societies were all right; it was the other 0.1 per cent that concerned me.

We are talking about the lady who cannot pay her grocery bill, the man who cannot buy his car and the people who have put their child endowment money into these societies. If the honourable member can talk about percentages in such cases, then somewhere along the line he has lost his heart. It is a pity that his type of submission is made in a debate of this nature, because we are talking about people. We are talking about people who have lost their life savings.

I do not think the honourable member can really say that people who went to the counter of a building society were given all the facts. I can remember one building society in which I was involved. When that Bowkett Society was started, a fellow went round signing up 70-year old people on a 10-year savings scheme. He knew damn well that the 70-year old person would not be at work for 10 years. He had to pay so much a month into the Bowkett scheme to qualify for the draw and he had to guarantee that he would pay it for a full 10-year period. People came to me and said, "Tom, I don't expect to live another 10 years. When I signed this form, I didn't know that I was being signed into such a scheme." So we cannot put any faith in the man on the counter to tell people the truth, that is, assuming that he has the facts.

The facts are that many people thought building societies were just like banks. They went down on Monday morning and put their money in and on Friday, when they wanted to do some shopping, they drew some out. The procedure was just the same as that of any bank in the community and people believed the societies were Government-guaranteed. As the Treasurer himself admitted, some of the advertisements were

obviously designed to show people or to imply to people that the society was guaranteed by the Government.

**Mr. Lee:** To imply.

**Mr. BURNS:** That is all I was saying. The point is that we should have done something about that then, and I think we ought to make it very clear now to any building society which implies that it is Government-guaranteed that it is in error. I think that is one of the gains from this debate today; in that respect it has cleared the air. Even the Treasurer had to interject during the speech of the honourable member for Ashgrove to clear up a wrong impression that he had. I accept what the Treasurer said; the statement by Mr. Stitt this morning is misleading, and he should be told that it is misleading. He should not be saying to the newspapers that the State and Federal Governments will back building societies, because that is not what has been said here in this debate today. It has not been said or implied by Mr. Robinson in his statements or by Mr. Hayden in his earlier statements.

**Sir Gordon Chalk:** Or by me, either.

**Mr. BURNS:** Or by the Treasurer.

I said that the Treasurer mentioned it first in the debate today. That statement is untrue and Mr. Stitt should be told that it is untrue. Mr. Stitt's statement today could be used by some advertising man who wants to use that statement again to get people to invest their money on the basis "we are fully Government-guaranteed" or "we are backed". He will use it to his advantage and to the disadvantage of a person who has not read the Building Societies Act or the debate here today.

**Mr. Jensen** interjected.

**Mr. BURNS:** We know that they have misled us in relation to that. We have the Treasurer's assurance that he, too, understands that. I agree with the Treasurer when he says that nine out of 10 building societies are secure. But one of the points coming out of this debate that I think we ought to clear up is the Treasurer's statement that some building societies are under investigation. I know that is going to cause some concern in the community. If I had my money in a building society, I would start to worry about it. My suggestion is that we clean these things up as soon as possible, and there ought to be a very early statement in the House or in the Press—in the House, I believe, because that is what I think Parliament is all about—so that the people will be aware very quickly that the investigation is over, that we have declared that everything is O.K. and that everything will be right from then on.

**Sir Gordon Chalk:** If we get the green light, certainly a statement will be made.

**Mr. BURNS:** I thank the Treasurer.

I am still concerned about the people whose money was lost, or appears to be lost, or at least is threatened, in the building society in respect of which the Treasurer had to take action last Friday. I have no objection to the action taken. However, the honourable member for Bulimba suggests to me that we were aware of some of the problems of this society as long ago as last December. If that is so, the Government itself stands condemned.

What I want from the Treasurer is some answers. He should be able to tell the House why the investigators he appointed advised him that the Government should take the building society over, or that it should be closed. I know that it is necessary to protect people. I am aware that if people are to be protected, certain action must be taken. With the type of directors about whom we have been talking, they could have come round to the back door at the weekend and milked all of the funds that were available from that society. I think the steps taken by the Government were right, but I should like some more information about them and also some clarification of the point raised by the honourable member for Bulimba.

In addition, I believe that the instability of building societies is contributed to by the continual changes in interest rates that have occurred over the past few months. I do not think they add anything to the stability of the industry. In fact, they create some doubt. People think, "They have to keep coming to us asking for additional money to come in through the front door so they can meet the calls that are being made on them." It has certainly created a doubt in the minds of people who have raised the matter with me.

As to the Treasurer's remarks about Mr. Stitt—I have tried to clear up the points that were raised during the debate. One point has emerged very clearly, I think—that something must be done about the directors themselves and the type of directors who are appointed. There ought to be a more thorough investigation into building societies when they are started. Societies with capital up to \$3,000,000 are to be classed as small societies and, therefore, classed as being in danger.

**Sir Gordon Chalk:** The December Act tidied up quite a lot of that, but many of the problems lie in the past.

**Mr. BURNS:** That is right.

**Mr. Lee:** The new amendments will look after many of these matters, too.

**Mr. BURNS:** I accept the Minister's interjection, but I believe that something must be done about the directors. I am concerned about the brawls that are obviously going on for the control of building societies. There must be something in it for people if they spend so much money and run such strong campaigns to gain control of societies.

I do not believe that they are doing it only for the good of the society. That is obvious if one looks at the amount of money that the directors seem to be able to borrow from their societies and the high standard of living of some of them. I do not say all of them, because there are some very good operators in the building societies and there are some very good societies.

One honourable member made the point that none of us should be trying to destroy the system of building societies, that we should be attempting to build up a system to ensure that people who put their money into it are guaranteed that they will get it back. These people are not speculators. Another honourable member made the point that people put their money in building societies as an investment and were prepared to wait for it. I do not believe that people saw themselves as investors. They were not prepared to wait a long time to take their money out. All the people to whom I spoke at Morningside Fair told me that they invested, firstly, because they thought it was Government-guaranteed, secondly, because it was convenient to home and, thirdly, because the interest rates were good.

**Sir Gordon Chalk:** They paid good interest.

**Mr. BURNS:** That is right.

**Dr. Crawford:** Better than bank interest.

**Mr. BURNS:** That is right. They thought it was a set-up like a bank, guaranteed by the Government. At the Commonwealth Bank depositors had to wait a month to get 8½ per cent interest; but here they got it by paying money in on Monday and taking it out on Friday.

Much of that arises from misleading advertising, and I believe that the Government has been lax in some ways. It has been admitted that we were aware that some people were being misled by the advertising. We know, Mr. Deputy Speaker, that some building societies have been passing themselves off as banks. I do not believe that they should have a passbook system, because that misleads the ordinary person who is depositing his money in order to get a few dollars out of it. People thought that building societies were similar to the Commonwealth Bank, and some of them now find themselves in trouble.

In my opinion, the Government inquiries now under way should be brought to finality with maximum speed to allay the fears that are in the minds of many Queenslanders and must continue to exist in their minds. Action must be taken to stamp out false advertising by building societies, particularly any advertising that even implies some form of Government guarantee.

**Mr. Houston:** And over-advertising.

**Mr. BURNS:** I think that over-advertising has been covered a dozen times in debates in the House on the subject of the percentage

allowed. It still annoys me to see the fancy shops down the main street of this city and the amount of advertising by building societies in the newspapers.

Investors must be made aware that although the overwhelming majority of societies are safe, they are not banks and there must be an element of risk, no matter how small. They must indicate that. They must not portray themselves as having no risk. There is some risk and that risk ought to be pointed out in some way. We should try to make them at least advertise honestly and reveal that risk. There must be tighter scrutiny of societies at the time of registration, which the Minister said he has covered. Where evidence of malpractice is discovered, prosecutions must be launched as a deterrent. That is important.

I thank honourable members who have contributed to the debate.

(Time expired.)

Motion (Mr. Burns) negatived.

## STOCK ACT AMENDMENT BILL

### INITIATION

**Hon. J. D. HERBERT** (Sherwood—Minister for Community and Welfare Services and Minister for Sport): 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 Stock Act 1915–1974 in certain particulars.”

Motion agreed to.

## ASSOCIATIONS (NATURAL DISASTER RELIEF) BILL

### INITIATION

**Hon. J. D. HERBERT** (Sherwood—Minister for Community and Welfare Services and Minister for Sport): I move—

“That the House will, at its present sitting, resolve itself into a Committee of the Whole to consider introducing a Bill to repeal the Sporting Bodies (Natural Disaster Relief) Act 1974 and to make other provision for the granting of financial relief to associations that have suffered loss of or damage to facilities as a result of flood or other natural disaster and for related purposes.”

Motion agreed to.

### INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

**Hon. J. D. HERBERT** (Sherwood—Minister for Community and Welfare Services and Minister for Sport) (3.32 p.m.): I move—

“That a Bill be introduced to repeal the Sporting Bodies (Natural Disaster Relief) Act 1974 and to make other provision for

the granting of financial relief to associations that have suffered loss of or damage to facilities as a result of flood or other natural disaster and for related purposes.”

Following the January 1974 floods, agreement was reached with the Commonwealth Government to extend financial aid to sporting clubs and associations which suffered severe damage to their facilities. Appropriate legislation was enacted and in fact some 20 sporting clubs and associations have been assisted financially. It was also felt that some sympathetic consideration should be extended to church and charitable bodies which suffered similar damage, and discussions were initiated with the Commonwealth Government in this regard. Agreement has been reached between Commonwealth and State Treasuries for financial assistance to be extended to such bodies in a manner similar to that extended previously to sporting bodies.

To enable such action to be taken, it is now proposed to repeal the Sporting Bodies (Natural Disaster Relief) Act 1974 and at the same time make further provision for the granting of financial relief not only to sporting bodies but also to other associations of a non-profit nature which suffered loss or damage to facilities as a result of flood or other natural disaster.

The guide-lines previously laid down for assistance to sporting bodies will be unaltered. Those eligible to apply are those organisations that have sustained substantial damage. The financial position of the organisation will be taken into account and the applicant body must be unable to effect necessary repairs or replacements from its own resources and have exhausted alternative sources of assistance. Assistance will be by way of a combination of grant and loan in the proportions of 1:5 up to a maximum of \$12,000 (\$2,000 grant and \$10,000 loan) for any one applicant and will be made available to eligible applicants towards the cost of restoration of the organisation's assets to pre-disaster standard.

The loan will have a currency of seven years with interest at the rate of 5 per cent, and would be repaid by 14 equal half-yearly instalments for the term of the loan. For example, assuming an association secures a loan of \$1,000 for seven years, interest and redemption amounting to \$85.54 would be payable at the end of each six months. Each application will be judged on its merits as to need and ability to repay. The loan and grant will not exceed the amount of the net cost of restoration to the applicant body.

The proposed loan and grant are to assist organisations where they have failed to obtain the finance required from a normal source of funds.

The Bill of some 15 clauses provides for the loan and grant to be made by the Treasurer.

The present committee consisting of the Under Secretary of the Department of Community and Welfare Services and Sport, as chairman, the Deputy Under Treasurer and the Second Assistant Under Secretary, Premier's Department, appointed to consider the applications under the Sporting Bodies (Natural Disaster Relief) Act 1974, will continue to constitute the committee under the new Act.

Provision has been made to deal with organisations which might be unincorporated bodies, but in such cases it shall be necessary for the body to provide in its constitution and rules power for it to borrow money and authorising its trustees to give a mortgage, charge or other security over its assets to any lender.

Provision has been made for the recovery of moneys as a debt due to Her Majesty in addition to other remedies available under security documents.

For the purposes of receiving and paying moneys pursuant to the legislation, the Sporting Bodies Relief Fund established in the Treasury under the repealed Act shall be continued and maintained in the Treasury and be called the Associations Disaster Relief Fund.

It is proposed that the financial assistance be extended to those church and charitable organisations which sustained damage to property in the January 1974 flooding and which have still not been able to undertake the necessary restoration to pre-flood condition, together with those sporting bodies and church and charitable organisations which have suffered damage as a result of cyclones "David" and "Allan" this year.

I think all honourable members appreciate the urgency of enacting this legislation. I therefore commend the Bill to the Committee.

**Mr. DEAN** (Sandgate) (3.37 p.m.): Despite the brevity of the Minister's introductory speech—

**Mr. Houston:** And the speed.

**Mr. DEAN:** And the speed—this measure is a very important and timely one. I am sure many people would agree with me that it should have been introduced earlier to help those sporting bodies that suffered as a result of the 1974 floods.

**Mr. Herbert:** We had to get the Commonwealth Government's agreement, and that was not forthcoming.

**Mr. DEAN:** I accept that.

Many sporting associations as well as other organisations have suffered great distress since the 1974 floods, so I am happy to see that the measure provides for retrospectivity.

It is noted that the maximum loan that can be made available is \$12,000. The sum sounds a large one, but I venture to

suggest that in some instances it will not cover even labour costs, let alone the cost of both labour and materials necessary for repair and restoration work. Labour costs are very high indeed. I doubt whether \$12,000 would be sufficient to cover the costs of repairs carried out by many associations. From what I have been told, such a sum would not go far towards meeting labour costs of repair work carried out recently in Ipswich and Toowoomba.

It is very difficult at this stage to gain a full appreciation of the implications of these amendments. Until we see the Bill we will not really understand its full import. However, from the Minister's remarks I believe it will not go far enough. Sporting organisations are covered to a certain extent, and it is proposed that loans will be made available, too, to church organisations and other clubs. I have no doubt that certain associations within the community will not come within the ambit of the Bill.

As the Minister's introduction was very brief, it is only natural that I shall be very brief. I have very little to go on but I eagerly await the printing of the Bill. I think the Minister said that it contains 15 clauses. If that be so, it seems certain that it contains more material than he outlined to us. The Minister could have given us a little more to go on. No doubt many Government members will have more material than I have to use in this debate, and that is perhaps natural.

The Opposition welcomes any amendment to any Act that will give relief where it is really needed, and it is certainly needed in this context. To repeat my initial remark, I am only sorry that such a measure has not come before us sooner. I await the printing of the Bill before making further comment.

**Mr. CORY** (Warwick) (3.41 p.m.): I am very pleased to support the Minister on this measure and at the outset thank him for the speed he has displayed in introducing it. I am sure that all honourable members are aware of the formula under which the existing scheme operates and the co-ordination that is necessary between the State and Commonwealth to make it effective. It is important that religious and charitable bodies be included so that the legislation will cover more or less all community activities that can be affected from time to time. It matters not whether the most recent floods prompted this legislation; we will continue to need this coverage from time to time.

I thank the Minister and his departmental officers for the support given in the Warwick area during the recent floods. I thank particularly Mr. Don Smith, who was the co-ordinator in the area. The district certainly appreciated the prompt, willing and capable assistance rendered. We appreciate the grant-loan combination which is to be available subject to ability to repay and the financial requirements and needs of the

club or society. Unfortunately we must live with reality. A body that has some financial resources—perhaps because it has been more prudent and worked harder—automatically eliminates itself from this type of assistance. We must recognise clearly that the Government, in the light of money available from the taxpayers, cannot possibly help all bodies. The Government's policy is to assist those bodies that find themselves unable to cope with a mishap through their own resources.

The latest flood and earlier disasters have proved that the most efficient and certainly the quickest help that anybody can get is that which comes from the surrounding community. It is quite obvious that the local community, friends and neighbours can be on the spot in a matter of minutes to give help. That is exactly what happened during the recent floods in Warwick. I commend all people of the city and district who helped within minutes or hours of the problem occurring. They were there on the spot and remained for many days. Their efforts were most effective because they were there quickly. Prevention is far better than cure, and much of the work concerned the prevention of problems. The cure comes later and takes longer but, in all of our problems, prevention is far better than cure. In effect, it is only the local people who can make prevention possible. I should like to say a word of thanks to the people who did so much to help those who had a problem and were in difficulties.

This is synonymous with the Australian's point of view and personality; he is at his best when there is a challenge. He reacts quickly and does something about it. This is one of our greatest attributes. It is the thing that is most effective because it is there first. We must always remember that the greatest and quickest help comes from people within the area itself.

Having achieved that, we then come to the capital losses, both private and business. Communities alone cannot cope with them. The capital losses sustained by primary and secondary industry are very real and are something that the community will have to try to cope with for many years to come because, at the present time, production loss is a very real problem in our area.

Loans from various sections of the Government are available to both primary producers and private industry. The Government is to be thanked for what it is making available. However, the problem is that many industries that have been hard hit are not in a position to accept further loans. If a person already has a noose around his neck with existing loans, it is not prudent for him to go further into debt in the hope of being back into production in the next year or two. And that is the sort of period we are talking about. Some of these people will be out of worth-while production for up to two years. That is a long time to wait when already they are paying interest redemption

on existing loans and then saddling themselves with further loans. I am not criticising the assistance that is being made available but there will not be many takers, purely because they are not in a position to repay further loans.

Another matter for consideration is the situation of an individual in relation to a whole community. We are inclined to talk of these schemes to cover national disasters, but what actually is a national disaster? When it is analysed, a national disaster is something so large that it is of national importance. We could have a national disaster—a flood, a cyclone or something like that—affecting many homes. That simply means that a large number of individuals have had their homes damaged.

The Prime Minister has made mention of the possibility of setting up a national disaster insurance scheme or a similar scheme. I should like to think that, when the formula is worked out and it is decided who can claim on the scheme, an individual who lost his home would meet the criteria and be just as eligible to claim on the scheme as those caught up in a much larger form of devastation. I think it will be agreed that if a person is the only one whose home has been washed away or furniture inundated, that is just as important to him as if all the others in the street had had their homes washed away as well.

**The TEMPORARY CHAIRMAN** (Mr. Miller): Order! I remind the honourable member that the Bill refers to sporting bodies. I should like him to return to that subject.

**Mr. CORY:** Thank you, Mr. Miller. I think that those who have been involved in this type of exercise have found that one of these problems cannot be divorced completely from the other. Although the Bill refers to sporting bodies, it also embraces religious and charitable organisations, which brings in the whole community. Homes certainly are part of the whole community.

**The TEMPORARY CHAIRMAN:** Order! I must ask the honourable member to return to the subject matter under discussion. It does not include homes.

**Mr. CORY:** Sporting bodies appreciate that, if they can get finance from other sources, they will not be eligible for assistance under the present proposal. There will always be sporting bodies that are fully committed in meeting interest and redemption payments and are therefore in no position to borrow large sums. For that reason, the one-sixth grant is very much appreciated. The other five-sixths has to be raised before the one-sixth can be obtained. However, the grant of one-sixth is a tangible recognition of the position that many sporting bodies are in. There are some real problems in my area.

I return to the subject on which I started. I thank the Minister and the Government for making this scheme possible because it will help the situation considerably.

**Mr. WRIGHT** (Rockhampton) (3.53 p.m.): After listening to the honourable member for Warwick I was a little concerned that I might have misinterpreted what the Minister said were the reasons for the introduction of the Bill. I accept the points made by the honourable member for Warwick that there are serious problems, not all of them linked solely with sporting bodies.

I am pleased that the Minister has taken this action because I have always thought that there should have been an expansion of the concept that he propounded when introducing the Sporting Bodies (Natural Disaster Relief) Bill in 1974. He intends now to cover non-profit organisations provided they fall within the guide-lines or rules of application that have been set. I accept fully the need to give special assistance to such organisations that suffer damage from cyclones, floods and other natural disasters, but I question whether the Bill will solve the problem. I ask the Minister through you, Mr. Miller, if it is true that the maximum loan will be \$12,000.

**Mr. Herbert:** That is what it was last time. This could be subject to review in the light of the circumstances.

**Mr. WRIGHT:** I am pleased to hear the Minister say that.

**Mr. Herbert:** No sum of money is mentioned in the Bill. The figures I quoted were figures used last time, and until they are changed they remain. It is a matter for negotiation between the two Treasurers. Obviously factors such as inflation would be taken into account.

**Mr. WRIGHT:** I thank the Minister. I think that explanation was required. Most people would agree that, with today's costs, \$12,000 would be inadequate. The Minister has been a little more specific in what he has said. We are now talking about loans at an interest rate of 5 per cent over a seven-year period. The original Act did not mention this; it was left to the determination of the Governor in Council. This will be welcomed by sporting bodies and other organisations in the non-profit category but, irrespective of the maximum quantum to be set here—the Minister says it is still to be determined—I question whether it will really be able to meet the problems of the organisations that face disasters. We need to look at alternatives. Even if the Minister emulated Santa Claus and fixed the maximum at \$50,000, the Police Boys Club in Townsville, say, could be hit and the cost of repairs could be \$150,000. The same could be true for most of the major sporting organisations and multi-purpose complexes that are now growing throughout this State.

**Mr. Jensen** interjected.

**Mr. WRIGHT:** I will come to that. I suggest that, while we continue with the purpose that is embodied in this Bill, we should also consider a special system of insurance through the State Government

Insurance Office, that we should introduce a special series of premiums to encourage sporting bodies to insure their buildings. Many buildings are not now insured. This is unfortunate but true. It is said that the reason is that the organisations cannot afford the insurance premiums. If the S.G.I.O. introduced a special type of insurance policy for sporting bodies and non-profit organisations, this would greatly benefit everybody. It would be an endorsement of the important self-help principle. It is vital that organisations do not just sit back and say, "We don't care what happens now because there is a special piece of legislation and John Herbert is a good guy. He says that if anything happens to us, we can borrow money at the cheap interest rate of 5 per cent." These organisations should keep in mind that they have responsibilities, too, and, whilst I accept their comments to me that it is often too expensive and they cannot see their way clear to have this insurance cover, it is something we should consider. It would also make continuing revenue available to the Government, especially the S.G.I.O., which could go into a special fund because we would have thousands of organisations involved in this type of insurance cover. I become concerned when I see the huge developments taking place in the national fitness organisation (of which the Minister is the head) because these are not insured. The Minister has seen his way clear to develop the organisation in Central Queensland and hundreds of thousands of dollars have been spent on new kitchen complexes and new cottages that he was able to get for us. A brand-new complex has been built in the Warwick area. New complexes are being built also at Tal-lebudgera, Far North Queensland, Central Queensland, Nambour, Caloundra and so on, and yet none of these buildings are insured. Perhaps area committees of the national fitness organisation could be encouraged to partake of the benefits of such an insurance scheme.

So, whilst I welcome this Bill and believe it is worth-while legislation which will overcome problems and expand the benefits available, I suggest that we should always look at alternatives—and surely it is the role of the Opposition to be considering alternatives. So, Mr. Miller, I ask the Minister to consider putting a case to the Treasurer for a special category of insurance that could assist in this very important area.

**Mr. BYRNE** (Belmont) (3.59 p.m.): The Minister should be congratulated on introducing this Bill, which broadens existing legislation in that it enables not only the original bodies but bodies of a church and charitable nature to be incorporated within the confines of the new legislation. I think it is a fair recognition of the good work performed by voluntary sporting bodies and church and charitable organisations, which is something that this Government over the

years has endeavoured to recognise. Indeed, in the areas of sporting activities and the development of sporting clubs and associations, this Government has, over the years, through a system of subsidies and grants, been able to assist large numbers of sporting bodies and associations to play a worthwhile part in the community both in the development of youth and in the recreation of people generally.

I would like to mention perhaps a further elaboration of a concept which could be incorporated in the legislation—if not now, perhaps at a later date—as an appreciation of the fact that sporting bodies and similar associations such as Scouts and Girl Guides can suffer just as much from financial difficulties as they can suffer from natural disasters. Acts of God, as one might call them—storms, floods, cyclones and the like—can cause great damage and havoc for many sporting bodies and church and charitable organisations. So also can a man who commits a criminal act against a sporting body.

In my electorate, a Girl Guide hut was burnt down as a result of arson. Admittedly, as the Government views the situation at present, that body is entitled to the usual subsidy for the construction of a hut. But when an organisation such as that has a hut, usually one finds that it has not really provided against such disasters. Particularly in fairly tough areas, as this was, in the Housing Commission area at Carina Heights, it creates difficulties for the parents of the children who use the hut. It certainly creates economic difficulties for them in providing a building for the children to use in the future. By scrimping and saving they can manage to overcome the problems that have been foisted upon them not by their own mismanagement but by an act perpetrated by people, an act just as destructive as acts of nature.

Therefore, I think it is important that consideration should be given not only to cyclones, floods, and so on, but also to acts of a criminal nature. Perhaps a broader concept could be adopted, one that would enable people to take advantage not only of the subsidy available to those building their first hut and paying it off but also of assistance to get them back onto their feet again.

The honourable member for Rockhampton mentioned the concept of insurance. Although I agree with him that it is important, I can see the great economic burden it would impose for bodies such as National Fitness camps. It would be similar to the burden that would be imposed on the State Government if it insured State school buildings against fire. The Guide hut of which I spoke was insured. But a building that was built many years ago—a weatherboard building that served the purpose and would have served the people for many years into the future—might not be worth very much for insurance purposes in comparison with

what it would cost to replace it. Although the people concerned might receive \$1,300 in insurance for the destruction of the premises, they might find that replacement of the original building with one of equal standard costs \$5,000, \$6,000, \$7,000 or even more.

I think the concept of a grant with a broadened loan attached to it on the basis of 5 per cent interest is indeed a very fair and generous offer by the Government and something for which it is to be complimented. The State does provide funds for sporting bodies on a self-help basis, and I think it would be a very suitable arrangement if at a later date, not only for sporting bodies but also for church and charitable organisations affected by natural disasters such as floods and cyclones, the concept could be broadened to take into account criminal disasters caused by man in which the people running the organisations had no say and which, if they had had a say, they would have done their best to prevent.

I make that recommendation to the Minister and compliment him on the broadening of the legislation. I look forward to the second reading of the Bill.

**Mr. JENSEN** (Bundaberg) (4.4 p.m.): I was very interested in the Minister's introduction of the Bill, and in the extension of the provisions not only to sporting organisations but also to other bodies. As the honourable member for Sandgate said, the Minister's introduction was very brief and very rapid. I know that the honourable member was taking notes, but he could not possibly cover all the points. Later the Minister said that the other bodies were church and charitable organisations, and it is desirable that provision be made for them.

The honourable member for Rockhampton and the honourable member for Belmont made some points of which I believe the Minister will take notice. However, I was very interested in the provisions relating to loans—\$12,000, with a grant of \$2,000 and a loan of \$10,000 for seven years at 5 per cent. As the honourable member for Rockhampton said, that is not a very large sum. Most sporting bodies would be insured for some part of the value of their buildings. Of course, they might not have, say, fences insured. The Bundaberg Junior Tennis Association had its fence blown down in the recent cyclone. A fence is not very important in some sports, but it certainly is in tennis. I think the association has written to the Minister for assistance. I know that many sporting bodies in Bundaberg suffered losses from the same blow.

What always concerns me is that it is the big sporting bodies that receive the big amounts from the Government. The Minister has said that the financial position of the body will be taken into account. Previously in this Chamber I have criticised the financial assistance given to sporting bodies because most of it goes to golf clubs and bowls

clubs. I have given figures which indicate that they receive 60 per cent of the money. I am against money going to clubs that have good facilities and the ability to raise their own money, as mentioned by the honourable member for Sandgate. Big clubs can raise money through raffles and their bar trade. They can charge whatever prices they like. Such clubs benefit more than others through the sporting grants the Minister makes.

Small clubs like junior tennis clubs have to pay hundreds of dollars to send kids to Tasmania to compete in the Australian titles. Such clubs have not the money to replace fences that are blown down. Small clubs have to pay out their money to send children to Queensland championships. This Government has not given one penny to amateur bodies that send children to Queensland championships. Children have to take part in Queensland championships before they can compete in Australian championships. With financial assistance from the Commonwealth Government, the Minister could help small organisations to send contestants to national championships. We have to send athletes, swimmers, footballers, soccer players, cricketers, marching girls—

**The TEMPORARY CHAIRMAN** (Mr. Miller): Order! I would remind the honourable member that we are talking about natural disasters, not the sending of members of sporting bodies overseas. I ask him to come back to the Bill.

**Mr. JENSEN:** I take it as a national disaster that the Government has not done this—

**The TEMPORARY CHAIRMAN:** Order!

**Mr. Lamont:** I wish someone would send you away. You're a national disaster.

**Mr. JENSEN:** The honourable member would be accompanying me. He is another.

I brought that matter up because again it is a matter of money for sporting bodies. I am not going to speak at length about church and charitable organisations. They, too, require assistance. They have not the facilities to raise moneys that sporting bodies have. They don't run doubles on Sunday football; they don't run chook raffles on Friday and Saturday nights. Church and charitable organisations raise money through small fetes and in other ways. They are not gambling institutions, as most sporting clubs are.

Almost every sporting club in this State is a gambling institution. The bigger they are, the better they are. They have facilities not only for gambling, but also for the sale of grog. Yet they get the major payout when funds are being disbursed as grants to sporting bodies or following a natural disaster. I want the Minister to take note of this. I don't know how I can get it into his head. I have already asked the Assembly to support me on this. I ask him to look at the

amount of money he is spending on big clubs. I was pleased that on this occasion he said that a club's financial position would be taken into account. I wish he would take the financial position into account when he is giving out money to bowls and golf clubs. Let him give it to the kids who are going to State championships. Recently Bundaberg sent a girl down to the Australian National Swimming Titles.

**The TEMPORARY CHAIRMAN** (Mr. Miller): Order! I ask the honourable member to come back to the Bill.

**Mr. Frawley:** He hasn't been on the Bill since he started.

**The TEMPORARY CHAIRMAN:** Order!

**Mr. JENSEN:** In most respects I have been talking to the Bill, although I do admit I strayed from it a little. At least I am not like the honourable member for Warwick, who wanted to introduce butter factories, primary producers and every cow-cocky in his area. I am referring only to sporting bodies.

**The TEMPORARY CHAIRMAN:** Order! We are talking about natural disasters. The honourable member will come back to the Bill.

**Mr. JENSEN:** I have said most of what I wanted to say and I have brought the Minister's mind back to the importance of allocating money to those who need it most, not to the people or clubs who can afford to raise money or obtain loans. Some golf clubs are worth hundreds of thousands of dollars.

**Mr. Frawley:** Rubbish!

**Mr. JENSEN:** Most of them are, as are bowls clubs. They can obtain money from banks. They should not be allowed to cry poor mouth when they have the facilities for raising money. Financial assistance should be made available to amateur sporting bodies as well as to church and charitable organisations. While the Government hands out money to bowls clubs and golf clubs, it lets those children who compete in national championships starve.

**Hon. J. D. HERBERT** (Sherwood—Minister for Community and Welfare Services and Minister for Sport) (4.12 p.m.), in reply: It is fairly obvious that the intelligent honourable members support the Bill.

I have already informed the honourable member for Sandgate that the amount is not set out in the Bill and is subject to change from time to time in negotiations with the Commonwealth Government. The figures I gave are those that are currently operative. They can be changed if the Commonwealth Government agrees, and obviously in inflationary times change would be necessary. The honourable member questioned the number of clauses. All we are doing is repealing the original legislation and

rewriting it adding provisions relating to churches and charitable bodies. That amendment is a very small but very important one. The other clauses simply restate the sections in the original legislation.

The honourable member for Warwick spoke from very real experience gained in recent times. He has done a tremendous job in his electorate. My officers have been very appreciative of the assistance he has given. We have on our books already eight organisations in the Warwick area that will qualify for assistance if they apply for it. We do not know whether all of them are in financial difficulties, but they would qualify on a damages list.

The honourable member also mentioned the co-ordinators. This is a new idea and one that will be implemented whenever a natural disaster occurs. A co-ordinator will be appointed to look after welfare matters and to co-ordinate all welfare organisations. Previously various voluntary organisations have run around in circles, and the appointment of a co-ordinator will mean that very little of that local effort will be wasted.

The honourable member for Rockhampton spoke mainly about insurance. Any organisation that skips insurance in the belief that it would obtain financial assistance from the department is taking a tremendous risk. The Bill deals only with natural disasters, not with every disaster that might strike a club.

The honourable member for Belmont spoke on much the same point. He referred to what would happen when a single act of destruction occurred. If we tried to cover destruction of all types, the Treasury would not be able to stand up to the strain. When a single act of destruction does occur, whether it be as the result of vandalism or an act of God, at least the community is able to rally around. However, in a natural disaster everyone is affected. In my own area, for instance, the 1974 floods created a very real problem in that the majority of sporting organisations and clubs had members who were also affected and were therefore unable to help their organisations in any shape or form. Without Government assistance, it would have taken those organisations much longer to get out of the trouble they were in.

The honourable member for Bundaberg got onto his usual hobby-horse. I shall be most happy to advise all the bowls clubs and golf clubs in the Bundaberg electorate that their member does not want them to receive any assistance from the department. He criticised it and he has asked me not to give money to the bowls clubs and golf clubs. I will tell those clubs in the Bundaberg area that the honourable member does not want the money given to them. The honourable member has asked for it. I am quite sure that no other honourable member will second what was said by him. Many have organisations that will be happy to take the assistance offered. Not

one of the applications for help last time was knocked back by the Government. All of them were met. Next year, if we have any financial difficulties, we will be quite happy to use the money that would have gone to Bundaberg organisations in areas where the members are far more appreciative of the value of bowls and golf clubs to the sporting life of Queensland.

**Mr. Jensen:** You misconstrue everything.

The **TEMPORARY CHAIRMAN** (Mr. Miller): Order!

**Mr. HERBERT:** I am glad that this Bill has general support because the church and charitable organisations missed out for some time. It was not of our doing. It required Commonwealth support. Now that it is forthcoming, we will be able to help a lot more organisations that suffer through natural disasters.

Motion (Mr. Herbert) agreed to.

Resolution reported.

#### FIRST READING

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

### PRIMARY PRODUCERS' ASSISTANCE ACT AMENDMENT BILL

#### INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

**Hon. K. B. TOMKINS** (Roma—Minister for Lands, Forestry, National Parks and Wildlife Service) (4.18 p.m.): I move—

“That a Bill be introduced to amend the Primary Producers' Assistance Act 1972–1974 in certain particulars.”

I foreshadowed this further Bill relating to dairy industry assistance when introducing the Dairy Adjustment Program Agreement Bill. The main purpose of this Bill to amend the Primary Producers' Assistance Act is to provide for a much wider range of farm restructuring and dairy factory assistance comparable to that available under the suspended Commonwealth–States Dairy Adjustment Program. The Bill, although small in size, contains some important new provisions which should help further the over-all programme, for more viable dairy farms and dairy factories.

The Primary Producers' Assistance Act was introduced in 1972 to implement the Treasurer's Budget announcement of a \$5,500,000 State supplementary dairy assistance scheme. The scheme was designed to help overcome major shortcomings of the Commonwealth's Marginal Dairy Farms Reconstruction Scheme, such as stock and development and also build-up land for existing dairy farmers. It also provided for finance sought by the industry upon reasonable terms for conversion to bulk-milk supply.

The scheme originally was to be financed from surplus funds accruing under the

Marginal Dairy Farms Reconstruction Scheme and short-term Treasury loans. The successful operations under the Commonwealth schemes with their very favourable grant and repayment terms, and unexpected repayment in full by a large number of purchasers of marginal dairy farms, have enabled the build-up of a substantial revolving fund for State-implemented assistance schemes.

As initial response was well below the industry's expectations, it has not been necessary to draw upon loan funds. The main reasons for the limited response appeared to be lack of confidence in the industry, rising interest rates, expectation of a more attractive Commonwealth scheme and delays by some factories in changing over to bulk-milk collection.

In introducing the scheme, this State demonstrated its willingness to assist the dairy industry in spite of very limited funds available from State sources. Commonwealth officers have acknowledged that the measures introduced and financed by Queensland were the foundation upon which the improved Commonwealth Dairy Adjustment Program was developed.

As the Commonwealth programme to 30 June 1976 embraced the State scheme measures, it was obvious that there would be little call on State funds while the programme was being operated. However, as the restrictions imposed on Commonwealth lending would have precluded or limited assistance in some deserving cases, the Government approved that the State scheme continue to operate in conjunction.

At the same time it was approved that the State interest rate for existing loans and future lending be reduced from ruling Agricultural Bank rates to a non-variable 5 per cent per annum. This rate was the same as was approved for Commonwealth scheme advances and has been an attractive feature of the two schemes.

The unexpected and, as honourable members will no doubt agree, unfortunate suspension of the Commonwealth programme as from 1 September last has disadvantaged many dairy farmers who had yet to convert to bulk-milk supply and/or upgrade their dairies. I understand there are still approximately 1,200 cream and can-milk suppliers. However, it is not expected that all will convert to bulk supply.

As continued assistance was obviously necessary, it was approved that, as far as possible and having regard to limited funds, the State scheme should carry on where the Commonwealth programme left off. Of course it is not possible for the State to provide for interest-free bulk-milk conversion loans, which are probably the most acceptable feature of the Commonwealth programme.

Forty dairy farmers were approved advances totalling \$375,000 during the period 1 September to 16 February. Since the State

scheme commenced, advances of almost \$1,000,000 have been approved and it is expected that further advances of from \$1,500,000 to \$2,000,000 can be approved progressively over the next 18 months. While this amount is nowhere near sufficient for industry requirements, it will at least provide a substantial infusion of concessional finance. In view of policy announcements during the recent Federal election, it can be hoped that the Commonwealth will provide for some further assistance in its next Budget, even if it is limited.

The dairy-factory sector of the industry has been seriously disadvantaged, firstly by Commonwealth delays in determining guide-lines and implementation, and secondly by the sudden suspension of the programme. In a short period of about four weeks, eight factories were approved advances totalling \$660,000 for bulk receival facilities, including tankers, tanker bays, in-place cleaning and storage. Preliminary estimates suggested that up to \$2,000,000 may have been required.

The Bill provides for a much broader range of reconstruction assistance. Eligibility for assistance is subject to finance not being available upon reasonable terms from normal lending institutions.

The Bill provides generally for restructuring of uneconomic farms, acquisition of build-up land, farm development and improvement, purchase of livestock and plant and equipment, and, in some cases, relocation of farming operations. The assistance available also includes conversion to bulk-milk supply and general upgrading of dairies to bring them to economic standards.

In special circumstances, and where the Agricultural Bank is unable to assist, adjustment may be made to farm ownerships, such as in the case of an uneconomic family partnership, or to assist retirement of a member of a family (mainly the parent) where age or ill health is involved.

Provision is also made for assistance to owners of dairy factories where they are required to incur expenditures, mainly as a result of supplier change-over to bulk milk or to upgrade some existing receival or processing facilities. This is a similar provision to that contained in the Commonwealth scheme to which I referred to a little earlier. Limited funds will necessarily restrict its operation.

It will not be possible to finance Code of Practice requirements. This was not covered by the Commonwealth scheme and could involve factories in many millions of dollars of additional expenditure. It is to be hoped that the Commonwealth can see its way clear to find some funds for this work which is causing concern to all factory managements.

My colleague the Honourable the Minister for Primary Industries could advise the Committee better than I that any assistance to factories will be in the interests of an efficient and economical industry and that it

will in the long term benefit all suppliers. Applications involving a possible expenditure of up to \$750,000 by factories are being investigated by my dairy adjustment committee in expectation that this legislation will be approved during this session.

Honourable members should agree that the present limit of \$25,000 on advances is inadequate. Factory assistance proposals, the difficulties in obtaining low-price build-up land plus increasing land values, and composite loans such as for land and development make this limit unrealistic in some cases. A particularly high limit well in excess of the new Agricultural Bank limit of \$40,000 would be required to provide adequately for all eventualities. Experience has shown that a prescribed high limit influences some applicants to apply for, expect and even demand advances far in excess of reasonable requirements. After all, it is very cheap money. In the circumstances, the Bill provides for repeal of the statutory limit. Advances will, of course, be limited to reasonable requirements for viable farm operations, having regard to available funds and, more importantly, an equitable distribution thereof.

Other provisions contained in the Bill are mainly machinery ones to extend relevant sections of the Act to proposed assistance to dairy factories, to amend the maximum term of loans from 20 to 25 years as was available under the Commonwealth scheme, and to vary the procedure for fixing interest rates on loans.

The Bill provides that interest rates be fixed by Order in Council, which is the normally adopted procedure, in lieu of being prescribed by special regulations. This amendment is aimed at uniformity in legislation. It is proposed that interest rates will be continued at the present concessional contract rates of 5 per cent for farm build-up and developmental loans, 7½ per cent for advances to dairy factories and ruling Agricultural Bank rates for special ownership adjustment loans.

Loan repayment periods have regard to capacity to pay but generally are up to 10 years for development and dairy improvements, 20 years—and in special cases under the Commonwealth scheme 25 years—for land, and 10 to 15 years for factory assistance.

With the co-operation of dairy factory managements, instalments on all loans are payable monthly from factory income. This method of payment is proving very acceptable and in the long term could mean a considerable saving in interest charges. As a measure to encourage dairy farm upgrading, etc., my department is prepared to accept security of a following mortgage. Very few applications for loans have had to be declined because of lack of security. I think honourable members will readily agree that these low-interest, long-term and

monthly instalment loan repayment terms are outstanding in the present financial circumstances.

Finally, I would like to take advantage of this opportunity to comment on the administration of the dairy reconstruction schemes. My department's administration of these schemes began with the original Marginal Dairy Farms Reconstruction Scheme, which was basically land acquisition and disposal. The venture into the lending field for development, stock and other purposes became a necessary extension of that scheme when it was fully realised that normal lending institutions were not prepared to assist except in some well-secured cases.

Operations over a period of five years have resulted in a commitment of \$15,860,000 of Commonwealth and \$1,000,000 of State surplus and early repayment funds in assisting almost 1,000 dairy farmers. I feel that this effort is a worthwhile contribution towards a more secure dairy industry in Queensland.

The successful operations are due in no small way to the very close co-operation which has existed between my officers and officers of the Division of Dairying of the State Department of Primary Industries. The schemes have been administered by a small but dedicated staff under the control of a small committee comprising a representative of my department and a representative of my colleague the Minister for Primary Industries. Dr. G. I. Alexander, Director of Dairying, has been on the committee since the commencement of operations and I would like to place on record my appreciation of his untiring interest and assistance. My department has been very ably represented in turn by Mr. B. Heffernan, the present Chairman of the Land Administration Commission, Mr. M. L. Eaton and Mr. G. C. Parker. Mr. Parker, the scheme's present executive officer, has been continually associated with the scheme since October 1968, when negotiations were in progress.

I commend the Bill to the Committee.

**Mr. JENSEN** (Bundaberg) (4.30 p.m.): First, let me congratulate the Minister on his comprehensive and lucid introduction of the Bill. Unlike some other Ministers who come in here and read their speeches very quickly and give us no explanation at all, he has explained it very well. This Bill needs some explanation and the Minister has done the right thing. In his introductory remarks the Minister said—

“The Bill provides generally for restructuring of uneconomic farms, acquisition of build-up land, farm development and improvement, purchase of livestock, plant and equipment, and, in some cases, relocation of farming operations. The assistance available also indicates conversion to bulk-milk supply and general upgrading of dairies to bring them to economic standards.”

Honourable members should remember that most of these forms of assistance were included in the Dairy Adjustment Program Agreement Bill introduced last week. This agreement has to be ratified by this Parliament although it was signed last year. But this Bill carries the assistance further and says—

“In special circumstances, and where the Agricultural Bank is unable to assist, adjustment may be made to farm ownerships such as in the case of an uneconomic family partnership or to assist retirement of a member of a family (mainly the parent) where age or ill health is involved.”

When I said last week that the Dairy Adjustment Program Agreement Bill and this Bill were complementary and could have been brought on and passed together, I did not realise that this provision was included in this Bill. This Bill has gone a little further and included uneconomic family partnerships and assistance in the retirement of a member of a family. This is quite a good provision. We supported the legislation when it was originally introduced in 1972. This scheme was designed to help overcome major shortcomings of the Commonwealth Marginal Dairy Farms Reconstruction Scheme. It was introduced because the Commonwealth scheme did not include all the assistance that will be given under this Bill. The Minister said—

“The successful operations under the Commonwealth schemes with their very favourable grant and repayment terms, and unexpected repayment in full by a large number of purchasers of marginal dairy farms, have enabled the build-up of a substantial revolving fund for State-implemented-assistance schemes.”

That was a very good thing in that it allowed the State to carry on with this scheme without allocating too much loan money to it. Some of the \$5,000,000 that the Treasury allocated for this purpose was not needed for a while. A revolving fund was able to be built up and we had no trouble with money for a while. Of course, some farmers, because they were afraid of the future of the dairy industry, did not take advantage of the scheme. The Minister said further—

“However, as the restrictions imposed on Commonwealth lending would have precluded or limited assistance in some deserving cases, the Government approved that the State scheme continue to operate in conjunction.”

That was in conjunction with the Marginal Dairy Farms Reconstruction Scheme. The Minister mentioned interest rates and the grants that have been forthcoming from the Commonwealth and how they have assisted the Government's implementation of the Primary Producers' Assistance Act. The Minister has explained the whole set-up but

the thing that concerns me most is that this scheme is administered by his department. The Minister said further—

“The venture into the lending field for development, stock and other purposes became a necessary extension of that scheme when it was fully realised normal lending institutions were not prepared to assist except in some well-secured cases.”

But this was carried out by his department. In Western Australia the scheme is conducted by the Western Australian Rural and Industries Bank. I think we mentioned when this legislation was originally introduced in 1972 that the Act should be administered by our Agricultural Bank. It has the officers and the expertise to look after finance. It knows the situation of most farmers and where they can obtain money. It probably will be necessary to go to the Agricultural Bank and obtain details of the various farms that it is proposed to bring into the scheme, and I am opposed to putting additional Treasury officials in other departments when specialists in the Agricultural Bank should administer the scheme.

I am not saying that the Minister's department has not administered the scheme very soundly under the circumstances. However, in my opinion it should not have been given the job in the first place. As the scheme is now well under way, it is time to take it out of the Minister's hands. His department has enough to do in administering land matters without concerning itself with money matters that should come under the control of the Agricultural Bank. That bank was established to look into the affairs of the farming community—dairy farmers, agriculturists or whatever they may be—and advise them whether or not money can be obtained from other sources. That is the main point I wish to make.

**Mr. Frawley:** It is pretty weak. You need a few better ones than that.

**Mr. JENSEN:** I am not worried about the honourable member's opinion, which counts for nothing in this Chamber. I believe that the Government is sending him overseas. It is hoping that the Japanese will drop him into one of the cesspools over there. I know that it hopes to get rid of him.

The Opposition appreciates the action taken by the Government to assist and upgrade the dairy industry. It was the policy of the Government at that time, as the honourable member for Bulimba said, that people should get big or get out. It provided finance for reconstruction and to enable people to buy out neighbouring farms; it also assisted people to go into other industries. That was done in the correct way. The only problem, as I see it, is that money matters have not been handled by the right authorities. When they are available in this State, why not use them?

**Mr. CORY** (Warwick) (4.37 p.m.): I support the proposed amendments introduced by the Minister. However, before going any further, I wish to answer the comment of the honourable member for Bundaberg that this exercise should be under the control of the Agricultural Bank.

Possibly there is no great harm in the suggestion made by the honourable member. In my opinion, this is a special problem and a job for specialists, and I do not think it really matters under whose control it comes. Whether it is under the control of the Agricultural Bank or some other department, the officers dealing with it must have made a close study of the subject and must have virtually complete control of the exercise.

**Mr. Jensen:** Do you agree with me that if a man wants money for 20 years, the bank can see that the money is repaid by him? It controls the money.

**Mr. CORY:** The problem is that if the scheme is tied as closely to the Agricultural Bank as the honourable member suggests, there will not be the desired flexibility in the use of the funds that are made available specifically for the purpose. It is not Agricultural Bank money; it is money made available by the Commonwealth and State Governments specifically for this purpose. If it is made available through the Agricultural Bank, it will be tied to the Agricultural Bank formula. The amount has already been increased from \$20,000 to \$30,000 and then to \$40,000. The Bill makes clear that the amount is flexible and it could well be increased. If it were tied to the Agricultural Bank, it would be restricted to \$40,000.

**Mr. Jensen:** What you are saying is that Treasury officials should be put into every other department to act as money lenders?

**Mr. CORY:** The honourable member knows as well as I do that it is not a question of putting Treasury officials into any departments. It is simply a matter of having wise men to administer the use of a certain amount of money for a specific purpose.

I wish to refer particularly to some of the provisions that are being included in the Bill to overcome shortcomings in the existing scheme. The scheme has been improved progressively to overcome shortcomings; the proposed provisions will continue that improvement. The State has demonstrated its ability to come up with schemes that the industry needed. It has been prepared progressively to amend them in accordance with the requirements of the industry.

We have to watch one thing. In his introduction the Minister said that eligibility for assistance is subject to finance not being available upon reasonable terms. The phrase "reasonable terms" is something we have to

watch in this time of high interest rates. We do not want the anomaly of money being available at current bank interest rates when many persons are not wanting to borrow at those high interest rates because it makes their situation non-viable. They might be prepared to borrow at lower interest rates. The Rural Reconstruction Board has proved that.

The flexibility of the Rural Reconstruction Board with interest rates is proving the acceptance of the principle that the adjustment of interest rates can make all the difference between viability and non-viability. We do not want the situation occurring where the prudent operator is precluded from getting this type of finance because he happens to be able to obtain high interest money from other sources. It may be that he does not really require this type of finance. The rate of interest in itself is enough to make or break many people.

"Reasonable terms" is a phrase we have to look at in a reasonable and flexible way. If a person is eliminated because a bank is prepared to extend finance to him, then we have a problem. Anybody who is a prudent operator can usually get money from a bank. If we eliminate that person completely from this type of assistance, much of the assistance to the industry will be lost.

I come to what I believe to be the most important improvement in the Act, namely, the adjustment to farm ownership. I referred to that matter briefly the other day. The big problem has been that a son was not able to buy from his father when it was quite obvious that it was proper for the farmer to pull out for health or other good reasons. A neighbour could buy the farm, but the son who had worked on the farm all his life, and wanted to remain there for the rest of his life, was debarred the right to this type of finance to buy his father out. Because of the formula one had to be a landholder to share in the scheme. We cannot really criticise why this was laid down. Time has proved the existence of such problems, and it is good that they are being ironed out now.

The basis of the original scheme was to help the man in the industry who had a problem. The initial purpose was to help somebody in the industry with a problem—not to help somebody into the problem, but to help somebody out of the problem. We have got past that now. We have got past the stage of trying to help a person out of the industry. The scheme is now designed to help the person in the industry to make a greater success of it. It is very good to see that it will now be possible for this type of finance to be made available to a son who wants to carry on the family property and remain in the industry.

While we do not have Commonwealth co-operation and assistance, it is obvious that there is going to be a limitation of funds. I do not think this matters with the type of

formula we have. We should strive to have the scheme that we want. Whether we have enough money to make it work in toto right from the start does not matter, although that is what we want. But it is important that we have the right scheme and that the moment the Commonwealth Government comes back into it we have the scheme under way so that the finance can be distributed immediately. The fact that we are making a success of it in our own small way will prove to the Commonwealth that it is a workable, correct and proper scheme. This has already been shown in earlier schemes.

As to the code of practice requirements—this is a new phrase to me, but I suspect it refers to the money that is to be spent on the upgrading of facilities in factories and so on to meet health and other requirements. If so, this is fair enough. We realise that, if our products are to be accepted on export markets, our facilities must be upgraded. However, the administrators of the scheme must ensure that our academic advisers do not get carried away and impose on factories requisitions that might be considered at the time to be popular or academically sensible but are really a waste of money and time. Many factories have such requisitions imposed upon them—whether the tiles should extend up a wall to a height of 3 ft., 4 ft. or 10 ft. We hear a great deal of rubbish about this type of thing.

We all realise that, like a dairy or a meat-works, a factory is not clean unless the people who look after it and maintain it keep it clean. No matter how much expense we commit a factory to, if it is not well run and properly maintained by interested people, it will not be in a clean condition. Money must not be spent foolishly. People who are prepared to keep their installations clean and properly maintained should not have to incur debts merely to meet what I would term popular health requirements. We must ensure that factories are not compelled to make improvements that, in 10 or 12 years' time, might have to be demolished or dismantled.

I turn now to the repeal of the statutory limit. This provision is a good one. In this day and age, with high costs of land, how can we have a statutory limit? No matter what sum is required to purchase land or improve facilities to make a property a going concern, it should be made available. It is wrong to impose a limit. If a farmer is faced with having to turn to other sources for finance by way of second or third mortgages, he becomes tied up in all sorts of difficulties. I am sure that, if any honourable member had sufficient finance to be able to make some available by way of loan, he would do so only on a first mortgage. If we impose a limit, we will force a large number of people to obtain inferior-type finance instead of that offered by strong and solid lending institutions.

Finally, I commend the Minister on the introduction of these amendments. It is vital that we keep our dairying industry up to date. Other States such as Victoria are breathing down our neck, claiming weird and wonderful things about their production costs and so on. They claim they could supply all the butter and cheese that Queensland wants. Whether or not that is so, we must ensure that they are not allowed to do so. Our industry is able to compete against them, and we have an advantage in that the Queensland industry can maintain many of our farming areas in a sound economic state.

**Mr. ELLIOTT** (Cunningham) (4.50 p.m.): It gives me great pleasure to support the Minister's introduction of this measure to amend the Primary Producers' Assistance Act. This area of rural reconstruction is probably the most successful of all.

I commend Mr. George Parker of the Minister's department for the part he played in helping many people in my area. We have all got to know George well and to respect him. He knows what he is talking about; he does not muck about or procrastinate. He either tells us we can do something or we cannot, which is very important.

This scheme has been good for many reasons. A few days ago the honourable member for Bundaberg suggested that our policy was to tell people to get big or get out. That is not so. There is a big difference between assisting older farmers and those who do not wish to continue in the industry to get out (and at the same time increasing the size of smaller farms) and pushing policies that are directly instrumental in forcing out smaller farmers, which is what many of the Whitlam Government's policies were designed to do.

I support the principle embodied in the Primary Producers' Assistance Act which has enabled many farmers on subsistence farms to buy out neighbouring farmers, some of whom ran their properties as hobby farms. In buying these properties many farmers were able to get a viable unit. This has assisted the industry greatly.

The Bill enables dairy factories to gain finance at 7½ per cent interest when they cannot get it from other sources. This is a good principle which will encourage further efficiency in the industry. At all times we must strive for greater efficiency in our rural industries just as we must in other industries. Where possible the industry must stand on its feet but, when it is necessary for the Government to assist, provided the assistance further increases efficiency and productivity, we must be prepared to act. Provision is made for extending the repayment time from 20 to 25 years. In rare cases the extension of time could be of assistance.

The honourable member for Bundaberg suggested that administration of this Act should be taken over by the Agricultural Bank. That is not necessary. It has been

well administered by members of the Minister's department who know the dairying industry well and understand land use.

**Mr. JENSEN:** I rise to a point of order. I did not say that the Act should be taken over. I said that the control of the money should be taken over by the Agricultural Bank—nothing else.

**The TEMPORARY CHAIRMAN** (Mr. Miller): Order! Is the honourable member asking for a withdrawal?

**Mr. Jensen:** I would just like to put him straight.

**The TEMPORARY CHAIRMAN:** There is no point of order.

**Mr. ELLIOTT:** Possibly I misunderstood the honourable member. It is very important that this Act should be administered by the Lands Department because officers of the department understand land utilisation as well as the finance that is necessary. Both matters are interrelated. The department should retain control. It is very important to have people who understand the whole situation.

I feel very strongly about the provision whereby sons can in part buy out their fathers. I shall produce some statistics to show the age of farmers in the dairy industry. If the present trend is to continue, eventually we will have very old people in the dairy industry, which is not at all desirable. Let us get younger people into the industry. In my opinion this Bill will at least help to do that.

At present we have the situation where the son works on the family farm and the father is prepared to get out; he goes to a trading bank or the Agricultural Bank, who say, "We are very sorry. We would like to help you but you do not have sufficient equity. We do not believe that it is a viable proposition to lend you this money to build a house in town", or something like that. This Bill will allow money to be lent to these young people who are interested and vitally concerned that the industry should continue. They are prepared to put in the hours required to run a dairy farm satisfactorily, and today not too many people are.

Many people have a mistaken concept of dairy farming. The work does not start and finish with milking the cows in the morning and in the afternoon. Many dairy farmers get out of bed at 3 or 4 a.m. and milk the cows. They then work the country and do everything else necessary, and then milk the cows again in the evening.

**Mr. Jensen:** We had to cut the chaff first.

**Mr. ELLIOTT:** That is right. The honourable member for Bundaberg is an old dairy cocky from way back and he knows all about it.

In all seriousness, this is a very good provision. It will afford many young people an opportunity to return to the dairy industry.

Quite a few of them have left it because they have not been able to get finance. I know a couple of young men in my area who will probably take advantage of this proposal as soon as the Bill goes through. They are doing manual work on the railways or welding in an engineering works purely and simply because they could not get the finance to buy out their fathers.

If we can lower the age of dairy farmers—which at the moment averages approximately 48 years—and get younger men into the industry we will, hopefully, get newer and more progressive ideas. I believe that this is a very commendable part of the Bill, which I support.

**Hon. K. B. TOMKINS** (Roma—Minister for Lands, Forestry, National Parks and Wildlife Service) (4.58 p.m.), in reply: I thank the honourable members for Bundaberg, Warwick and Cunningham for their contributions to the debate. They have indicated that the scheme that has been drawn up by our Government has been very well received on both sides of the Chamber. I thank those honourable members for their reaction to the Bill.

This scheme takes the place of the Commonwealth scheme which was terminated on 1 September last. The new scheme is intended to continue the scheme and the figures I read out indicated the extent to which assistance has been forthcoming from the State. Each honourable member made the point that it is cheap money and it is necessary that it be cheap money so that this industry can be kept going.

I was very interested in the comments of the honourable members for Warwick and Cunningham on enabling a son to be financed into the dairy industry. It is obvious that there should be a means of getting sons into the industry. It was interesting for me to discover that this cannot be done under the Rural Reconstruction Scheme, which is something we must look at. I know of many cases where a father is hard pressed financially and would like his son to take over, but it cannot be done under the Rural Reconstruction Scheme. That scheme provides for the father to be kept viable in the hope that the wool industry or the cattle industry will pick up. Under the scheme to be introduced, it will be possible for a son to come into the industry and let his father go out. That point was well made by those two honourable members. It is one very good point about this scheme.

The honourable member for Bundaberg raised the question of the Agricultural Bank doing this job. I think it has to be realised that the scheme is similar to the Rural Reconstruction Scheme. These schemes are based on land because they concern land mortgages, and in the present scheme both departments are involved. Dr. Alexander and his staff have worked closely with Mr. Parker. There has been tremendous co-operation in

this field. The honourable member said that I provided plenty of information. My officers should be thanked for that because they went into the matter in great detail.

The scheme has worked well. I can foresee the day when the Rural Reconstruction Scheme and this scheme will be amalgamated. The principles underlying both schemes are so similar that I can see little need to continue to keep them apart. That, however, remains a matter of Government policy. I know the obvious support of the new Federal Government for people on the land, so I look forward to a new scheme coming up in due course. I am one of those who will be disappointed if a new scheme is not forthcoming. It is necessary for the industry to be assisted and kept in operation by way of aid to farmers and factories. We have also to negotiate on the continuation of the Rural Reconstruction Scheme.

**Mr. Jensen:** Don't you think Anthony and Fraser might want to wipe you out and support the Victorian dairying industry?

**Mr. TOMKINS:** No. Our leaders have plenty of breadth of vision; they do not have small-mindedness in their make-up. I am sure that the honourable member for Bundaberg is quite wrong in what he suggests.

I thank honourable members for their contributions and I commend the Bill to the Committee.

Motion (Mr. Tomkins) agreed to.

Resolution reported.

#### FIRST READING

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

### CLEAN WATERS ACT AMENDMENT BILL

#### INITIATION IN COMMITTEE

(The Chairman of Committees, Mr. W. D. Hewitt, Chatsworth, in the chair)

**Hon. R. J. HINZE** (South Coast—Minister for Local Government and Main Roads) (5.4 p.m.): I move—

“That a Bill be introduced to amend the Clean Waters Act 1971 in certain particulars.”

This Bill is a very simple and straight-forward measure which aims primarily at tidying up administrative aspects of the Clean Waters Act, clarifying and strengthening some provisions and broadly making the legislation more workable.

The existing provisions specify \$2,000 as the maximum fee that can be imposed under the Act in respect of granting, renewing and transferring licences covering the discharge into streams of waste from any premises. Under this Bill, this maximum fee will double to \$4,000.

Honourable members will appreciate that in times of rapid inflation—as we have experienced in recent years—it is necessary to revise fees from time to time to keep them in line with current costs, and this is presently being done with fees prescribed under the Clean Waters Act. To enable new licence fee levels to be prescribed, it is necessary to increase the statutory maximum fee. The present maximum fee of \$2,000 was fixed in 1971, and having regard to the changes in the value of money since then it is felt that the proposed increased maximum fee (\$4,000 under this Bill) is completely justified.

In the over-all context of inflation effects and costs of administering the Act and carrying out water pollution control measures, any increases in fees resulting from this amendment certainly could not be regarded as a means of substantially increasing the Government's return from industry, or making the Act a money-spinner. Licence fees currently return only a few very small percentage—in fact about 16 per cent—of costs to the Government in this area, and clearly it would be impracticable for them to be increased to the extent that they cover all costs. This certainly is not the intention of the amendment, as I believe will be realised by all members.

It has been said by some of our critics, in this Chamber and outside of it, that the Government's licensing of pollutant industries amounts to giving industries a licence to pollute.

**Mr. Burns:** Hear, hear!

**Mr. HINZE:** The Leader of the Opposition is saying, “Hear, hear!”, but we will hear some more from him later on obviously. I would strongly reject this line of thinking and would suggest that those who think that way take a closer look at legislation and Government reports and activities in this regard. The licensing of industries, in fact, gives the Government (through the Water Quality Council) greater control over the discharge of industrial waste through conditions that it is able to impose on licensing. The discharge of waste—whether it be by streams, irrigation, burning, or other means of disposal—is an industrial fact of life. We can't simply wave a wand and get rid of it. Licensing gives us the opportunity to impose conditions on how the waste should be disposed of to the least injurious effect and to make sure that the conditions are observed.

A further provision of the Bill tidies up a present anomaly in the Act to provide special penalties for major water pollution offences. The amendment clarifies that, where a second or subsequent continuing offence is committed, a further penalty not exceeding \$2,000 a day can be imposed for each day that the offence continues. No new principle is contained in the amendment.

I would like to restress, at this point, the Government's policy of consultation and co-operation with industries on pollution

control rather than confrontation. It is not my intention as Minister (or the Government's intention) to see industries fined out of existence. In our consultation and co-operation policy, industries for the most part have responded sensibly to overcome potentially serious problems and confrontation. However, I should make it clear that those industries which fail to respond to overtures to do the right thing can be assured that the full weight of the respective legislation will be applied by me as Minister and by the Government. From there on, it's up to the courts.

On the water pollution control side, I feel I should point out that additional staff have been taken on this year, and more will be taken on next year. Approval has been given for setting up a five-member water pollution control unit at Townsville, and accommodation is now under negotiation. I am hopeful that the unit will begin operating, throughout the northern areas of the State, later this year. A new specially designed and equipped vessel has been added to the council's growing fleet based in the metropolitan area, and this vessel will be used to extend and speed up the department's monitoring and sampling of water pollution in South-east Queensland streams, north to the Wide Bay region.

I commend the Bill to the Committee.

**Mr. BURNS:** (Lytton—Leader of the Opposition) (5.10 p.m.): I am pleased to see that the Minister is again attempting to do something to overcome the problems arising from the pollution of the waters of this State.

Unfortunately, the Government has a very poor record in pollution control. As did many other Acts, the Act that it is now proposed to amend came into being as a result of recommendations that one of the Minister's predecessors, Mr. Rae, admitted had been drafted by a working committee as part of the suggested Anti-Pollution (Watercourse) Regulations in 1959. As I understand it, no-one has been prosecuted for the pollution of a watercourse in this State—not one person—so it is clear that the policy of the Government to increase penalties is only window-dressing. It might as well make the penalty \$400,000 if it is not going to prosecute anyone or is never going to gather evidence that will enable it to gain a conviction. The Government's policy does not mean a thing; in fact, it is a pathetic attempt to convince the public that something is being done about the environment.

**Mr. HINZE:** You have always hated the industrialists, haven't you? Of course you have!

**Mr. BURNS:** It is a cheap publicity stunt. As to hating industrialists—anyone who knows anything about the environment and has studied environmental protection would know that, just as the States are prepared

to get together on many issues, they should do something about common laws on industrial pollution. I suggest to the Minister that the Government's record in the enforcement of this legislation is very poor.

If one looks at what other States are doing to enforce their legislation and protect people who live along streams, people who pay for their homes and their property and invest in the area, one will discover that the record of the Queensland Government is past a joke. For example, I have a list of eight prosecutions in New South Wales in 1975. Comalco Products was prosecuted under section 16 for a breach of the Clean Waters Act and was fined \$1,000 in 1975. The Sunbeam Corporation was fined \$3,000 for polluting Cooks River in 1975, in another prosecution under the Clean Waters Act. Colgate-Palmolive was prosecuted under the Clean Waters Act and fined \$1,000 for polluting a drain. Petroleum and Chemicals Corporation was fined for oil pollution in the Parramatta River.

I invite the Minister to give me a similar list for Queensland. I will show him polluter after polluter who has been licensed under the Act and regulations without any concern being shown by the Government and without any possibility of prosecution. You and I know, Mr. Hewitt, that over the years these people have decided to pollute rivers and streams on Friday nights and week-ends when no inspectors are available. There is no chance of catching them. If anyone wishes to ring up, no after-hours numbers are available and there is no chance of reporting them outside working hours. They know that if they pour sulphuric acid into Bulimba Creek on Friday night or pour material from some of the polluting industries into the creek on Saturday or Sunday, the tide will come in and out over the week-end and by Monday morning, when the inspector turns up at the scene at 8.30 or 9 o'clock, after he starts work, the results of the polluters work have disappeared and nothing can be done.

It is all very well to talk about the judiciary, but we must also talk about the problem of not having inspectors to go out and catch the people concerned and produce evidence to put before the court. Although the Minister blames the courts for refusing to find in the department's favour, the fact is that the Government is negligent in not providing sufficient staff and not making them available to the public during the evening and at week-ends.

In my electorate, as the Minister knows—I have been fortunate enough to have the Minister there on a couple of occasions, and I thank him for coming—there is considerable concern about the effects of water pollution. People have been complaining about some creeks since the 1950s; they are still complaining about them because the pollution is continuing in those areas.

One of the matters that the Minister and I have discussed with people involved in polluting industries in the area is the installation of industrial sewerage. I wonder why provision is not being made in the proposed Bill for the State Government to come to the party and provide sufficient funds to build industrial sewers so that material which is not acceptable in the Brisbane Council's sewerage system can be broken down in industrial sewers in an area in which there are many polluting plants and, having been broken down, can then be pumped into the sewerage system and taken away from the area and down to Pinkenba and out to sea.

It is the Government's responsibility to begin looking at the provision of some form of disposal other than disposal straight into the stream. For years Bulimba Creek has been used as an industrial sewer. It has been used as a place in which people can dump their rubbish. Industries have established there and decided to use the stream as a place in which to get rid of the muck out of their factories. If I tipped rubbish from my home into the public thoroughfares in the area in which I live, I would be prosecuted. Polluters tip muck from their industries into the waterways of my area, which are also public thoroughfares, but they are not prosecuted.

**Mr. Lowes:** The honourable member for Archerfield wasn't prosecuted.

**Mr. BURNS:** I don't know whether the honourable member for Archerfield has ever been caught. Because of some of the rubbish the honourable member for Brisbane tips out in this area, he ought to be prosecuted. Because of some of the rubbish he spoke today he should be up not only for air pollution but for littering the Chamber.

I do not know that increasing penalties is of any value at all when the Act is not enforced. If the penalties are not enforced, the Act may as well not exist. It is merely on the Statute Book; it is not real law, merely paper law. People outside of this Chamber do not believe that the Clean Waters Act is going to do anything to clean up Bulimba Creek or the Brisbane River. We have called upon the industries in the area to co-operate with the Minister and his department. What they have done has been done through a spirit of co-operation because they know they have been getting away with murder over the years. They accept the fact that they have to co-operate with local residents to do something about the district's pollution. What they have done has not been the result of any threats under the Act. The Minister's officers will not tell me the readings from drains and pipes discharging into the river.

If a person is driving along a waterway and he sees a pipe or a drain which is polluting that waterway, he might want to know what sort of pollution is being discharged. He might want to know whether

the industry in the vicinity has a permit to pollute. That is what the permit amounts to. Now we are going to say to an industry, "It used to cost you \$2,000 to pollute the waterways. Now it will cost you \$4,000." If I ring up because I want to know what the readings are or whether an industry has a permit to pollute, what happens? The previous Minister would not even tell me the names of companies that had permits from the Government to pollute the waterways. Maybe this Minister has had a change of mind. If he has, he ought to publish each year a list of all firms that have a permit to pollute, giving details of what they are allowed to discharge into streams.

The Minister talks about increasing the fines and enforcement of legislation. I have a list of Acts here including the Fisheries Act, the Gas Act, the Harbours Act, the Mining Act, the Petroleum (Submerged Lands) Act, the Pollution of Waters by Oil Act, the Queensland Marine Act, the Metropolitan Water Supply and Sewerage Act, the Irrigation Act, the Water Act and the Health Act, all of which have sections that can be used against polluters of the waters of the State. In the years since those Acts were introduced we would be flat out finding 20 persons who have been prosecuted or even brought before any board or tribunal to show cause why they should not be dealt with. The Government ignored all this existing legislation and now refuses to enforce penalties in new legislation it brings forward.

For at least 50 years the pollution provisions of the Water Act have been as dead as the Dead Sea. Those provisions might just as well have never existed for all the good they are doing towards providing clean waters in this State. In 1972 "The Sunday Mail" reported—

"The present penalties make it cheaper for some to pay the fine than do anything about the pollution problem."

It is a joke. The Minister tells industries in my area that they have to pay \$500,000, \$300,000 or \$200,000 to institute pollution control measures, but at the same time he says to them, "If you apply to us, for \$4,000 you can have a permit to discharge that pollutant into the stream." There is no provision in the Act for the Minister to demand that each time a polluter asks for a new permit the permit should be upgraded so that the polluter is permitted to discharge a smaller quantity of polluted material. In other words the Minister says, "Pour this material in and pay us \$4,000 and it is all right." I don't think it is all right. The Act should contain a provision requiring an upgrading of the discharge into the creek each time a new permit is issued.

Let us look at it on a town-planning basis. Is it reasonable to look at premises one after the other and say to each in turn, "You can have the right to discharge", and, "You can not have the right to discharge"? I am not sure that, before issuing permits, we

do enough monitoring of the creeks to which the material is added. Bulimba Creek is like a big rotten pot of soup. We do not know what is in there. We have no idea what the body of that water is made up of. Extra discharge is continually being added here and there. Permits to discharge are given to half a dozen industries along the creek. Some establishments along Bulimba Creek are exempted from the provisions of the Clean Waters Act.

Under section 10A of the Health Act exemption is given to Australian Paper Manufacturers Ltd. to discharge into the North Pine River at Petrie, to Nestle Foods into the Mary River at Gympie and to Parson and Lewis into Aquarium Passage at Hemmant. Furthermore, the Commonwealth Aluminium Corporation Pty. Ltd. Agreement Act expressly exempts the company from the provisions of this Act, and similar exemptions are given by the Alcan Queensland Ltd. Act, the Thiess-Peabody-Mitsui Coal Pty. Ltd. Agreement Act, the Central Queensland Coal Associates Agreement Act and the Greenvale Agreement Act. Why should these companies be granted exemption from the provisions that affect each and every one of us? Why shouldn't they be made to abide by the laws just as each and every one of us has to? Why should they be treated any differently from the man who wants to establish a factory on the banks of the Brisbane River or on the banks of the Nerang River? Why should those companies be excluded from the provisions of the Act? I cannot understand why they are exempted; nor can I understand why the fees laid down favour the larger companies.

Section 30 of the Act sets out certain fees to be paid by polluters applying for permits, and the fees are now up to \$4,000 per permit. However, polluters who require more than one permit pay only the total fee of \$4,000. Presumably the larger corporations with a large number of branch factories and discharges into rivers and creeks are charged a lesser amount to pollute our waters. Is that reasonable? If the fee for one discharge into a creek is \$2,000 and a factory wishes to have 10 outlets into the creek, why shouldn't it be made to pay \$20,000? Why is the fee for a dozen discharges the same as that for one discharge?

The Act has been in force for long enough to enable the Government to show the people of Brisbane and of Queensland that it is doing something to force compliance with the Act by those people who up till now have not complied with it. The Government should force them to comply, if necessary, step by step. As far as I am concerned the fees can be increased to \$50,000, because I do not believe that anyone should be allowed to pollute our waterways. Instead of charging fees, we should tell companies, "We will give you three or four years to comply with the Act. If you can show you're fair dinkum in your efforts it will cost nothing."

**Mr. Hinze:** Why don't you name someone who hasn't complied with the Act?

**Mr. BURNS:** I don't think that is my job.

**Mr. Hinze:** Why not?

**Mr. BURNS:** Because, first up, the Minister won't tell me whether certain people have a permit under the Act to discharge into waterways and, secondly, he won't tell me what levels they are allowed to discharge when granted a permit. I could name some people who discharge into the creek in my electorate, but I don't want to do that. The Minister has stood with me on the banks of the creek and seen it turn black before his eyes. Does he think that it is a fair go? He knows that the creek has been polluted by the emptying of the ponding area in which he was standing. The Minister in his reply can name these people himself, as is his responsibility. In fact, he should be prosecuting people well known to him.

**Mr. Hinze:** You won't name them.

**Mr. BURNS:** I don't want to name them.

**Mr. Hinze:** Then what are you talking about?

**Mr. BURNS:** I am asking the Minister to enforce the Act. I am asking him to do something about cleaning up our rivers and streams. I should not be called upon to act as prosecutor against a particular firm. I could name a dozen such firms, but naming won't help. I know that the other Minister on the Bench is aware of pollution of a creek in my electorate; he is involved in one of the companies. But I won't mention his name.

**Mr. Wright:** Is he a short fellow?

**Mr. BURNS:** I won't say that at all.

There is a discrepancy in the type of fines that are imposed. If a polluter forges a permit or supplies false information regarding pollution when applying for a licence, the fine is \$400 or \$40 a day, whereas if he fails to comply with the Act he can be fined up to \$10,000 or \$1,000 a day. What a remarkable thing! If a person decides to break the law by forging a permit and pretending that it is O.K. to discharge into a creek, it is cheaper to do so than to say, "I am not going to comply with the law. I will discharge it anyway." If decisions of that type are going to be made, they ought to be made in such a way as to make it quite clear that a person will be fined if he pollutes the creek, and that's that. It should be made quite clear that permits are not given to pollute a creek and that the rules applying to forgery of permits and to polluting a creek will bring the same penalty.

I am worried that, because we decided years ago that the meatworks should be at the mouth of the river, and because the tanneries, the fertilizer plants, the bacon factories and other plants came there, Bulimba Creek seems to be accepted as a

polluted area. It seems that we say that the people there should put up with it. The people in the new residential areas of Tingalpa are sick to death of the smells from Bulimba Creek. They know that for years the tannery and Provincial Traders Pty. Ltd. poured pollution into the creek and that the bacon factories used their ponding areas to pour pollution into the creek. They know that, over the years, the area has been used as a sewer and that their \$30,000 to \$40,000 homes have been so polluted that they cannot go out into the back yard on a Sunday afternoon for a barbecue, because they are not too sure whether the industries will decide at that time to discharge material into the creek, or empty their ponding areas.

The smell in the area is something beyond description; it is a foul, rotten odour that makes people sick. Kiddies have been sick at school and doctors have told parents to get their children out of the area, to sell their homes and move elsewhere. Major industrial concerns associated with the port and harbour industries will now move to the area. Unless the Act is enforced by the Government, unless it shows that it is determined to honour some of its public relations exercises by going a little bit further than waving the flag or increasing the penalties, no improvements will be effected. As I said, if no one is fined, the size of the penalty is no deterrent. It could be any figure the Government chooses to pluck from the air.

The Minister says that he wants co-operation. I agree that that is the best approach. If the Minister can get industries to co-operate and accept that they have to do something about cleaning up the stream by no longer discharging pollution, that will be acceptable to the locals. We don't want a policy of prosecutions only, which would cause industries to close. But the Act has been with us since 1972. We have given industries a long time to act. We started to form the legislation in 1959, and for 40 years we have had other Acts that could have been implemented.

Before the Clean Waters Act was written we had a long list of Acts covering pollution in the city. Why is the Government now in the situation in which it can say, "We have not dealt with anybody; we have not prosecuted anybody for polluting our waterways, and we are surprised that we still find that they are polluted." The discharges are just as bad as ever. Oxley and Bulimba Creeks are just as bad as ever and many other creeks are in the same condition. Why is this so? Because over the years we have had many Acts with penalties that could have been imposed on offenders, but nothing has ever been done. There is no real incentive for some of the industries to cease polluting.

I can well understand why some industries decide that it is cheaper to spend \$4,000 on a permit than \$300,000 on equipment. I

can well understand why it is cheaper to say to an employee, "Empty that tank out Friday night; we will pay you a couple of dollars overtime so that you can discharge it into the river. We know that all the fish upstream will die as a result of the discharge, but it is cheaper for us to do that. We will suffer the consequences if we get caught but we know that there is no inspector around to catch us. We know that if it comes to that the Minister will probably be half-hearted about launching a prosecution and we have a 99.9 per cent chance of getting away with it." So they do it and they will continue to do it until the Government shows some interest in supplying us with a group of people we can complain to when pollution occurs.

If the police can have Murphy's marauders to chase drunken drivers around the city, why can't we have Hinze's hounds to run around our polluted streams to do something about cleaning them up? Why can't we have a team available for the next six months in Brisbane. Let us pay a bit of overtime. When we get a complaint about air or water pollution in a particular area, let the complaint go to them so that they can go down and get the evidence. In those circumstances the Government would have the evidence and would not have to complain about the judiciary not handling the case properly.

I can bring forward 20 to 30 people at a time to give evidence to back up the evidence of the experts. We will show some of the polluters that it is no longer a joke or a public relations exercise; that the Minister is intent on doing something to ensure that the places where I learned to swim in the river—the area where I worked the scissors for prawns on the sand at Colmslie—are cleaned up for the children of today. Brisbane residents should not have to go to the Gold Coast to learn to swim in salt water. If a person wants to get rid of his child or the Minister wants to get rid of the lad who drives his trotters, he should throw him into the Brisbane River.

(Time expired.)

**Mr. CASEY** (Mackay) (5.30 p.m.): In introducing the Bill, the Minister said that he desired to clean up some of the administrative problems of the Clean Waters Act in Queensland. A very large problem in Queensland is the staff strength of the Water Quality Council. Again this afternoon he said that he will increase the staff to provide better administration not only in Brisbane but throughout the State. He mentioned also that approval has been given to set up an office in Townsville and that he hoped to appoint five officers of his department to that office.

I am very disturbed at that statement because almost 12 months ago, in a letter following my raising this matter with him, he said, almost at that very time, that he was ready to establish a branch of the Water

Quality Council in Townsville and that all he was waiting for was office accommodation. Now, 12 months later, he says exactly the same thing—that he is waiting for office accommodation. I am quite sure that the honourable member for Townsville West could name a number of areas in Townsville where that staff could be satisfactorily accommodated and could have been over the past 12 months. I think that both the Minister and the department are stalling in pushing forward with this measure. It is simply not good enough to make the same point 12 months after originally indicating it to me.

I point out to the Committee also that some of the problems in North Queensland coastal streams are far worse than those mentioned by the Leader of the Opposition. As the Minister, along with every other honourable member, knows, one of the main polluters of Queensland streams down over the years has been the sugar industry. It has been endeavouring to act responsibly in this regard in recent years and I shall touch on that point later in my speech. None the less, more pollution problems are caused by that industry than by any other industry in Queensland—so much so that this fact has been recognised by the Minister in his negotiations with the sugar industry on when it should conform to the Act. At this point of time, I believe that it still has another four years to bring sugar-mill machinery into a condition that will conform to the Clean Waters Act.

**Mr. Hinze:** Who told you that? You speak with a forked tongue, Casey. You always have.

**Mr. CASEY:** This particular information is available in the Minister's departmental reports. They indicate clearly the particular point that I am making.

Previously I have asked the Minister, and I ask him again today, whether, under section 10 of the Act, there is provision for him to appoint inspectors and other officers not only from within the department but from within the Public Service to look at this problem. Throughout the length and breadth of Queensland there are a number of State Health Department inspectors—never mind about the local authority fellows—who are properly qualified to take water samples. And this is a very big problem. I believe that, in accordance with the Act, the Minister should give authority to State Health Department inspectors to act also as water quality inspectors throughout Queensland. This, indeed, would assist the administrative problem in his department that he comes here this evening claiming he wants to tidy up.

Earlier I mentioned that over a period of many years the sugar industry has been one of the worst polluters of streams in Queensland. Most people in the sugar industry have been making every effort to accept their responsibility to correct this problem. In particular, I give praise to the Sugar

Research Institute at Mackay. For the benefit of honourable members who do not know, I point out that that institute was set up by all of the sugar mills in Queensland to study milling problems. They have been working for a considerable number of years on the problem of effluent from mills. I know that they have had rather lengthy discussions over a period of time in an attempt to ensure not only the protection of their own industry but also the protection of the public from mill pollution. Officers have been sent all over the world by the Sugar Research Institute to see what is being done in other countries in an attempt to correct the problems that the industry creates.

But some segments of the industry are not really doing all that they could to overcome the problem. In fact, they are taking advantage of the further period of four years that has been given to the industry in which to comply completely with the provisions of the Act. One such organisation is the Australian National Power Alcohol distillery at Sarina, which is now a direct subsidiary of CSR Ltd. Sarina is one of the biggest problem areas in water pollution.

Some 12 months ago I asked the Minister a question concerning pollution at Sarina. It was quite clear from the aircraft while travelling to Brisbane that morning that there was major pollution of Plumtree Creek and Llewellyn Bay as a result of the activities of A.N.P.A. Certainly the Minister acted immediately. Through his department, an officer was put on the job. But who was he? He was a fisheries inspector from the Department of Harbours and Marine.

**Mr. Hinze:** How long is it since you were at Sarina?

**Mr. CASEY:** I will tell this story. The department sent out a fisheries inspector from the Department of Harbours and Marine. He would know all about fish but he would not know the first thing about taking water samples. He would not have any idea how to take a proper representative sample to determine whether water was or was not polluted. The fisheries inspector certainly sent samples of dead fish to Brisbane and from those samples it was ascertained that the fish died from pollution of the water. But it was impossible to ascertain the pollution level of the water from the gills of the dead fish. This could be determined only from a proper representative sample of the water.

At the time the Minister made his statement in May 1975, he made great play on the fact that A.N.P.A. would be required to show cause why it should not be prosecuted for polluting this water. What happened? The next announcement was made in August 1975, some three months later, when the Minister paid a visit to the area. He was met by officials of A.N.P.A. They took him to Sarina, showed him the area, wine and dined him for the day, then

put him back on the aircraft to return to Brisbane. He returned, after making a silly statement about the main road at the City Gate into the bargain. He put his foot right in it.

When he returned to Brisbane, the Minister made a statement in which he praised A.N.P.A. for the action that it had taken in relation to pollution. Yet the problem persists. On 29 February this year there was again pollution of the Plumtree Creek and Llewellyn Bay areas. I do not know whether this has been properly reported to the Minister's department. However, it did occur. I shall tell the Committee the simple reason. The fault lies with the method used. This is a spray-irrigation method over a large area of land. The wool was nicely pulled over the Minister's eyes because they took him there in August. Everyone in this Chamber knows that in August very little rain falls in North Queensland. August is the month with the lowest rainfall for the year, and usually it follows two or three months in which no rain has fallen. When there is severe rainfall, the irrigation method is still used instead of damming or other means by which water is settled and pollutants separate by sedimentation. A.N.P.A. is simply using a spray-irrigation system over a large area. From the air it is quite obvious what is happening because one can see large areas of vegetation that have been killed off by this method. The grass will not grow. There are hard clays underneath the top-soil, and anybody here who has had much to do with the land knows full well that the moisture saturation content of the top-soil goes down to only a certain level, and in the wet months of the year such as February and March—I last mentioned this point in March last year—when we get a certain amount of rainfall on this ground we immediately get leaching of the pollutants which are still undissolved in the soil. The bacteria has not properly broken down by this time and we get leaching. The water then flows back into the creeks and bays and again we get fish kill and other problems in the area.

That is what is happening. That is the way the wool was pulled over the Minister's eyes. When he looked at it in August last year it looked good and the same thing is occurring now. I might add that I tried to get an invitation to go down and have a look at the area with the Minister so I could point out a few of these problems to him.

**Mr. Hinze:** Why wouldn't they put you on the staff? A very intelligent chap like you should be working for A.N.P.A.

**Mr. CASEY:** I wouldn't be sold for a mug like the Minister was on a visit such as the one he made.

**Mr. Hinze:** Wouldn't have a brain in your head!

**THE CHAIRMAN:** Order!

**Mr. CASEY:** As I said before, in the Llewellyn Bay area one can see dead country and one can see the discoloration in the water. In certain areas inland when certain breezes are blowing, one can smell the pollution miles away. I think that we need people who are able to take these samples on the spot because, as I mentioned earlier, this is still going on. I mentioned an incident of pollution on 29 February, but it has even been reported to me—I am not certain of this because I was not able to check it out—that the company now has a boat so that it can go round and pick the dead fish out of the water before it becomes obvious to most people in the area, who are only laymen, that pollution is occurring. They complain only when they see the dead fish floating about. So with no qualified inspectors in the area I think it becomes a matter of urgency that the Minister set up a branch of the council in Townsville. It becomes a matter of the utmost urgency that he also gives authority to health inspectors who are properly qualified to take water samples to assist his department.

**Mr. Hinze** interjected.

**Mr. CASEY:** I am putting forward suggestions—not knocking something the Minister is doing—in an endeavour to assist him and his department to do a better job, and I think it behoves him to pay attention and listen to me because there is certainly merit in this idea.

I want to clarify what I mentioned before about the work of the Sugar Research Institute, and ask that those sugar mills which are currently not taking any notice of the suggestions put forward by the institute do so in future. There are some mills in Queensland which are virtually continuing practices carried out 60 years ago and running their effluent onto vacant ground if that is at all possible.

There are a couple of other little points about pollution to which I would like to draw the Minister's attention. At this stage we are discussing water pollution problems and the Clean Waters Act. I do not think that the problem I intend to mention in a moment is currently a problem in Queensland, but it is something which could occur in the future. Recently a jeweller in my home city drew my attention to the problem of the disposal of mercury cell batteries that are currently being used in watches. Many of us know that for some watches one can now get a mercury cell battery that will last for 12 months. Some countries have found that the disposal of these cells causes pollution problems. In fact, Japan has legislated that people wanting a replacement mercury cell battery for their watch cannot be issued with a new one unless they hand in the old one so that it can be disposed of properly. As I understand it, with heat generation if there is any

rupturing of the cell the mercury can escape. If these cells are simply thrown on ordinary rubbish tips, as most of us know—

**The CHAIRMAN:** Order! Shall we say "in the water" so we are relating to the Bill?

**Mr. CASEY:** If they are simply thrown onto rubbish tips, which in the main are situated on swampy, low-lying areas, the mercury is then carried by rain and other means into our streams and waterways and severe problems result. The matter is being considered in countries throughout the world. I think that a similar problem will arise in Queensland in the future. Therefore, it is important that it be brought to the notice of this Assembly now so that the legislation may be amended to provide for some control.

Another point that I wish to make—again it comes back to the Department of Local Government—is that there is a need for more research into and more insistence on better conditions at sewage treatment plants. In many areas in Queensland these plants are causing severe problems in the waters of the State, not only in inland streams but also in coastal tidal waters. I believe that almost every member in this Chamber would be aware that the local authority in his area is having problems with its sewage treatment works. Wildlife is being destroyed, and in some parts of the State mangrove areas are being badly affected. The problem must be studied more closely. I will not touch at this stage on the odour from treatment works. That comes under another Act that is to be amended later in the session.

**Mr. Hinze:** Are you going to the Irish Club tonight?

**Mr. CASEY:** Yes, and I will wear a bit of green.

**Mr. Hinze:** Well, hurry up and get it over.

**Mr. CASEY:** I will make the Minister turn green with envy before I have finished, if he wishes me to launch an attack on him.

**Mr. Hinze:** All you will do is talk till 6 o'clock.

**Mr. CASEY:** I could deal particularly with the way he sometimes behaves in this Chamber. It ill becomes a Minister of the Crown.

**Mr. Hinze:** You won't be game to be back here to listen to the reply.

**Mr. CASEY:** One certainly does not see such behaviour from the Minister for Primary Industries. He conducts himself with the dignity and decorum that distinguishes a son of Ireland.

**Mr. Hinze:** Come back at 7.15 and I will give you a bit of a touch. You haven't the guts to come and listen to what I say.

**The CHAIRMAN:** Order! I wish the Minister would not stretch our bonds of friendship so much.

**Mr. CASEY:** To back up a point made by the Leader of the Opposition, I wish to refer to the second annual report of the Water Quality Council of Queensland, which was published in 1974. It sets out the minimum desirable level of dissolved oxygen in water in Queensland and lists in the appendix the various concentrations. The lower level is 3 mg per litre, and only about 5½ to 6 per cent of the samples taken in Queensland show a dissolved oxygen concentration below that level, which is the minimum for a fish population. It is important to note that 30 per cent of the readings taken in the Bremer River were below that level, as were 30 per cent of those taken in Llewellyn Bay and Plumtree Creek, to which I referred earlier when dealing with A.N.P.A., and 40 per cent in Oxley Creek in Brisbane, and the highest was about 50 per cent in Bulimba Creek, to which the Leader of the Opposition referred.

The Minister's department has much more work to do in this field, and I have listed four big problems to which it could give much more attention in the future.

**Mr. ROW (Hinchinbrook) (5.49 p.m.):** I join in the debate with rather mixed feelings. Of course, I approve completely of legislation providing for anti-pollution measures in this State, and I am pleased to see that the Minister is now bringing forward further amendments that I believe are genuinely designed to increase the effectiveness of the existing legislation covering water and air pollution.

However, there are many factors of social and industrial significance involved in this question, and I believe that the State of Queensland has barely scratched the surface of these. I really believe that the criteria we have been obliged to use in the framing of our pollution legislation have been imported largely from overseas, based on the experience of industrialised nations which are far more advanced than Queensland or, indeed, Australia. We are under a disadvantage through not having sufficient local criteria to establish or determine what our standards should be.

Because of the run-off in streams on the east coast of Queensland under tropical rainfall conditions, I believe that the organic and mineral content of those streams from natural occurrences far exceeds the organic and mineral content of streams in those parts of the world from which we obtain much of our criteria. It is true that recirculated wastes and other industrial wastes are introduced into some of the major streams of the world, such as the Thames, the Hudson, the Danube and the Seine. Nevertheless, I feel that the amount of research this State has been able to carry out in streams in Queensland is far less than would positively establish what are reasonable

measures to be taken in our own local circumstances. For that reason I view the legislation with mixed feelings.

The Bill is designed to increase the penalties in the existing legislation. Perhaps monetary penalties cannot be regarded as anything more than a token. Perhaps the contemplated increase in penalties would be a disincentive for people to continue to pollute our streams when methods of preventing pollution are available. For that reason alone perhaps the increase in penalties might be justified.

I was surprised that the honourable member for Mackay singled out the sugar industry as one of the main polluters in the State.

**Mr. Hinze:** He always singles it out. He has two bob each way.

**Mr. ROW:** That is very obvious. I state unequivocally that the sugar industry has done more research into pollution control than any other industry in Australia.

**Mr. CASEY:** I rise to a point of order. The honourable member for Hinchinbrook is deliberately twisting the words I used. I find that the manner in which he is doing so—

**The CHAIRMAN:** Order! A point of order must be taken at once to be sustained. The honourable member is too late.

**Mr. ROW:** I do not think any apology is needed. If the honourable member for Mackay had waited until I finished—

**Mr. Wright:** What did you say before about him?

**Mr. ROW:** I said that he singled out the sugar industry, which rather surprised me.

**Mr. CASEY:** I rise to a point of order. The honourable member for Hinchinbrook has just alleged that I singled out the sugar industry as being one guilty of pollution.

**The CHAIRMAN:** Order! Does the honourable member deny the statement?

**Mr. CASEY:** I deny the statement and ask for its withdrawal.

**The CHAIRMAN:** Order! I ask the honourable member for Hinchinbrook to accept the denial of the honourable member for Mackay.

**Mr. ROW:** If any of my comments offended the honourable member for Mackay, I am quite happy to withdraw that reference.

I should like to single out the sugar industry as the industry which has spent millions of dollars on research into methods of combating pollution. The honourable member for Mackay mentioned one organisation in his area which has made quite a contribution to the sugar industry's research into pollution control. I acknowledge that it is a good organisation; but it is not the only one. Other organisations in the sugar industry have contributed just as much, if not more, to this research.

The honourable member's pet aversion seems to be the CSR Ltd. This is hard to understand, because the company has established at one of its mills, the Victoria Mill at Ingham, a pollution-control plant that has practically solved the problem of pollution of streams caused by the run-off from sugar mills. In the sugar manufacturing process a large volume of water is used and has to be disposed of. The activities of CSR Ltd. in this direction have resulted in the implementation of a system that could be converted into a completely closed-circuit system in which processing water could be returned and recirculated in the mill. I wonder whether the honourable member for Mackay is aware of this.

The sugar industry has controlled pollution to such an extent that its disposal of pollutants into streams is considered to be below the assimilable level of streams. This means that effluent from the sugar industry is cleaner than the water in the streams during the summer months. This is a fantastic achievement and one that should be duly acknowledged. All sections of the sugar industry, including the Sugar Research Institute, the Sugar Bureau and CSR Ltd., have achieved a major breakthrough in this field, and I wish that some other Queensland industries would follow their example.

**Mr. Casey:** You would agree that some mills are not making the positive effort that they could be?

**Mr. ROW:** I acknowledge the honourable member's interjection by saying that I hope the deterrent effect of the penalties outlined by the Minister will give all mills an incentive to embark upon the pollution-control measures that are available to them. I sincerely hope they will, and I hope that other industries will follow suit.

The technological advances made in pollution control in Queensland are outstanding, particularly in view of the short time that Queensland has had to carry out this work. Other nations have had hundreds of years in which to deal with pollution problems. Queensland is fast catching up.

No doubt the Minister has anticipated that sooner or later in my contribution to this debate I will turn devil's advocate. I do that now by referring to the continued pollution of the Herbert River by tin-mining industries in the Herberton and Mt. Garnet areas of North Queensland. The river is being polluted by colloidal clay effluent from tin-dredging operations. It has been allowed to continue for many years and is a public scandal. I cannot understand how successive Queensland Governments over many years have failed to control this pollution. I acknowledge that tin-mining on the Tableland is an important industry and that the people who rely on it for their livelihood are entitled to earn their living. However, as the sugar industry has carried out a great deal of research into combating its pollution

problem, I do not see why other industries, too, cannot pull their weight. In fact, I am sure the mining industry has dodged the issue for years.

I pay a tribute to Professor Richards and the James Cook University of North Queensland. Since my election to Parliament I have continually raised with the Mines Department and other departments the matter of pollution of the Herbert River by tin-mining sludge. With the co-operation of the Hinchinbrook Shire Council and the people in my electorate, I have been able to persuade the James Cook University, and particularly Professor Richards, that there was a wonderful opportunity to carry out research into the pollution of the Herbert River. Last year a fund was set up by the Hinchinbrook Shire Council to enable Professor Richards to embark upon such a project. At the end of 1975 his report on his findings was presented to the Hinchinbrook Shire Council and the Mines Department.

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

**Mr. ROW:** I was explaining the participation of the James Cook University—and Professor Richards in particular—in controlling the pollution of the Herbert River. I shall elaborate on the subject. A friend of mine who was interested in mining and prospecting obtained a licence to prospect in the Charters Towers area. He discovered a large deposit of gypsum which, as honourable members may know, is an alkaline chemical substance to be found at the bottom of old lake beds. I give full credit to this man, Mr. Joe Stein, of Ingham, and his partner, Mr. Donato. They brought some of this gypsum home and treated some of the water from the Herbert River which is polluted by colloidal clay, a substance from the mine ponds. They found that the gypsum was a perfect flocculent for clarifying this water. As a result of this small home experiment conducted by Mr. Stein and Mr. Donato, we interested Professor Richards in the project.

The Hinchinbrook Shire Council, and Mr. Shepherd, the editor of "The Herbert River Express" at Ingham, made a substantial contribution and gave considerable encouragement to this investigation. The James Cook University found that gypsum is a flocculent that will precipitate the colloidal clay in the waters of the Herbert River. The report given by Professor Richards was a positive, encouraging report. It was taken to the Mines Department and the Water Quality Council. I had high hopes that the matter would be pursued to the stage where it could be expected that the mining companies responsible for polluting the Herbert River would be prepared to co-operate and look into the possibility of using gypsum as a flocculent in their dredge ponds or at some other stage of production so that the pollution in the Herbert River could be eliminated or minimised. To this day I believe

that no such action has been taken. The mining companies have been advised of the effectiveness of this substance. To the best of my knowledge, the Mines Department and the Water Quality Council are stuck with the question and are unable to proceed with this matter.

I thought I should bring this matter to the attention of the Committee. It is ludicrous that, although we have legislation available to force the issue, no one is prepared to grasp the nettle. I believe it should be grasped. As this legislation is available, it is up to the Government to use it.

I must agree with earlier speakers that in some cases there appears to be a mysterious reluctance to take action. We are inconsistent in the application of the clean water legislation. We threaten people with fines and so on, yet we are prepared to allow an isolated industry to continue creating a public nuisance as if nothing was happening.

We created an ecological area or a national park on Hinchinbrook Channel, which includes the mouth of the Herbert River. For three or four months of the year that channel is nothing but a grey mass of colloidal clay. Anyone who flies over it, as I have on many occasions, would be sickened at the sight of it. It is claimed that it is an aesthetic problem; that the colloidal clay is not injurious to health, and so on. In my opinion, this is no answer to a serious breach of the pollution legislation of this State. I would expect more as a result of the Clean Waters Act. This sort of pollution should not be allowed to continue unabated. As far as I am concerned, it is a public scandal in my electorate, and I will not be satisfied until the Minister assures me that he will take action in this matter which will satisfy the requirements of my electorate.

**Mr. MARGINSON (Wolston) (7.21 p.m.):** In my maiden speech in this Parliament in October 1969, I raised the question of the pollution of our rivers and streams and dealt in great detail with that subject. I pleaded then that something be done by this Government to clean the streams, particularly of South-eastern Queensland. I was not aware of the northern aspect. However, I was very concerned about the Bremer River, which flows through the city of Ipswich.

On 8 December 1971 the then Minister for Local Government and Electricity—Mr. Rae, who is now Agent-General for Queensland—introduced the Act that is being amended tonight. On that day he told us how the Government was going to clean up this very bad problem of pollution of our rivers and streams. He told us that he and the Government were going to attack it. In fact, the day after he dealt with the introduction of this legislation, I remember quite vividly his taking a launch trip on the

Brisbane River and reporting to "The Courier-Mail" his disgust at the condition of the Brisbane River. He then said how he would clean the river up within a matter of three years.

**Mr. K. J. Hooper:** Hasn't he done so?

**Mr. MARGINSON:** He has not done so. The river is little better than it was in those days.

**An Honourable Member** interjected.

**Mr. MARGINSON:** I am more conversant with the Bremer River.

The Queensland Government is great at shadow-sparring and window-dressing on the subject of the environment. It does a lot of it. The previous speaker said it was ludicrous but the Government has not yet properly attacked the question of pollution in our State. That is true of water pollution. The Government is making little or no attempt to clean up the streams in our State. It has the Water Quality Council. A recent statement was that it wanted more staff and I believe it has more staff. But the position is just as serious as it ever was.

In 1973 an article in "The Courier-Mail" reported that even if the water was not cleaner, it was clearer. But in 1975, the same writer said we were back to where we were in 1971. I inform the Minister that it is about time he took action and did something with the legislation on the Statute Book as it refers to the Bremer River.

**Mr. Moore:** Sack the council.

**Mr. MARGINSON:** I do not care who is sacked. It is time that something was done about the Bremer River. I am not one of those people who want to see industry taken away; but I want to know how many prosecutions have been instituted under this Act in the past five years, despite the fact that industries are allowed to teem pollution into the river so that it is now nothing but a tidal sewer. That is what it amounts to.

**Mr. Hinze:** Why don't you tell the Brisbane City Council?

**Mr. MARGINSON:** I am talking about Ipswich, not Brisbane. The Minister should look after the Gold Coast, where there are complaints, too.

**Mr. Hinze** interjected.

**The CHAIRMAN:** Order!

**Mr. MARGINSON:** The Minister is doing nothing about it.

**Mr. Hinze** interjected.

**Mr. MARGINSON:** The Minister should not get ruffled. He hates to be criticised, but I am going to criticise him. When I believe he should be criticised, he will be criticised, and with respect to the environment of the State, he and his department,

and those who went before him, deserve to be criticised. They have done nothing whatever about it. In my electorate meat-works pour offal and all manner of liquids into the Bremer River, and there are factories doing the same thing. I know that the situation is similar in Brisbane but the members of my party who represent Brisbane electorates can speak for them. I speak on behalf of the people of Ipswich. The Government is allowing industries to pollute the river to such an extent that it is unhealthy and people could not even swim in it if they wanted to. Not so many years ago swimming could be enjoyed in the river but not today.

In my electorate a factory at Bundamba pours hundreds of thousands of gallons of water onto land adjacent to the Bremer River and in the ultimate that water, I believe, enters the river. Those who use the Warrego Highway must have smelt the odour coming from the hardboard factory when they are passing through Dinmore. Those who travel the highway between Brisbane and Ipswich would also have smelt the air pollution at Wacol. That odour is undoubtedly caused by liquids being allowed to run into Sandy Creek at Wacol. I am not sure whether I should mention this as air pollution or water pollution because it has a connection with both. Whatever it is, I ask the Minister to do something about it. I have no faith at this stage in the Minister's many statements about controlling noise pollution when no attempt is being made to overcome water pollution and air pollution.

I make a plea to the Minister tonight that he clean up the rivers and streams of Queensland, particularly those in the south-east of the State. I also ask that he and his officers please make a start with the Bremer River, which flows through my electorate.

**Mr. LAMONT** (South Brisbane) (7.28 p.m.): I rise to support the Minister in the initiatives that he is taking to increase penalties for causing pollution. I feel that he is genuine in his desire to see that pollution is controlled, or preferably prevented, and that polluters are penalised. I think he is taking a fairly courageous stand when I know for a fact that strong supporters of his party and mine are among the major polluters in this State. It takes courage for a Minister to fight against backers of his own party for something in which he sincerely believes.

The contamination of our earth, rivers and seas by noxious, hazardous and even lethal materials has gone much too far already. In spite of interjections that we heard earlier tonight from other colleagues about perch being caught in the Bremer River, pollution by and large is irreparable. We get lulled into a false sense of security when we hear, for instance, about fish reappearing in the Thames and sharks being seen in the upper reaches of the Brisbane River. This gives a false impression of recoverability.

The chemicals to which we must adjust are no longer those that are washed naturally

into the streams and seas and reach us through meat, dairy products and crops. They are no longer the chemicals that nature provided. Most are chemicals that have developed from the creation of synthetic compounds. Scientific laboratories produce 500 new chemicals annually. In the last 25 years 500,000 new chemical compounds have been developed, all of which find their way through industrial and domestic uses into streams and seas and thus into rain and crops. I ask honourable members to pause for a moment and think how difficult it would be for our bodies to adjust to even the new chemical compounds that have been produced in the last 25 years. It would take generations because it has already taken generations for human life to adjust to the absorption of certain compounds. Darwin's proposition of the survival of the fittest comes to mind, but one cannot talk about the survival of even the fittest when every year scientists are creating 500 new compounds for our bodies to adjust to.

**Mr. Jensen** interjected.

**Mr. LAMONT:** I know the honourable member has a problem adjusting to alcohol and I sympathise with him, but the cure for him is a lot easier than the cure for pollution. I say that in our lifetime we cannot adjust even to the compounds that have been produced in the past 25 years. We will never adjust to the compounds that are being produced now and will be produced in future years. The requirement of adjustment grows out of comprehension every year.

Pollution by these chemicals comes about in a variety of forms, and as I look at the annual report of the Water Quality Council of Queensland I see that pollution comes about from refuse tips, piggeries, feed lots, vegetable washing, sand and gravel plants, sewage treatment plants, sewer overflows and a host of other sources, and the residues of chemicals linger in the soil and remain in the waters for decades after. Residues are found present in eggs and in fish—not just fish caught in the sea but fish found in mountain streams and lakes. Residues can be found in mother's milk and the foetuses of unborn children, so we are asked to absorb these new chemicals at a very early age.

There are dangers, as I said, in having a false sense of security. The means of ingestion of polluting chemicals are as various as the means of polluting themselves. We pollute our bodies just eating, drinking and breathing. Unfortunately, we lull ourselves into a false sense of security because many of the ways that we ingest pollutants are very familiar and ever present, and very often we only hear pressure groups or the public complaining when a new form of pollution is found, too often forgetting that it is the already-established forms that are slowly polluting life. Many people will say, "Yes, I am worried about pollution but, of course, we haven't got anything to worry about yet. We are nowhere near as bad as

Japan, Los Angeles or some other city where pollution has reached the stage where it is already killing human beings".

**Mr. Jensen** interjected.

**Mr. LAMONT:** The way that we talk about the levels of chemical pollutants in the human body and in food supplies also tends to lull us into a false sense of security—the false sense of security that our persistent interjector enjoys when he made the statement that he can drive better with a blood alcohol level of 0.8, or whatever it is, in his system than without it.

We talk about pollutants in our system in terms of parts per million and that sounds so small that we seem not to worry very much about it because we think, "Well, so many parts per million can't be all that bad." Health authorities throughout the world set limits on the number of parts per million of these pollutants in food that is retailed—

**The CHAIRMAN:** Order! The honourable gentleman is not referring to the Clean Waters Act now and I ask him to do so.

**Mr. LAMONT:** Mr. Hewitt, we can drink these pollutants in so-called clean water, and I was going on to say that the means of ingestion is so varied that, when we pause and think about food authorities banning beverages and food because they have too many parts per million of a toxin, we would do well to remember that it is probable that most Queenslanders are inedible. Because of the lack of control of our water supplies and the means by which that water gets into crops and other foods that we eat, most Queenslanders are probably not fit to eat because Queenslanders have far too many parts per million of these pollutants in their body fats. Because of the nature of some chemical residues that accumulate in human body fats, but which are excreted very slowly, the introduction of even small amounts of these can still be dangerous when one considers that even 1 per cent of the recognised lethal dose of each compound may be fatal when combined with another compound. Residues well within legally permissible limits may well interact.

**Mr. Jensen** interjected.

**The CHAIRMAN:** Order! The honourable member for Bundaberg is becoming tedious. I suggest that he restrain himself a little.

**Mr. LAMONT:** I suggest that the honourable member for Bundaberg put more aqua pura into his alcoholic intake.

Society is vitally dependent on the ability to control, use and dispose of water. Of the three most important natural elements to Australia, energy leaves us well supplied; but we have an indifferent supply of soil, and we have a very poor supply of water. Free-water evaporation in Australia exceeds rainfall in over 90 per cent of the country.

Australia's development is more likely to be limited by clean water supply than by any other resources. In some areas in our cities and in irrigation areas, acute problems already exist because of lack of supplies of clean water. We also tend to forget that water is used not only in primary industry. It takes 65,000 gallons of water—and I do not mean polluted water—to make 1 ton of steel. It takes 56,000 gallons of water to produce 1 ton of wool. (I am referring to the process of gathering the wool, not what the sheep drink. Australian sheep require over 100,000,000 gallons of drinkable water a day.)

Precautions against water pollution and the repurification of water for re-use are therefore vital. I stress that it is the precautions against pollution on which we should be concentrating because repurification is not always possible.

The main problems with water in Australia, as in most countries, are, primarily, siltation and, secondly, salinity, especially in irrigation areas. The problem of pesticide residues and fertilisers, especially nitrates, in irrigation waters also needs increasing attention.

**Mr. Jones:** How much is nitrate? Time-and-a-half?

**Mr. LAMONT:** I will ignore the honourable member's facetious comment.

In many places in which people oppose conservation groups, one finds that the very industries in which they are engaged are dependent on the use of pure water.

Water pollution due to human waste is another important area of concern, and then one comes to the question of detergents. Hard detergents that cause foaming in rivers inhibiting oxygenation and breakdown of sewage wastes are now being replaced slowly by biodegradable types. But other problems remain even with the biodegradable type of detergent, and this is something that comes in through domestic waste, not just through industrial waste. Water is in danger of putrefaction because of the high content of phosphate in any detergent, and it is as high as 35 per cent in most.

The honourable member for Wolston spoke earlier about the Bremer River. As recently as last December the president of the Australian Littoral Society was reported in the Press as saying that the Bremer River, which flows through Ipswich, was as badly polluted as the lower reaches of the Brisbane River and Oxley and Bulimba Creeks. He was quoted as saying that large volumes of blood, fat and other meat wastes were dumped into the river daily with inadequately treated sewage. The society's surveys had shown faecal human waste bacteria at levels 5,000 times greater than those in the World Health and Australian water quality criteria, despite dilution by recent heavy rains. He went on to say that extensive fish kills occurred periodically in the Brisbane River along a 10 km strip, the most recent being on 11

November last year. There were always serious problems in the Hamilton industrial area, with spills of pesticides, herbicides and so on. The drainage area was once a mangrove-lined creek running into the Brisbane River, and he said that it is now just a bog.

When I think about this, I am compelled to think about Norman Creek, which runs through my own electorate—a matter that I have raised many times in this Chamber. The last time we had serious flooding in the area, I went from house to house along the creek banks and saw the foul water in the yards and in some places in the homes of residents. Residents in the creek area related to me with nostalgia the days when they were children and used to dive off the bridges across Norman Creek to swim in that area. A person could not do that today. He would die from suffocation before he hit the water. I question what is being done about that sort of thing.

Efforts to check water pollution in Queensland were absolutely hopeless and negligible until the present Clean Waters Act came into effect only four years ago. That Act set up the Water Quality Council of Queensland. When I look at the membership of that council I sometimes wonder whether there are a couple of qualities lacking from the membership itself. The membership is made up largely of Government representatives and representatives of the groups that pollute. Secondary industry is represented; primary industry people who allow their sprays to enter streams are represented; local shire councils which constantly allow their effluent to emit into streams are represented; there is some academic representation, but we are never sure what the academics are really representing. Most of them train chemical engineers, civil engineers and agricultural scientists. We wonder whether they train environmentalists. But there are no public representatives on the council at all. When I look at the staff of the council shown on page three of the recent report, I notice that engineers (civil and chemical) number eight but inspectors number two, with one position vacant. I wonder what a staff of that size can really hope to achieve with problems such as those I have attempted to outline. When I look at the means of pollution which I read out earlier and then look at the Act which set up the Water Quality Council, I see that usually an assumption creeps into most of the sections that there is the right to pollute within maximum levels. On page six of the last report of the Water Quality Council we see reference to the elements of chromium, nickel, copper, zinc, cadmium, mercury and lead and their average abundance in sea water. In the next column is listed the desirable "maximum" level of each of those elements. I immediately wonder what is the desirable "minimum" level; perhaps we ought to be talking about that. The words "desirable maximum level" suggest to me that there is an assumption of the right to pollute. But citizens have a right to clean water. I believe that the Minister

genuinely wants to do something about it, but he is hampered by interests which weigh very heavily on his shoulders.

The major problem in Australia (and in any country, I suppose) involves a tremendous clash of values—rapid industrial expansion with the obvious short-term benefits of immediate prosperity versus controlled, regulated industrial growth with a goal of total eradication of pollutants or emission of effluent. That is to say, it is either the right to pollute for growth—so called—or the right to clean water and the preservation of nature's gift to man. Some people opt for the latter. Sensible, sane people opt for the latter. I believe that the Queensland council would opt for the latter, but I do wonder at times whether it perhaps could do with a few town planners and representatives of the public in addition to its academic, government, local government and industry representatives. Even when the council does opt for the latter, the Act does not give it enough teeth; it does not give it enough staff. Furthermore, as the Leader of the Opposition said, too many companies are exempted from the provisions of the Act as if they had a God-given right to pollute our clean water. Sadly, it is all done in the name of progress. I am reminded of what progress is supposed to be. I am reminded of Lord Atkin's great fallacy in his history of the world when he seemed to assume automatically that any change towards what he thought was progress was automatically progress. He totally omitted to consider that the preservation of many of the things that were might also be a blow for progress. I would hope that the Queensland Water Quality Council will be given teeth, will be given staff and will not simply be allowed to impose higher fines. I would hope that it could indeed operate for progress—progress being conservation against pollution.

**Mr. WRIGHT** (Rockhampton) (7.46 p.m.): I listened with interest to the Minister's introductory speech in the hope that I would hear some new radical and even progressive proposals that would at long last enable Queensland's water-pollution problem to be combated. I must admit that I felt somewhat deflated when I realised that the Bill did little more than increase the quantum of fines that may be imposed—I stress the word "may"—on those who contravene the Clean Waters Act of 1971.

I think back to Press releases stating what the Minister for Local Government, the Honourable Russ Hinze, would do to those who were polluting the water streams of the State. I imagined that here was a man who had found an issue. I honestly believed that we were going to have something done. I kept thinking to myself, "Watch out, polluters. You are going to cop it because Russ is on the go." However, I have been let down as have the people of Queensland. Unfortunately the Minister has indicated that he simply intends

to act like his predecessor in the Local Government portfolio by setting up a large legislative waddy that he has no intention at all of swinging. I draw this analogy because we have a waddy here that, if used, could certainly clean up the pollution problems. The legislation has teeth, but it is not going to be used unless the Minister adopts the correct attitude.

I totally agree with the Leader of the Opposition, who said that it matters little how big or how heavy fines are if they are not going to be imposed. He referred to the sum of \$50,000. It could be \$100,000; it matters little if the legislation provides that fines may be imposed, and never are.

It is my opinion that industry treats the Clean Waters Act with contempt and that it will continue to do so until this Government demonstrates that it really means business. Whilst I still hope that the Minister means business, I think industry is sitting back laughing, knowing that nothing will happen to it. An example has to be made of some offenders. Far too many warnings have been issued and far too many second, third and fourth chances have been given. Too many weak excuses have been accepted. If we really want to do something about this problem, we must start realising the nature of it.

The effectiveness of the Act can easily be tested by asking: has or has not the water-pollution problem in Queensland been alleviated? The answer is no. The Minister has admitted that the answer is no. The member for South Brisbane and other honourable members have said that the problem has not been alleviated. This has been admitted not only by members in this Chamber but also by the Minister in public.

**Mr. Houston:** Very few prosecutions, too.

**Mr. WRIGHT:** I don't know of any. Although it is admitted that the problem has not been alleviated, the Government has taken no real action. It matters little how good a law is if it is not going to be enforced. We need to have second thoughts on the importance of the whole pollution issue. We have to start accepting the hazard that it is to human beings. It is a health hazard and it is also what I might term a death hazard to river and fish life. Pollution is causing immeasurable damage to fisheries, shellfish beds, spawning and feeding grounds. It is introducing taints and bacteria pesticides, which make fish and oysters unsuitable for human consumption. We are well aware of this, as are people in other nations throughout the world. We realise that it destroys the recreation areas as well as their over-all beauty. It also brings with it economic problems. We see damage to buildings near or on the rivers and to vessels from corrosive water waste.

It is not as if the Government is not aware of the problem. The Minister is well aware of it. I believe he is somewhat of an expert. I am told that he is well aware of it because of a dairy factory at

Southport—maybe he will comment on this—which pours thousands of gallons of polluted water into the Broadwater. Obviously the Minister knows. And the Government also knows.

The Government is well aware that this is a world-wide problem, because it was the World Health Organisation that brought down findings on water pollution. For a long time people could not really define pollution. Not long ago I read that one of the problems in Queensland was how to define pollution. Since about 1915 or 1920 we have had anti-pollution legislation but the Acts could not be enforced because the definition of "pollution" was unclear. It is no wonder that the World Health Organisation listed the various types of water pollution. For instance, it listed bacteria, viruses and other organisms that cause disease; decomposable organic matter which absorbs oxygen and produces offensive smells and nuisance; inorganic salts which make water unfit for industry or irrigation; algae problems that are created and produced from plant nutrients; oil materials which are unsightly and which can kill birds and animals. The organisation listed poisons ranging from arsenic and cyanide to complex pesticides such as DDT. It listed waste heat and silt and radioactive substances. The list goes on and on.

We can no longer say that we do not really know what pollution is. It is understood by the Government experts. The Government has no excuse for its inaction, and it certainly has no excuse for blind-eye treatment of the violators of the environment. We should highlight the need for action.

**Mr. Moore:** What would be your solution?

**Mr. WRIGHT:** It is very simple. When we come across those who are known to pollute a stream, fine them; make a public example of them. That was done by the Small Claims Tribunal and it was totally effective. It has been done under many legislative measures of this State and has been effective. But for some reason we do not accept it in this type of legislation.

**Mr. Jensen:** I understand that in some places overseas they take them out and shoot them.

**Mr. WRIGHT:** I would not advocate that but we could certainly take a pot-shot at them by imposing very heavy fines and restrictive measures on their operations.

I can well imagine how some of the factories along the river would react if they were told to close down for three months. I would regret the effect on the workers, but that is the only way to stop some polluters.

We have to realise that there is an ever-increasing demand for good quality water, not only for public water supplies but also

for irrigation, industry, rural use and so on. It is the Government's role to ensure that it is available.

I have considered what the Government should do to control water pollution and I think it has a three-fold responsibility. Firstly, it should aim at restoration of the polluted water regions. That has been done by Governments throughout the world. The example that comes to mind most quickly is that of the Greater London Council in what it has done to the Thames River. The restoration of water polluted regions is vital. Secondly, it must strive for a continuing improvement of water sources. That is an ongoing process. Thirdly, it should protect these sources against pollution. The Government has failed in all three. It has a responsibility not to fail because it is supposed to be the representative of the people.

**Mr. Moore:** What about the Brisbane City Council?

**Mr. WRIGHT:** This is a State Act and the measure relies on State initiative. The Minister in charge is a State Minister and the Water Quality Council was set up by this Parliament. Let us put the blame where it lies.

I wonder whether the Water Quality Council has been able to do its job or whether it has been allowed to do its job. I agree with other members who have spoken, such as the honourable member for South Brisbane and the Leader of the Opposition, that we should not be licensing industry to pollute. We should be imposing fines instead of giving warnings. We should be making examples of these offenders. But this will happen only if the people who care and the people who are affected have a say.

The honourable member for South Brisbane started to list the members of the Water Quality Council. One document I have shows that the council is composed of a chairman, a deputy chairman, eight Government members from various departments and five outside representatives from the Chamber of Commerce, the Council of Agriculture, the Local Government Association of Queensland, the Brisbane City Council and the Queensland Institute of Technology—all people who should be involved. But I note that there are no representatives from conservation groups and consumer-oriented groups.

If we really want to make the Water Quality Council work and apply pressure on the Government, put the people who know what it is all about in the advisory or decision-making area. We could do well—we certainly could not lose—by putting some of the top conservationists in Queensland on the Water Quality Council. There is certainly a place for a few conservationists on that council. If we did this, action would be taken. Also, there is a need for a different approach. There is a need for

changes in the constitution of the council itself and even for a different approach or attitude on the part of the Government, because the Act has failed. This has been proved by other honourable members in their comments about the number of, or lack of, prosecutions.

**Mr. Hinze:** Nothing has been proven and you know it, and you cannot substantiate it.

**Mr. WRIGHT:** If the Act has not failed, the pollution problems in this State would have lessened, but they have not. In fact, they have increased. They will continue to increase. I saw the Minister with, I think, the Leader of the Opposition on television dealing with this problem. So the Act has not been successful.

**Mr. Hinze:** You don't know what you are talking about.

**Mr. WRIGHT:** The programme of progressive compliance has failed. The Minister cannot deny it.

**Mr. Hinze** interjected.

**Mr. WRIGHT:** Some of these industries have been given years and years to become involved and do the right thing.

**Mr. Hinze:** Why don't you—

**The CHAIRMAN:** Order! The Minister will have his right of reply.

**Mr. WRIGHT:** The Act is supposed to bind the Crown, yet very often it is a Government department that is the main offender. The oil in the Fitzroy River was coming from the Railway Department; yet we talk about co-operation and progressive compliance on the part of the people involved. Government departments have not worked towards the ideals of the Act. In addition to being offenders, they certainly have not set the example by cleaning up the pollution problems that centre around their industries.

The Minister spoke about the need for co-operation. It has been mentioned before that control of water pollution will be achieved by co-operation. But it has not been forthcoming. In addition, the exemptions that have been granted have been abused. So I am convinced that the Act has failed and that the problem will only be resolved if we start making examples of a few of the offenders—not simply by increasing the quantum of fines.

If the Minister is fair dinkum and is really going to do something with this waddy that he is setting up in this legislation, let him pick on the known offenders. He knows them. Let him do something about them. He could make such an example of them and would have such a following within the community that people would become aware of the problems of pollution and industry would start obeying the law. This is the only answer—not increasing the quantum of fines. The Minister

and the Water Quality Council should accept their responsibilities and act in the interests of the people of Queensland.

**Dr. LOCKWOOD** (Toowoomba North) (7.59 p.m.): When I rise to address myself to this Bill, the first thing that springs to my attention is the need to look very carefully at the different problems of disposal of sewage. We live in a push-button age and a great many people today regard the sewer as a convenient means of disposing of any and all things noxious, toxic or unwanted. Down our sewers flow great quantities of detergent. I have seen creeks some 40 or 50 miles downstream from Toowoomba bubbling because of the amount of detergents used in Toowoomba. We cannot blame any other town because there are no others that tip sewage into the creek.

There is the need to look very closely at the total effects of the disposal of sewage. It is not a problem in towns such as Dirranbandi where it can be pumped to a sand hill and soaked into it. But in a town such as Toowoomba, where sewage is treated by a plant that is struggling to cope with the load and will continue to struggle for another year or two until it is further expanded, there is a need to look at the effects of sewage as it passes downstream. Toowoomba at present has no capacity to cope with industrial sewage, which would include the discharge from abattoirs and the like, as effectively as is desirable.

**Mr. K. J. Hooper:** Doesn't it go into Drayton Harbour?

**Dr. LOCKWOOD:** It does not go into Drayton Harbour. There is much cleaner water there, especially after heavy rain.

We need to be sure that sewage is treated as well as it can be treated before it is discharged and sent on its merry way through the other Queensland towns that lie downstream from Toowoomba. Our sewage is their drinking water. That is, however, nowhere near the problem that it is in the United States, where the towns on the Mississippi, for example, are only about 20 miles apart, and the people there do drink each other's sewage, which has less chance of oxidation and biodegrading than sewage in Queensland streams.

We need also to look at the problem of discharging animal parasites into water, cysts that are not broken down by chlorination and viruses that pass down the stream to be watered to wild animals and even domestic animals. Water is filtered through shallow sand beds and sprayed onto farm lands downstream from Toowoomba on its way through the Downs. We need to know more about the by-products of pollution and the insecticides and chemicals used in cleaning and in industry generally. We need to know what effect they have when they go onto farm lands and pastures. Are they accumulated by animals? Are they stored in animal fats, as is claimed? We need to

know a great deal about this because we eat those animals and we accumulate in our fats the noxious substances that have accumulated in animal fats. I am afraid that our technology is too young to know what happens to us if we get 20, 30, 40 or 50 years' exposure to some modern chemicals.

We have seen problems when anaerobic mass or feculent water, which is correctly called a cesspool, associated with a piggery bursts its banks in wet weather and discharges its load into a creek. This takes all the oxygen out of the creek because whilst the organisms in cesspools can survive in the total absence of oxygen, when oxygen is available they use it. There was one such outbreak last year on the outskirts of Toowoomba and it killed all the fish, turtles, crays, tadpoles and everything else in the creek. As this mass moved down the creek it killed every living creature beneath it.

We need to be far more careful in the siting of cesspools from piggeries and I feel that they should all be double banked. If a cesspool, which is after all only an earth dam, could fail in wet weather, there should be another earth dam beneath it kept empty for times of emergency when the top one fails when it is full. We in Queensland are fortunate not to have the problems of Tasmania, where there is heavy metal poisoning in streams, and where as few as six oysters, with no bacteria in them, will cause acute metal poisoning if eaten. We need to look carefully at the industries that we invite to Queensland, and where we site those that come. We certainly do not want any of these heavy metal industries located anywhere near a stream where their pollutant effect will be carried down to the sea.

We have heard mention of hydrogen sulphide—the H<sub>2</sub>S stink-bomb experiments used in schools—polluting Bulimba Creek. This is a product of the sulphur in wool and wool fats being anaerobically metabolised by bacteria. I would like to mention that these wool scouring have been established on these creeks for a long time. They were there when Labor was in government, and I do not recollect any great overtures being made then to shift them.

Similarly with the gas-works in and around Brisbane—I have seen the effect of a gas-works in the days when gas was manufactured from coal. It killed all the shrimps, mud-crabs and fish in the creeks in the 1940s and 1950s and there was no hue and cry then.

**Mr. Moore:** It would ruin the sewage system that ran into them, anyway.

**Dr. LOCKWOOD:** No sewage goes into the creek I am talking about, and it didn't then, either. The Bremer River has long suffered problems because of meatworks hosing down their floors. The water used to do that comes from a yellow tap and those in the know do not drink from the yellow tap. In 1962 I treated a man who drank from a yellow tap one day and he

ended up with Q-fever. If these floors are not hosed down, the owner is faced with a big problem. He shuts the whole meatworks; it is as simple as that. The problem is to find a permanent solution to washing down the floors, trapping the waste fat, blood and meat and trying to fully process them through digestion, and that is not as simple as the present method.

We have heard the suggestion from the Leader of the Opposition that perhaps "Tom's Troopers" might sneak up the creeks on Friday nights. I suggest they will find pollution when aluminium boats fizzle and splutter in the water and dissolve. He is suggesting that great amounts of acid are tipped into these creeks. I venture to suggest that hydrochloric acid or sulphuric acid would not be the problem he thinks they are; rather it is these huge amounts of material with a high biological oxygen demand.

We cannot fail to be impressed in this State by the measures taken by sugar mills to prevent stream pollution by both hot water and chemical waste. One cannot travel about without noticing what they are doing. There may be one or two mills that are not up to the standard that we desire, but I suggest that they have done fairly well. Of course, there will always be a need to do better. We are finding that more and more of the substances we have regarded as harmless are in fact far from it. We are discovering methods of testing for these in microscopic amounts—minute parts per million—and as we discover these we find in fact that we are all polluted with insecticides. Each of us here has a DDT level in him. What is worse, of course, is that a lot of these pollutants that do enter our bodies immediately leave the bloodstream and cannot be further detected. We know they are not excreted; they are trapped and retained in the tissues.

So then to be fully effective on pollution control we have to be eternally vigilant and know a great deal more about our chemicals. It is not just the heavy metal chemicals. We have to know as much as we possibly can about every new product that comes onto the market and every chemical that is used in its manufacture. We have to know about all the chemicals used in cleaning, how they are used and how they are to be eliminated from the places that use them. We do not know much at all about how various chemicals interact, and what might be considered safe for chemical A and safe for chemical B might not be safe at all when they exist together. I will speak more about this when we discuss the Clean Air Act Amendment Bill.

**Mr. JONES (Cairns) (8.10 p.m.):** In his closing remarks when introducing the Bill, the Minister emphasised that industries which failed to respond to overtures to do the right thing would have to "watch it". I think that is a fair summary of what he said, and he and I use very similar language. I hope that

will apply also to the Minister in regard to adequate supervision of the application of the Clean Waters Act in northern areas of the State.

I noted that he said that a specially designed and equipped vessel has been added to the boats already operating in the Brisbane metropolitan area. It seems to me that, despite what other honourable members have said in this debate, activity under the Clean Waters Act has been confined to the southern parts of the State. However, I listened attentively to what the Minister said and I noted also that it is intended to provide a unit for use in the Far North.

I intend to speak now about an area that is very near and dear to the Minister's heart. When referring to the application of the provisions of the Act, he used the words "co-operation", "consultation" and "confrontation". At present those things are completely lacking in the area of which I intend to speak. Consequently, serious problems are developing.

The pollutant industries around Trinity Bay exhibit a high degree of neglect in disposing of their wastes, and the situation now existing in the area has been described by marine scientists as alarming. In the waters of the lower Barron River, Trinity Inlet and Smith's Creek, and in the local malarial drainage within the Cairns city area and the adjoining Mulgrave Shire, particularly through Chinaman's Creek to the McCoombe Street drain, there is reported to be contamination 500 times greater than the accepted World Health Organisation's bacterial standards for bathing and recreational waters.

All the areas to which I have referred are tidal areas. Although they are not used now as conventional bathing areas—perhaps a number of children still like to swim in the waters, as I did years ago—nevertheless they are close enough to high-density residential areas to present a health hazard if what the marine scientists say is true, and I have no reason to believe that their measurements are not correct. Obviously, with no control and only limited policing, there will be a continuing and increasing problem in the area.

The measure of pollution that these scientists accept as the standard for body contact is 200 organisms per 100 ml. In tests conducted late last year, the lower Barron River showed 100,000 organisms to 100 ml. That pollution was attributed to the discharge of sewage, fertilisers, insecticides and chemicals washed down from farmlands, to stormwater drains carrying industrial wastes and to seepage from urban refuse tips and dumps. The areas shown to have this high pollution content are advertised daily in the Press as a tourist paradise comparable to Florida's Everglades. Recreational boating and fishing are big sports in those areas which are a major tourist attraction. The people who live there are threatening their own health. When the bacterial quality standard of water for recreation purposes exceeds by 5,000 times the

recommended standards and the Australian accepted criteria of health standards, I believe it is time for the citizenry to be worried, and it is time that Governments took action. We ought to be doing more than merely talking about it. The activity should not be confined to the southern areas of the State.

**Mr. Moore:** What did you say about 5,000 times? It didn't make sense.

**Mr. JONES:** I will repeat it for the honourable member. When the bacterial quality standard of water for recreation purposes exceeds by 5,000 times the recommended standards and the Australian accepted criteria of health standards, I believe it is time to worry. Has the honourable member got it square now?

We ought to be doing more in the line of prevention; we ought to be doing more in the line of curing the ills; we ought to be doing more in the line of educating the people and seeking out the pollutant industries and miscreants who are wittingly or unwittingly destroying this very valuable asset and, while doing so, destroying our environment.

The mangroves are fish hatcheries and habitats for crabs and other crustaceans, varieties of sea life, birds, crocodiles and all sorts of things, all of which could be affected by the pollution which is now occurring.

**The TEMPORARY CHAIRMAN (Mr. Row):** Order! There is too much audible conversation in the Chamber.

**Mr. JONES:** The areas at risk are habitats which are part of our northern scene. As mangrove forests they are a good selling point for the tourist. I know the Minister is conversant with Trinity Inlet and the wetlands. We know that such pollution from rivers must be a severe risk to those mangrove areas being sustained as a useful adjunct to the natural balance and as a scenic attraction.

What is more important is the fact that these levels present a health hazard to the citizens of the city of Cairns. There must be short-term and long-term plans to prevent pollution by industrial wastes and to avoid effluent being dumped. Whether it is by miscalculation or mistake raw sewage does find its way directly into Trinity Bay water. The honourable member for Mackay raised that matter, and the honourable member for Toowoomba North dealt with the need to find a more effective way of treating sewage wastes than to dump them on our tourist attractions. The dumping of urban wastes in a low-set area that has a mean height above sea level of little more than one metre in some places must result in natural seepage into the bay. Particularly in our monsoonal seasons and with a limited drainage area, the dumping of such wastes in the city of Cairns results in seepage into the waters of Trinity Bay.

Saying that all of us are becoming conscious of the need to protect our environment and natural beauty is not being political. If we do not arrest the threat to the environment we, both as citizens and as parliamentarians, will stand convicted for our misdeeds. I am sure the Minister is quite aware of the problem and will give earnest consideration to this neglect that has built up over the years. I am sure, too, that he will be taking constructive measures to correct the situation that has arisen in Far North Queensland.

**Mr. HARTWIG** (Callide) (8.21 p.m.): I have pleasure in participating in this debate. Tonight we have listened to a lot of pollution.

**Mr. Jones:** Swill-feed.

**Mr. HARTWIG:** The honourable member's brain wants swill-feeding.

**The TEMPORARY CHAIRMAN** (Mr. Row): Order!

**Mr. HARTWIG:** We have heard of pollution of the air and of the water and pollution of this and pollution of that. It seems to be forgotten that nature has provided the means of sweeping pollution away. Evidence of this can be seen in the large volume of water that runs off any land mass into the sea. It takes with it excess waste and rubbish that is disposed of upon the land.

In my electorate one shire council does not even need to filter its water supply, such is the high quality of the water in the local creeks and streams. No-one has suffered as a result. Too much has been said about pollution. These days an environmental impact study has to be carried out into every damn thing we want to do. It is claimed that we are going to pollute this and that.

**Mr. Houston:** Where does the "damn" fit in?

**Mr. HARTWIG:** The honourable member should keep quiet. For his benefit I shall mention Luggage Point in a minute. In the city of Brisbane electric trams were done away with and buses were introduced in their place. The city's sewage is disposed of at Luggage Point—where, incidentally, the fish bite well. Recently I went on a trip down the Brisbane River and found the smell within half a mile of Luggage Point to be absolutely disgraceful.

**A Government Member:** Which city does it come from?

**Mr. HARTWIG:** I don't know which city it comes from, but the people in it ought to be ashamed of themselves for allowing sewage of that quality to run into any stream. It is a reflection on the administration of any city that such things are allowed to go on.

**Mr. Moore:** Wait till they put all the pig-swill down the sewers.

**Mr. HARTWIG:** If the honourable member were to get some on his head he would grow hair.

The watersheds throughout Queensland are subject to pollution if for no other reason than that Queensland is essentially a primary industry state. Recently a man who wanted to establish a piggery in the Calliope Shire had to submit his plans to the local authority for an environmental impact study because it was feared that the piggery, no matter how well constructed, or what precautions were taken, could pollute the watershed. Where are we going? It is very nice to have clean water to drink but it would not be so good if we had nothing to eat with it.

I bring to the Minister's attention the condition of the Dee River in my electorate. Because of the regrettable closure of the Mt. Morgan mine, heavy run-off from the mineral wastes in the area causes great pollution in the Dee River. I call on the Minister to take all necessary precautions. Representations have been made to me by the Banana Shire Council, which is concerned about landholders adjacent to the Dee River. If the water was pumped direct from the river for irrigation, it would kill lucerne. Stock have refused to drink the water because it is so heavily mineralised. This is a very serious problem.

**The TEMPORARY CHAIRMAN** (Mr. Row): Order! There are far too many casual conversations going on in the Chamber.

**Mr. HARTWIG:** The run-off from the watershed in the Mt. Morgan area is a distinct threat to the quality of the water in the Dee River.

We have to contend with certain problems on our coastline. Following activities like trawling on certain areas off the Capricorn coast—I am pleased to see that the Minister for Aboriginal and Islanders Advancement and Fisheries is in the Chamber—the beach is littered with young fish for up to half a mile, especially in the Lammermoor-Yeppoon area. The trawler operators say that they are not upsetting marine life. I do not know if that is so, but the evidence is to be seen, and many people have brought it to my attention. It is the responsibility of the Fisheries Service to look closely at the effect of over-trawling close to the shore along the Queensland coast. The fishermen say that the fish killed are not edible fish. I cannot argue with them.

**The TEMPORARY CHAIRMAN:** Order! I trust that the honourable member will relate his remarks to pollution.

**Mr. HARTWIG:** It is very bad pollution when one goes past this area, especially when the fish are rotting. The odour is very unpleasant.

Whether it is caused by pollution or otherwise, I am concerned that many of our creeks, streams and rivers are denuded of all marine life other than a few turtles and eels. In rivers and creeks which a few years ago carried great stocks of mullet, perch and jew fish, it is hard to catch a fish of any kind today. The same could be said for our coastline. It has lost its attraction for fishing. I do not know if this can be attributed to over-pollution.

Most people who are thinking of establishing a township, a factory or any industrial enterprise, look for land with good drainage. Where does the run-off end up? Nobody likes to be on flat ground, because the water lies there. Nobody goes head over heels to buy a flat piece of ground. People like good drainage. The run-off eventually ends up in our rivers and creeks whether it is from a city, a town, or further upstream where a sewage treatment plant is operating on a watershed from which drinking water is stored further downstream.

Most of the old-timers who drank freely from their creeks and streams lived to a ripe old age. Today our water supply is chlorinated and we need filtration, environmental impact studies and so on. We take all of the precautions, yet many people of 45 to 50 years of age are dropping dead from heart attacks and what-have-you. I support the proposals introduced in the Bill.

**Mr. DEAN** (Sandgate) (8.31 p.m.): In speaking to the Bill to amend the Clean Waters Act, I strongly support some of the remarks of the Leader of the Opposition not only in relation to this Act but also to any law we pass in this place. What is the good of passing them if they are not enforced? We have not enforced the present laws as rigidly as we should have. The Leader of the Opposition highlighted the fact that no prosecutions for contravention of the present law have been instituted in Queensland. Although we make a lot of noise in this place by way of debate, what is the use of it if we do not see that the laws are enforced?

The honourable member for Callide referred to pollution in the Brisbane River. No doubt what he said is correct. But this Government is responsible for most of the pollution of the Brisbane River.

**Mr. Moore:** The Brisbane City Council.

**Mr. DEAN:** For years, I for one in this Chamber have voiced a strong protest at the Government's neglect in not assisting the Brisbane City Council to provide a full filtration plant on the Brisbane River.

Some years ago, just after my entry into this place, I visited Victoria. I undertook a rather extensive investigation of the sewage plant adjacent to Melbourne. I brought all of the information back and it is on record if honourable members take the time to read previous debates. Of course, I am not the only one to have done that over the years.

At that time we pointed out that a filtration plant is necessary to treat the sewage of Brisbane and that it was too big financially for the Brisbane City Council. Let us be fair about it. It is too much for any local authority to shoulder the burden of installing a full purification plant for the sewage of Brisbane.

The Minister failed to tell the Chamber that the Labor Brisbane City Council has been responsible for 93 per cent of the sewerage of Brisbane, despite this pollution of the Brisbane River. Let us be fair. Previous administrations, including the C.M.O., did not care a hoot about pollution of the Brisbane River. Imagine what it would be like today if that administration were still in office! The Labor Brisbane City Council has done everything possible, within the limits of its financial resources, to upgrade the sewage effluent entering the Brisbane River.

Most of the pollution that flows out of the Brisbane River sweeps across Moreton Bay and into Bramble Bay, which is the bay in my electorate of Sandgate. What has the Government done to control the pollution of Moreton Bay? I am not the only member to raise this matter. From time to time, Federal members representing electorates close to mine have raised the subject of the pollution of Moreton Bay from the Brisbane River. Do not blame the Brisbane City Council for it; blame the Government for not assisting the council to provide an efficient plant to deal with it.

Cabbage Tree Creek is another stream that suffers greatly from the pollution of Moreton Bay. What has the Government done about it? There are, after all, laws to deal with pollution. One of the weaknesses in these laws is the lack of enforcement because there are insufficient inspectors. A larger staff is necessary to ensure that the laws are policed and officers should be rostered so that some are available every day of the week. They also should be on call for 24 hours a day so that they can be available when evidence of pollution is seen. Who runs the fish depot at Sandgate? One could go there at this moment and see some of the worst water pollution anywhere in Brisbane or, for that matter, Queensland. That is a Government fish depot and it is a disgrace.

Mention was made by other members of some firms that have been given protection against the Act. The paper mill at Petrie was able to flagrantly disregard the Act for years because it was given certain protection in its operations. Perhaps that was necessary. However, I do not think permission to pollute the Pine River was necessary, and that is what the mill has been doing for years. The pollution has been reduced to a great degree, but years ago it was very bad. And that mill is still polluting the river. I think it is about time that there was a little more action and fewer words by the Government in enforcing these laws. Queensland

is very rapidly getting a reputation as the dirtiest State in Australia. We know that geographically this State is the best in Australia—I say that without any hesitation—but we are not doing the right thing to keep it that way by controlling the rapid pollution of streams and rivers that is presently taking place.

I again appeal to the Minister to employ more staff—and efficient staff—to ensure that the Act is rigidly enforced. I also think that the penalties prescribed are not high enough. This is a serious problem indeed and polluters have to be hit very heavily. My colleague the honourable member for Bulimba will speak of his own area. However, as I go down the river I cannot help noticing in the Bulimba reach and other reaches pollutants pouring openly from drains into the river. Let us do something tangible that will produce results, and let us do it quickly.

Breakfast Creek is another example of stream pollution. A certain amount of cleaning up has been done there, but it is not being done fast enough to produce the desired results. Many years ago it was possible to swim in Breakfast Creek without any fear for one's health. I would not care to swim in it today. Much of the pollution has been caused by householders, who should be taught that they should not do it. There is only one way to teach them and that is by imposing severe penalties. One example would be enough; after that all people living along Breakfast Creek would obey the law.

Nudgee Creek is another example that comes to mind. At one stage it was a very clear stream. But go to Nudgee now and follow that creek and all one will see is pollution. It is seeping through from a rubbish dump, which should not be adjacent to the creek.

**Mr. Moore:** The Brisbane City Council again.

**Mr. DEAN:** But there is the State Health Department. Every council inspector is an officer of the State Health Department.

**An Honourable Member:** What rot!

**Mr. DEAN:** Again, if he is not allowed to enforce the Act or is stopped because what he does might upset some Liberal voter, that is the answer to it—

**Mr. Moore:** What a lot of rot!

**Mr. DEAN:** It is not a lot of rot. The honourable member might lose votes in the Windsor area if he supported the health inspectors of the Brisbane City Council when they are doing their job. But the time will come when conditions in these areas will force the inspectors to do something very drastic. That is the only way that pollution will be overcome.

I look forward to reading the amending Bill when it is printed and perhaps I might

again take the opportunity to lend my strong support to an appeal for the enforcement of the provisions of the Clean Waters Act.

**Mr. McKECHNIE** (Carnarvon) (8.41 p.m.): I had not planned to enter this debate, but when I heard the honourable member for Rockhampton criticise the administrations of the present Minister and the previous Minister, who happened to be my father, I felt duty bound to rise and say something, as I had some knowledge of the situation.

**Mr. Houston:** Your father didn't introduce the Act.

**Mr. McKECHNIE:** I did not say that he did. I am reminded of the fact that the best jockeys are definitely in the grandstand, and I think the honourable member for Rockhampton is rather good at grandstanding. He does not have to administer the Act, so therefore he can rise and criticise all and sundry, knowing that the way the A.L.P. is going he will never be called upon to administer the Act. It will be at least 50 years before that happens.

One of the things that I think should be brought to the attention of the Committee is that my father, after recovering a little from his unfortunate stroke, was able to go fishing, and one of the greatest pleasures he got was being able to catch a fish in the Brisbane River. That could not be done when he became Minister for Local Government, so nobody on the Opposition benches can tell me that this Government has not done something towards stopping pollution in the Brisbane River.

**Mr. Houston:** He hasn't been fishing lately.

**Mr. McKECHNIE:** Of course he has not been fishing lately. He is not well enough to go racing round the countryside like the honourable member does at the taxpayer's expense.

The honourable member for Rockhampton had much to say about the fact that inspectors give factory owners and operators three or four chances. I think this might be the difference between the administration of this Government and the oppressive administration of A.L.P. Governments, wherever they might be in office. We like to try to do things by persuasion. Industry is gradually meeting the criteria laid down by the Act. The honourable member for Rockhampton said he would feel sorry for quite a few people who would be put out of work if we forced these factories to close down for three or four months. The honourable member for Rockhampton, and probably other A.L.P. members, would not realise that if 300 people are put out of work for three or four months, it is not just those 300 people who are affected. Their wives, their children and others right through industry are affected. There is also an effect on the unemployment figures for the State. The attitude of the A.L.P. to pollution is definitely, "Cut it out at any price."

That is the way Opposition members speak. They do not care how many people they put out of work.

**Mr. Moore:** They wouldn't do it if they were in office. They want to socialise the country.

**Mr. McKECHNIE:** That's right; they want to socialise the country. But let me keep within the confines of the debate. We all want to see clean streams in Queensland, and gradually this Government is having some success in cleaning the streams up; but if we go ahead and crack down all at once, telling every industry—

**Mr. Houston:** You've had three years now.

**Mr. McKECHNIE:** The honourable member for Bulimba has just demonstrated his lack of knowledge of business finance. Does he think that large factories can complete anti-pollution measures in three years? The people of Queensland are well aware that industry is on its knees and needs every encouragement that it can be given to employ more people. I am worried not about the leaders of industry but about the unfortunate people who are unemployed in Queensland.

**Mr. Houston:** You defeat your own argument. The Bill proposes to increase the penalties.

**Mr. McKECHNIE:** When the Government is negotiating with industries, it will have a big stick to use. Members of the Opposition may laugh, but—

**Opposition Members interjected.**

**The TEMPORARY CHAIRMAN** (Mr. Row): Order! The Chamber will come to order.

**Mr. McKECHNIE:** The Minister is doing a good job, and I congratulate him for it.

The honourable member for Sandgate spoke at length about the fact that he thinks that the Government has not given the Brisbane City Council sufficient money to assist it to build a purification plant for sewerage. Again, that is typical of the attitude of the A.L.P. All it cares about is Brisbane. Perhaps I should not say that with the city council election coming up, but caring about a thing and doing something worth while to make the city work are two different things, and the present administration in Brisbane is not very good.

The honourable member for Sandgate said also that the penalties were not high enough and that he wanted to see them higher. He said, "We must get tougher." The honourable gentleman wants to squeeze industry out of Brisbane and Queensland. If he wishes to do that, I am very pleased that he is not a member of the party to which I belong. Too many people in Queensland are unemployed now, and if the A.L.P. ever gained the Treasury benches it would

endeavour to amend this Act to make it impossible for people to have jobs in Queensland. Industry just could not afford the A.L.P.'s impositions.

In addition, the honourable member for Sandgate attempted to blame the State Government for not making the Brisbane City Council administer the city efficiently. How ridiculous! Personally, I believe that more power should be given to local authorities; but, because there is an inefficient council in Brisbane, the honourable member for Sandgate wants the Government to stand over it with a big stick and make it do a good job. The Brisbane City Council has to answer to the people, and I do not think that the State Government should interfere unduly.

The time has come for people to realise that it is not possible to have anti-pollution devices at any cost. They must be phased in. Water in the streams must be cleaned up gradually.

**Mr. Wright:** Can you do it in five years?

**Mr. McKECHNIE:** Of course not.

**Mr. Wright:** Why was that put in the 1971 Act?

**The TEMPORARY CHAIRMAN** (Mr. Row): Order! There is too much audible conversation on the benches on my left.

**Mr. McKECHNIE:** Members of the A.L.P. would like to see the Government and the Minister crack down on industry so hard that workers will lose their jobs. I am not prepared to sit in this Chamber and listen to them argue that way any more.

I again congratulate the Minister on the way he is handling his portfolio.

**Mr. JENSEN** (Bundaberg) (8.49 p.m.): I did not intend to enter the debate, but the Leader of the House wished me to speak and I thought I should do so. The honourable gentleman said, "Aren't you coming in to contribute something sound to the debate?" As he asked me that question, I shall do so.

I have listened very attentively to the debate so far. Every time we are debating clean waters or clean air legislation, most honourable members get on the conservationists' band wagon. I have been in this Parliament for seven years, and I could refer to what I have brought up in this Chamber about pollution and the killing of fish in the Burnett River. I could refer to what the Minister is doing about sugar mills. Once upon a time every sugar mill in Queensland had long, thin chimneys. Over the last two generations they went to short, squat ones that filled the air with bagasse. Today they have again got to erect 200-250 ft. chimneys. That is costing a great deal of money. I lived with the pollution from sugar mills for 40 years and people are still going to have to live with it. These

are things that happen. Today a company is forced to do something costing \$100,000 over a period of three years.

We all know about the pollution of streams by sugar mills. The Minister could close them all down if they went too far. We know that they dumped hot caustic in the Burnett River. Normal industrial processes do not cause a great deal of worry. Hot water will kill fish very quickly. Hot caustic kills them even more quickly.

We heard the honourable member for South Brisbane talking about all the chemicals and everything else we eat. We heard what the doctor from Toowoomba North had to say. I could tell him that sugar was a poison. We are told that milk and butter are poisons, because they contain cholesterol. On the radio this morning I heard that women who have still-born babies have very low blood-sugar content. People in this country who have regularly consumed sugar, milk, bread, butter and beef have lived 100 years. What do the specialists tell us today? We had one from South Brisbane and we had one from Toowoomba North. They come into this Chamber and try to tell us how to run our lives and what to eat. They say, "Don't eat butter; don't eat cheese." What did people live on 50 years ago? They want us to eat some of the chemicals that the honourable member for South Brisbane mentioned. Sugar is one of the greatest foods man can eat. The same remarks apply to dairy products. Today many people want to eat everything out of tins.

**Mr. Lamont:** You just did not like me talking about the alcoholic pollution in your bloodstream.

**Mr. JENSEN:** That does not worry me.

**Mr. Lamont:** There is not enough blood in your alcohol stream.

**Mr. JENSEN:** The honourable member for South Brisbane does not worry me. We know what happens to him when he goes out to parties. Everybody has been told about that. Nobody can talk about me when I go to a party; I can control myself.

Everybody in the Chamber gets on the conservationists' band wagon. We talk about food, rivers and the air. We all get on the band wagon. We ought to get our priorities right.

There is only one point I want to make tonight. I have spoken here about conservation as much as anybody else, but I am sick and tired of hearing about conservation. I read a few weeks ago that Lord Mountbatten, the greatest military leader in the British Empire, said that if the next war was fought with atom bombs we would be decimated and the war after that would be fought with bows and arrows. Have we got our priorities right? We are talking little things. Why don't we make sure that atomic bombs will never be

dropped? The warmongers are strutting in Rhodesia and elsewhere in Africa. They are going to start a war somewhere to see who has the power.

**Mr. FRAWLEY:** I rise to a point of order. I draw attention to the fact that the honourable member is not even talking about the Bill.

**The TEMPORARY CHAIRMAN (Mr. Row):** Order! I ask the honourable member for Bundaberg to confine his remarks to the Bill.

**Mr. JENSEN:** I am talking about pollution by uranium from atom bombs, industries or anything else. If we do not get our priorities in the right order, we will not be here to worry about trivial matters such as eating butter and sugar, or even fish from polluted rivers. Honourable members should go to Taiwan or the Philippines to see what the local people eat from their rivers.

As Lord Mountbatten has said, the war after the next world war will be fought with bows and arrows. The human race can start all over again worrying about problems of air and water pollution. These days dietitians and health experts keep telling us that sugar, butter, milk, cheese and everything else is poisoned. They would tell us that the only thing that is not poisoned is the preserved rubbish in containers. It's time we got back to the simple things of life and knew where we were going.

**Mr. GIBBS (Albert) (8.56 p.m.):** Today we have heard a lot about pollution. No-one who reads "Hansard" could be blamed for thinking that Queensland is the filthiest place on earth. That is far from the truth; it is one of the cleanest places in the world.

Today we have heard all sorts of claims about what the Clean Waters Act is or is not doing. But what about the preventive work that it has been doing? The first thing in our mind should be to try to stop the pollutants and to prevent pollution. The Minister and his Government have taken a very firm stand on the matter of disposal of sewage and solid wastes. A sewerage investigation is to be carried out in the City of Gold Coast and the Albert Shire—the two fastest-growing areas in Australia. In two or three months' time the report arising from that investigation will be submitted. This is prevention. Contrast this with the activities of the Brisbane City Council, which is controlled by the Labor Party. It blames this Government for not providing the finance to build sewerage treatment plants.

**The TEMPORARY CHAIRMAN (Mr. Row):** Order! There is far too much audible conversation on my left.

**Mr. GIBBS:** The natives are restless tonight, Mr. Row.

The Brisbane City Council claims that it has sewered the city of Brisbane. All it has done virtually is put a pipe out to sea. That

is not adopting a responsible attitude. If this Government is guilty of having made any mistakes it is guilty of allowing the Brisbane City Council to do that; but the Government cannot be held responsible for it. After all, it paid a subsidy of 40 per cent on all sewerage work carried out in the Brisbane area. The Brisbane City Council should be ashamed of itself. Until the treatment plants are completed, the city of Brisbane is not sewered. The latest estimate is that the installation of secondary treatment plants will cost approximately \$20,000,000. It is sewerage treatment of that type that gives the whole of the State a bad name.

The Minister has put out a brief for a sewerage investigation on the Gold Coast and in the Albert Shire to make sure that prevention is the main thing. The Co-ordinator-General's Department has also circulated a brief for an investigation into the disposal of solid waste. This covers Brisbane as well as the areas down to the border. This is another preventive measure. What better control of pollution is there than that? All this is related to water pollution. The tips are now controlled. It will be very hard to say to industry, "You must stop polluting straight away." That has to be done gradually. We could say to city councils and shire councils, "Close up your tips straight away," but the rubbish has to be put somewhere.

If the Water Quality Council were tough, the Bundaberg distillery would have been closed by now. That would be the worst thing that could happen to industry. We can all preach that we should be tough, that we should do what is done in Singapore, that is, use the gun, but that would mean that half of our people would be out of work. I am told that the Labor Government was in power for 30 to 40 years. All this pollution started while it was in power. It has continued; it certainly has not been stopped.

**Mr. Wright:** You have been in power since 1957.

**Mr. GIBBS:** It has not been stopped as quickly as we would like, but the Opposition cannot say that it started only after 1956. It may have continued for a time, but it will certainly take Queensland a long time to revive after being under Labor for such a long time when it all happened.

I wonder when the abattoirs were built. They were certainly not built after 1956, and they appear to be one of the main grounds for complaint. By the same token I do not think that the Bundaberg distillery was built after 1956.

We should think of ourselves as human beings. Imagine the condition of an area after a big A.L.P. picnic has been held. Other picnics are just as bad. I am talking now of how human beings who pollute with cans, plastic bags and so on during a picnic. We should not knock only industry for polluting. It might be playing only a minor part in the whole problem. The boat-owners

who use our wonderful Queensland waters are guilty of pollution; everything goes over the side. As a Government we must bring in the necessary legislation to stop that. That is water pollution by individuals. Let us remember that every week-end about half a million people are guilty of polluting our beautiful Queensland waterways.

I do not believe that Queensland is the dirtiest State as was intimated by the honourable member for Sandgate. It is one of the cleanest States in Australia. If Brisbane wants to clean up its sewerage system it should plan for proper treatment and connections. No sewerage system works properly unless that is done.

The Nerang River, which probably has more people living adjacent to it than any other river in Queensland is cleaner today than it was 10 years ago. The Water Quality Council inspects the river regularly and it is in excellent condition compared with when all the septic tanks were operating.

I congratulate the Minister and his officers on the job that has been done and on the determination to gain clean air and clean water for Queensland.

**THE TEMPORARY CHAIRMAN (Mr. Row):** Order! There is too much noise on my left.

**Mr. GIBBS:** There is a little noise pollution coming from honourable members on my right.

Littering of the roads does not directly relate to water pollution but it is worth mentioning in this debate in the light of the number of people who camp besides our rivers and picnic on our esplanades. All people in Queensland must play their part wherever they go. In this way they will help to clean Queensland up.

**Mr. HOUSTON (Bulimba) (9.5 p.m.):** If the Minister would care to listen for a moment instead of speaking to the honourable member for Ithaca and the Minister for Survey, Valuation, Urban and Regional Affairs, the debate could proceed as what I have to say I will say directly to the Minister because the Committee is entitled to some explanations.

The Estimates of Expenditure from Trust and Special Funds for 1975-76 show, under the heading "Local Government and Main Roads (Code Ref. 11)" the heading, "Clean Waters Trust Fund". It shows that for 1974-75 the number of employees was 40 whereas for 1975-76 it is 43. In debating the Budget, we look at these figures to get some idea on whether we believe an Act or certain provisions of an Act are being fully implemented. One of the matters for consideration is whether or not there is enough staff to do the job.

When I looked at these figures during the Budget debate I thought that with 40 employees a proper job could be done. However, the third annual report from the Water

Quality Council discloses that the staff last year numbered 28. Why do the Estimates show 40 persons employed while the Water Quality Council report shows that at the end of the year the staff was 28 persons? I think that, as the money is allocated for 40 employees, the Committee is entitled to know where the other 12 employees are used.

The Water Quality Council report for 1975 shows also that there are nine vacancies. Therefore one can imagine why the council has not been able to do the job we hoped it would do. In addition there are only two inspectors actually employed, with one vacancy. How ridiculous, if we are going to enforce the law!

And the Minister is now talking about increasing penalties. Surely if the penalties are to be increased, the Minister must have believed that the existing penalties were not doing the job; yet there have been no prosecutions, so we do not know whether the existing penalties are acting as a deterrent. The matter has not been tested in the courts and we do not even know whether or not a prosecution would stand up in the courts and, if it would not, it would not matter how large or small the penalties were. But with only two inspectors, how can this law be policed? I say that it is completely ridiculous.

The main reason I wanted to speak was that in my own electorate we have suffered over the years from the pollution of the Brisbane River. I am not in a position to say accurately who are the polluters. But it is obvious that the pollution is not coming from the ordinary civilians and their back yards. On occasions, on the banks of the Brisbane River, particularly on the Bulimba and Hamilton reaches, we find a large quantity of what appears to be a fatty substance. That would make one think that it was coming from some type of beef-processing establishment, and we have beef-processing establishments near the mouth of the Brisbane River.

A person might think that this fatty substance would be devoured by fish and other river and marine life. The problem is that the fatty substance is brought up the river on the incoming tide, and at the drop of the tide, is left on the banks. There is certainly a smell associated with the rotting of this substance.

A more immediate problem, which has been drawn to the attention of the authorities over a long period, is that the substance is getting onto the boat slips. In that part of the Brisbane River the small-ships industry is located, and on many occasions operators in that industry have contacted me about the level of pollution going onto their slipways. Apart from the obnoxious smell and appearance, this pollution is dangerous, and the danger associated with it is my main concern. That it is a danger is borne out by the fact that there have been accidents when employees

have slipped on this substance, and the boat-building industry has to pay higher worker's compensation premiums than apply to many other industries. When I investigated the position I found that higher premiums were required because this industry was, according to some people, accident-prone. This was to a large extent brought about by pollutants on the slipways. It is therefore essential not only that legislation be brought down but that it be policed and, where this type of pollution takes place, very strong action is taken to see that it is stopped.

For years, when the electorate of Bulimba included the Murarrie area, I made speeches about the pollution of Doboy Creek, or Bulimba Creek; whichever name is used, it is still the same stream. It has been an absolute disgrace for many years. It is all very well to say, as the honourable member for Carnarvon did, that industry has to be given a go. Industry in the Murarrie area has had 10 to 15 years to clean up the area.

**Mr. Moore:** You could cut the air there into blocks and build a house with it.

**Mr. HOUSTON:** The honourable member for Windsor is truthful on that matter. For 18 years I complained to the Government about the smell from the pollution of that area. Both the Housing Commission and private persons built houses there and they built them prior to the pollution of the air by industry.

**Mr. Frawley:** Did you do any good?

**Mr. HOUSTON:** Occasionally, yes.

**Mr. Frawley:** I am pleased to hear it.

**Mr. HOUSTON:** I spoke to Ministers about it—not the present Minister or the former member for Carnarvon—and some action was taken that produced relief for a little while; but the relief lasted only until the tanks became full again and out rushed the pollutants. On one occasion prior to 1971 there was talk of prosecution. It was then found, according to the authorities, that a prosecution could not be launched because it was impossible to prove what the standard should be. The Leader of the Opposition, whose electorate of Lytton now includes that area, is still complaining about it. It is obvious that little has been done in the meantime.

The reason that nothing has been done can be found in the fact that the two inspectors work, I imagine, ordinary office hours. In other legislation we have allowed various public servants to be inspectors in periods out of normal working hours. After all, industry knows that inspectors work normally from 9 a.m. to 5 p.m., and they know that when a citizen complains about pollution out of those hours there is no answer at the numbers listed in the telephone book when one attempts to contact an inspector. I believe that that is wrong. Police or other officers should have authority to do something about pollution.

It has been said that fish can be caught in the river. They could for a while. I remember that Wally Rae, when he was the Minister in charge of water pollution control, took a trip down the river. He waved from the boat to a few people on the bank and he was well received. It was, of course, about election time. He returned from that trip and said, "I have been successful. I have cleaned up the river". At that time it was possible to catch a couple of fish in it; but honourable members should try it now and see how good they are. Forget about the fresh in the river, which has cleaned it out to a large extent. In fact, the river is cleaner now after the fresh than it has been for a while.

**Mr. Frawley:** There are plenty of fish in the river.

**Mr. HOUSTON:** Only because of the fresh, and the fish that are there are only those types which live in that type of fresh. We are not catching the saltwater fish that we did a couple of years ago. I have no doubt at all that the Honourable H. A. McKechnie, the previous Minister, would have caught fish in the Brisbane River, but we are not catching them now where we did previously.

At this stage I want to mention two points. Firstly, the people of Murarrie are still subject to the same obnoxious smell. Everyone travelling in a car along Wynnum Road has to put up with it. People at Hemmant and other places are affected. We know also that no prosecutions have been launched, and apparently little attempt is being made to overcome the problem. I am particularly concerned about industries located on the Bulimba side of the Bulimba and Hamilton reaches of the Brisbane River. The people employed in those industries are constantly exposed to the threat of injury on slipways affected by fat. The people who run these establishments assure me that a slipway coated with ordinary water is an entirely different proposition to a slipway that is affected by fat.

The increase in penalties certainly has the effect of bringing them up to the level intended in 1971, when the legislation was first introduced, but unless the Minister launches some prosecutions, unless he shows his teeth and shows that he has some strength and is prepared to use it, I venture to say that industries, particularly the bigger industries, will do nothing about it. The little fellow tries. He has to try because he can be put out of business if he does not. It is said that we suggest that places be closed down if they do not do the right thing. I do not suggest that they be closed down; I suggest that they be not allowed to operate while they are polluting but that the company concerned pay the employees their wages while the establishment is closed down. After all, the employees should not suffer if the firm is not doing the job.

The honourable member for Albert said that the previous Labor Government did not do much about the problem. Let me remind him that the present Government came into power in August 1957 but this legislation was not introduced until December 1971, so it was 14 years before this Government saw fit to do anything. The reasons advanced by the Minister at that time were varied and some were very complicated. The Parliament accepted them as being reasonable, so it was obvious that legislation had not been introduced because there was no real yardstick to go by. But when the legislation was introduced in 1971 it laid down, from memory, four years—

**Mr. Wright:** Five years by Governor in Council.

**Mr. HOUSTON:** That is right, and up to seven years in special circumstances. We have received the third annual report of the Water Quality Council so after 3½ years there are still a lot of places which have a long way to go before they achieve the desired result. I do not want to suggest that industries be put out of business, but I think that when an industry commences operations, particularly in an established residential area, it should not be allowed to cause discomfort to residents. The Government has established industrial estates in the electorates of Bulimba and Lytton. These estates were established well after the establishment of residential areas and I do not think it is right that they should be allowed to enter these areas and cause discomfort to the people.

**Mr. Hinze:** Why don't you tell your leader that?

**Mr. HOUSTON:** My leader has already spoken and what I am saying is completely in accord with what he said. It substantiates what he said. Anything I say is only in confirmation of what he said, and perhaps adding to it. If I remember correctly, the Minister and his predecessors have always promised to do something, and it is now 12 months or more since he was down in that area.

**Mr. Burns:** If he throws all that weight behind us, we're on our way.

**Mr. HOUSTON:** The only difference is that he has got heavier and his throwing has become weaker. That is what has happened over a period. We are starting to look for something. I am pleased that the Minister is aware that the Act is in force. As he proposes to bring this amending Bill before honourable members, no one can say that he is not aware that the Act is in existence.

Let us do something positive, Mr. Row. Let us first stop the pollution. Let us take action particularly against Government establishments, because there is no reason why they should be allowed to continue to cause pollution.

There is another matter that disturbs me. Can the Minister explain why one official Government document shows that there are 40 employees under the Clean Waters Trust Fund and the report of the Water Quality Council for the same period shows that there are 28 employees?

**Mr. AKERS** (Pine Rivers) (9.21 p.m.): I wish to speak only briefly on the proposal to amend the Clean Waters Act, and to clarify one or two points raised by members of the Opposition.

The Leader of the Opposition and the honourable member for Sandgate both criticised the Australian Paper Mills factory at Petrie.

**Mr. Burns:** I did not criticise it. I said that it had been exempted under the Act.

**Mr. AKERS:** I will tell the honourable member why it was exempted. A.P.M. at Petrie was exempted because in 1949 the Labor Government then in office in Queensland entered into a 50-year agreement to exempt it. It was an arrangement entered into with the Government of the day; it had to be honoured by the present Government.

Although honourable members opposite might criticise it, I did some checking to find out what problems A.P.M. has had. In 1963 there was excessive pollution of the Pine River. It was dreadful. The water turned black, fish died and no-one could swim in the river. That has been given as an instance of the dreadful pollution created by A.P.M. Since then the river has been clean and people have been swimming in it.

Members of the A.L.P. seem to be ashamed of the agreement to which I have referred. They ought to be proud of it, because that agreement is the sole reason why the Pine River is clean. The agreement controls A.P.M. much more stringently than I believe the provisions of the existing Act would control it.

**Mr. WRIGHT:** I rise to a point of order. I do not believe that the honourable member is telling the complete story, because a document that I have here—

**Mr. Moore:** There is no point of order.

**The TEMPORARY CHAIRMAN** (Mr. Row): Order! The Chair will determine whether or not there is a point of order. I ask the honourable member for Rockhampton to state his point of order.

**Mr. WRIGHT:** I state that what the honourable member is saying is incorrect and that, therefore, he is misleading the Committee. I refer to a publication by the Government which, at page 102, states—

“Whilst these agreements were a step in the right direction and assisted in bringing two major industries to the State, experience has shown that long-term agreements of this nature are not entirely satisfactory.”

That is stated very clearly.

**The TEMPORARY CHAIRMAN:** Order! I call the honourable member for Pine Rivers.

**Mr. AKERS:** I said that I wished to be brief, but I have some details of the agreement. It controls the effluent from A.P.M. very strictly. The allowable maximum is 100 parts per million of suspended solids, or 3,000 lb. per day. In 3,000,000 gallons of effluent per day, that is very low. It keeps the pH factor within very strict limits. It also refers to the Lovibond Colorimeter. I understand that there is only one in Queensland, and it is owned by A.P.M.

**Mr. Byrne:** What has it cost the company?

**Mr. AKERS:** That is a very good question. It has cost the company \$500,000 over the past few years to control pollution, and over the last three months it has spent \$80,000. All of this has gone into additional aeration equipment and ponds. Holding tanks and ponds in the A.P.M. grounds have a capacity of 25,000,000 gallons. The effluent is held there for eight days. As the representative of the Director-General of Health, the Water Quality Council has complete access to that area. It monitors the water in the North Pine River monthly. A.P.M. monitors the effluent daily.

The misguided comments of two members of the Opposition are an example of their attitude to employment. I take great exception to their putting at risk the employment of 300 people in my electorate. If this company, which was teetering on the brink of collapse last year because of problems created by the Whitlam Government, had been controlled in the way the Opposition wants it controlled, it would have collapsed at that stage.

I commend the Bill to the Committee and urge all honourable members to support it.

**Hon. R. J. HINZE** (South Coast—Minister for Local Government and Main Roads) (9.26 p.m.), in reply: I tender my sincere thanks to all honourable members who have made contributions to the debate. I am very pleased to have had the privilege of hearing their various contributions. This is a matter of great concern to the State. When a Bill introduced to increase maximum licence fees from something like \$2,000 to \$4,000 creates sufficient interest to keep all honourable members awake until this time of night, it is obvious that its subject matter must be of great concern.

I was very impressed with the contributions, and I should like to comment on one or two of them. As another Bill on the Business Paper, very similar to this one, is to be dealt with—I refer to the proposed Bill to amend the Clean Air Act—I do not want to take up too much time. We are going to get a lot of that this session. As Minister in charge of pollution problems in

the State, I have publicly said that if possible I propose to do something about noise abatement legislation this session.

I could not be other than pleased at the debate on this Bill. All I have heard by way of criticism is that the Government has not been quite as determined as it should be. The Leader of the Opposition said "O.K., you have had the Act in existence for three or four years, but you have not done a lot about it. You haven't been stringent enough." Opposition speakers like the honourable members for Wolston and Sandgate, capable local government people, have said, "You have had the Act, but you should be a little bit more harsh. You should treat industry a little more harshly." Honourable members know that the Bill makes provision for a fine of something like \$10,000 for anyone who flouts authority and an additional penalty of \$1,000 a day. These penalties are quite separate from the licence fee. The Government indicates quite clearly to industry in this State that it has certain powers. There is a difference between the attitude of Government members and the attitude of members of the A.L.P. I suppose I will be criticised for saying that I gained the impression that they want two bob each way. They urge the Government to go to industry and say, "We want you to keep all your staff employed", and at the same time give industry a good old kick in the guts if the Government gets half a chance. I am not that type of fellow; I try to be tolerant. I meet with all industries.

The honourable member for Mackay has left the Chamber and gone down to the Irish Club. But that does not matter; I shall deal with him at some other time. He talked about A.N.P.A. I went to the area and discussed the problem with the company. I saw exactly what it was doing. It is spending something like \$1,000,000. Anyone who suggests that it is not making a realistic attempt to combat the pollution problem would be thick in the head.

My friend the Leader of the Opposition represents the problem area of Lytton. It is not his fault—nor is it mine—that it is a part of Brisbane in which noxious industries have been allowed to become established and will continue to be established. A serious problem is created by the increase in population. The honourable member himself wishes to see residential development take place there. It is simply not compatible with noxious industry. Residential A class development cannot be allowed in a noxious industry area. However, the honourable member has the problem. I told him that I could fix it for him and that he would have no worries whatever. I said that I would prevent any further residential A development. But he did not want that, either, because he has to get the numbers.

These comments apply equally to the honourable member for Bulimba, a former Leader of the Opposition. He made a very

good contribution to the debate, and he, too, represents an electorate close to noxious industry areas. He also wants to see residential development. This is something that the two Opposition members have to live with, and it is a matter that gets back to town-planning.

The contribution of the honourable member for Wolston, as always, was a very good one. He has had many years' experience in local government.

The honourable member for Bulimba referred to the number of staff. The answer is that as at 30 June 1975 the Water Quality Council had a staff of 28, with nine vacancies. Action is being taken to fill those vacancies and to appoint a further three staff members. This will bring the number up to 40. I hope the explanation is satisfactory to the honourable member.

As to the number of staff who can act as inspectors—I understand that something like 17 are capable of so acting. The director himself can act as an inspector. As well there are eight civil and chemical engineers (there are four vacancies) and three scientists, chemists and chemical biologists (one vacancy is to be filled), making the total of 17. That is vastly different from the number of two inspectors mentioned by one honourable member.

It is late in the evening, but I wish to refer briefly to the honourable member for Mackay. As I have said, A.N.P.A. has spent about \$1,000,000 on the provision of water pollution control measures to date. It is committed to further expenditure. Considerable improvement has resulted from this work. To provide further information the company recently commissioned an environmental impact study, which is being assessed by a number of Government departments. As I have said, I have visited the area and can appreciate the extent of the problem that the company is trying to overcome. The Government should support the company as much as possible in its efforts.

As a Government we can say that we have the authority to impose fines and that we can take the company to court. Since I took over from my extremely capable colleague Henry McKechnie I have tried to work with industry. I have tried to get industry to come to me in my office. When my capable officer Leon Henry, who is in charge of the Water Quality Council, indicates that a problem has arisen in a certain area, I ask the people concerned to show cause, as it were. We try to overcome the problem. That is the way we work.

As an earlier speaker said, it is only four years since this legislation was introduced. Opposition members insist that we should get a little more serious and drag people into court and prosecute them to the utmost. Possibly that is the sort of thing the A.L.P. would do. In our opinion we are making progress. In the past 12 months I have

not had to speak a second time to the directors of companies—I am referring to capable people—because they have definitely set out to satisfy the Government. Honourable members know as well as I do that responsible industries will not flout the authority of a responsible Government. Having said that, I think honourable members understand very clearly the present policy and attitude of the Government.

Motion (Mr. Hinze) agreed to.

Resolution reported.

#### FIRST READING

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

### CLEAN AIR ACT AMENDMENT BILL

#### INITIATION IN COMMITTEE

(The Chairman of Committees, Mr. W. D. Hewitt, Chatsworth, in the chair)

**Hon. R. J. HINZE** (South Coast—Minister for Local Government and Main Roads) (9.38 p.m.): I move—

“That a Bill be introduced to amend the Clean Air Act 1963-1972 in certain particulars.”

This is a simple measure dealing with licence fees payable and penalties which can be imposed under the Clean Air Act. The main point of the Bill is that it proposes a very substantial increase in the maximum penalties which may be invoked for the more serious offences likely to cause air pollution. This is part of a planned attempt, by me as Minister, and by the Government, to show clearly that we are mindful of the potential for more serious air pollution problems in the State, and that we are serious in our endeavours to ensure that the situation doesn't get out of hand.

In many respects, this Government is among the leaders in environmental legislation and measures. I have already referred to proposed amendments to the Clean Waters Act, and no doubt members have heard about proposed noise abatement legislation which I propose to bring before Parliament during the current session. The draft legislation will be completed shortly, and I am confident that the Bill will be among the most comprehensive noise control statutes in Australia or overseas.

I would now like to deal briefly with the provisions of this clean Air Act Amendment Bill. The Bill increases from \$2,000 to \$4,000 the maximum licence fee that can be imposed under the Act for granting, renewing and transferring licences covering the discharge of air impurities from premises. Honourable members will appreciate that in times of rapid inflation it is necessary to revise licence fees periodically in line with current costs, and this is presently being done with fees prescribed under the Clean Air Act.

So that higher licence fees may be prescribed, it is necessary that the statutory maximum fee be increased. The present maximum fee of \$1,000 was fixed in 1963. Bearing in mind the increased costs, inflation and the changes in the value of money since then, honourable members will appreciate the necessity to increase the maximum fee to \$4,000. The Bill makes this provision.

The Bill also inserts new provisions prescribing special penalties for the more serious types of offences. These include operating scheduled premises (the larger types of industries) without obtaining a licence from the Air Pollution Council, failing to comply with the conditions of a licence, and installing—without obtaining the prior approval of the Air Pollution Council—equipment considered likely to cause air pollution.

It is considered that the present maximum penalty of \$400 in such offences is not an adequate deterrent, and the Bill makes provision for a maximum penalty of \$10,000 (and a maximum daily penalty of \$1,000) for a first offence, and a maximum penalty of \$20,000 (and a maximum daily penalty of \$2,000) for second or subsequent offences. These proposed new penalties conform with those set out in the Clean Waters Act for corresponding or similar types of offences in the field of water pollution.

As well as providing special penalties for the major offences, the Bill also provides increased penalties for offences such as forgery of licences, refusal to supply information to inspectors or authorised officers, obstructing an inspector in the course of his duties and the unjustified disclosure of information relating to manufacturing processes or trade secrets. The Bill increases the penalties which can be imposed for these types of offences from \$400 to \$1,000.

It also increases from \$100 to \$250 the penalty imposable for failure to return an expired or cancelled licence, and increases from \$200 to \$500 the penalty imposable for a breach of regulations made under the Act.

I don't believe that any member of this Committee would seriously suggest that this Bill is an attempt to make the Clean Air Act a greater money-spinner for the Government, at the expense of industries. I think honourable members would realise that the Government's financial return from such fees covers only a very small percentage of its costs in administering the relative Acts, and in providing the services to monitor, control and counter the various forms of pollution covered in the Acts. It obviously would be impracticable for fees on industries to be increased to the extent that these costs were recovered, and this certainly is not the desire or intent of this legislation. Inflation is a factor which needs to be kept in mind in periodic reviews of fee structures, as well.

We hear criticisms, from time to time, of the Government's policy of licensing industries as giving them a licence to pollute.

Nothing could be further from the truth, and I would strongly suggest that anyone who thinks along these lines should look more closely at the administration of the various Acts and the Government's role and activities in the control of pollution in all its forms. In fact the licensing provisions give the Government greater control (through the Air Pollution Council) over air pollution from industries, through conditions that it is able to impose on licensing, and by associated measures.

Complete elimination of all pollution from industrial sources is a wonderful ideal, but in practical terms it's a pipe dream. We can't wish it away, or wave a magic wand to make industrial emissions disappear. Licensing gives us the opportunity to impose conditions on how it should be controlled for the least injurious effects on man and the environment, and to make sure that the conditions are met.

I should, perhaps, reaffirm here the Government's policy of consultation and co-operation with industries and other authorities in its efforts to minimise pollution in all its forms. It has been my policy as Minister, and the Government's, to consult and seek the co-operation of industries to overcome any problems which might emanate from the discharge of industrial wastes. This should not be taken as a soft-sell approach, however. By and large, industries have responded to our policy of consultation and co-operation by assisting us to avert problems in the first place, and to overcome them fairly quickly when they do arise. However, industries which openly flout our conditions and laws, and fail to respond to approaches to take action, can be assured that the full weight of the relative legislation will be applied by me as Minister and by the Government when it is warranted.

Some members will recall that the Government has extended its air pollution monitoring programme in the Brisbane region itself and in outlying industrialised areas; and the appointment of staff in Townsville to supervise air pollution controls in northern areas has been approved also. It is intended that similar staff will be appointed to Gladstone at a later date.

The department's Air Pollution Control Division has become closely involved in the examination of new town plans and the review of current plans. The aim of this is to ensure, by a combination of judicious industry siting and other means such as buffer zones and emission controls, that the detrimental effects of industrialisation are kept to a minimum. As I have pointed out before, the need for such co-ordinated planning is well illustrated by the current pollution problems in two of Brisbane's long-established and highly industrialised areas—the Murrarie-Hemmant-Tingalpa area and the Darra area. Both areas have air pollution problems which have been brought about largely by short-sighted and inadequate

planning in the past. Regrettably, in recent years there has been increased housing development adjacent to these industrial zones, to add to the conflict between industry and residential interests.

I think I have covered all the aspects of this legislation which should be explained, and I commend the Bill to the Committee.

**Mr. BURNS** (Lytton—Leader of the Opposition) (9.47 p.m.): The Minister said in his introductory speech—

"I don't believe that any member of this Committee would seriously suggest that this Bill is an attempt to make the Clean Air Act a greater money-spinner for the Government, at the expense of industries."

As I understand it, it was 1959 when a parliamentary committee first made a study of air pollution. We took four years—to 1963—to make up our minds to introduce the Clean Air Act. It was another two years before we decided to have assent given to it. Then in 1965 we decided to give industries seven years in which to comply with the terms of the Act so that they would not be required to do so in a hurry. In May 1972, 13 years after we first made a study of air pollution, we said that we would give industry a little more time to comply. In all that time, one firm has been fined \$50 plus \$2.50 costs of court. I therefore agree with the Minister that this Act is no money-spinner. We have not made any fortune out of its implementation, and we have not cleaned up the air.

Quite truthfully, I give credit to the present Minister. He is the first Minister who has shown some concern for the environment. The previous Minister, now Sir Douglas Tooth, was sickening in his refusal to even meet people or discuss the problem. He even refused to see deputations or answer letters. He was a disgrace to the name of a Minister in charge of the Clean Air Act. I told him when he was here what I am saying now, so I am not saying anything that I did not say to his face. At least the present Minister is prepared to go into this area.

Before the present Minister assumed this portfolio we were promised a daily alert on smog. The Press report read—

"Brisbane is to have daily air pollution forecasts with its weather reports."

That was on 9 September 1972. The report went on—

"The Director of Environmental Control in Queensland, Dr. J. H. Green, said yesterday the forecasts would be worked out with the Bureau of Meteorology."

Of course, we never got them. On 15 October 1972 we were told that a firm in Brisbane was to face the first prosecution over smoke. The Press report said—

"Firm faces first charge over smoke."

"Queensland's first prosecution under the Clean Air Act has been authorised against a Brisbane company over smoke pollution." One can still see a somewhat similar sight from the same factory and still there has been no prosecution. But there were nice headlines about it on 15 October 1972.

On 7 May 1975 the Minister said that no longer was he going to spend any time in discussing the matter; no longer was he going to rely on the policy of threats and persuasion. The headline was, "Dark look at pollution". On 11 September 1975 there was the headline, "Hinze seeks tougher line on pollution". The Minister said then that he was considering amendments to allow him to take certain action.

In August 1975 he said in "The Courier-Mail", "The brakes have to be applied to pollution now." He went on to say—

"I will not tolerate blatant disregard of pollution regulations by industries. If the problem is not arrested now, society will have the right to ask what I am doing. I don't want to wield a big stick or threaten industry, but if industries side-step or ignore pollution control measures we won't hesitate to use our own powers."

I believe it is time that some of those industries that knew that they were polluting in 1959, and which the parliamentary committee which studied air pollution in 1959 said were polluting the air, were told that we cannot afford to give them any more time. I do not want to see anyone sacked, and I do not think we have to do that.

I think industry all over the world, and all over Australia, is facing up to the fact that air pollution is a health hazard and is a danger to the workers themselves. I have workers in my area complaining to me about air pollution from one firm, A. J. Bush & Sons Pty. Ltd. of Murarrie. This firm regularly pollutes the air—I make no bones about it—and it has done it for some time. The workers in nearby factories say to me, "What are we going to do about it? We can't eat our lunch, we can't sit on the job or work on the job with the problems from there."

**Mr. Frawley:** Rubbish!

**Mr. BURNS:** Here is a man who speaks more rubbish than any other man in the Chamber and who has to interject because he can't keep his mouth shut. I will take him down there to a pollution area one day and we will feed him a hamburger when they are letting some of the muck out from the fertiliser plant or when the smells from the tannery or the oil refinery are particularly bad.

**Mr. Frawley** interjected.

**Mr. BURNS:** With the sort of stuff he eats and the stuff he mouths in this Chamber, his stomach is prepared to cop most things, and perhaps he would be able to cop that too.

One of the things we ought to do is to ensure that from now on we do not allow industries to build close to houses. The Minister mentioned that in his previous speech. I think he could have made the two speeches at once. I think one of the problems we do face arises from the division of water quality control and air pollution control into two separate compartments. We forget that they are all the one problem. The problem in Bulimba Creek is one of water quality on one hand but air pollution on the other. Again, I give credit to the Government for putting them both under the control of one Minister at this time, because before that they were in the hands of the Department of Health and the Department of Local Government and the buck used to be passed backwards and forwards between them. At least now they are under the control of one Minister, and one of these days I expect that all of these items would come under the one heading of environmental control with one Minister controlling not only air and water pollution but all other environmental matters.

But the problem as I see it in areas such as Murarrie and a number of other areas is that of town planning. I congratulate the director of air pollution control, who wrote to the Brisbane City Council objecting to some of its town-planning decisions. At the same time I might also remind the Minister of the agreement we made with the residents of Murarrie and other areas that we would try to stop the encroachment of industries on houses in the area. Probably one of the greatest disasters I have seen in town planning in the past half-dozen years is the decision to allow a line to be drawn right through from Lytton Road to the mouth of the river so that all of the area between the river and Lytton Road and from the railway line through to the new port at the mouth of the river will be gazetted as harbour industry area. This will be an industrial area as of right under the town plan.

As I understand it, a harbour industry is any industry that can obtain a permit from the Director of Industrial Development stating that it is an industry associated with the port development or associated with the export trade. It is then entitled to establish in this area. Now, there are some industries already established in this area adjacent to houses that have been there for 30 years, not houses that were built in the last three years or the last three months. One of these, for example, is the hide and skin drying works which used to be situated out on Old Cleveland Road on the way to Capalaba. It has shifted and established itself opposite the new housing area at Murarrie.

**Mr. Chinchen:** No buffer zone?

**Mr. BURNS:** No buffer zone at all. It has obtained this permit from the Department of Commercial and Industrial Development and that gives it the right as a harbour

industry to establish in this zone. Having established there, it is now hanging these skins, with rotten meat, maggots, etc. attached, on fences within 100 yards of the housing area. It is permitted to do this in this industrial zone because it is an export hide and skin works. I believe that the hide and skin works could come under the control of the air pollution people because it does pollute the air. But it is not an industry as such. It is not manufacturing anything, and I am told by the people from the department that they cannot control it because it is not manufacturing in the accepted sense of the word, so it does not come under the Clean Air Act.

**Mr. Moore:** Of course it does!

**Mr. BURNS:** It does not. I have a letter stating that the industry does not come under the Clean Air Act. It is not a manufacturing industry. It is a hide and skin works that carries out open-air drying on fences in the area.

**Mr. M. D. Hooper:** Doesn't the Brisbane City Council have to give a permit?

**Mr. BURNS:** Once a permit is received from the Department of Commercial and Industrial Development, the only requirement is to comply with the provisions of the Clean Air Act—that does not apply in this instance—and the town-planning provisions under which it must be so far from the front fence, so far from the back fence, and so on. The industry has rights under the town plan because in that zone it is a harbour industry.

**Mr. M. D. Hooper:** Not from the Brisbane City Council?

**Mr. BURNS:** No. There is a letter from Sir David Muir that I can show the honourable member. A similar problem arose in relation to another group of people at Lindum. In that case it was a manufacturing industry and the Air Pollution Control Council stepped in. Sir David Muir refused to issue a permit and the industry, which was operating in a shed in the area, was removed.

One of the big problems arises from the lack of town planning many years ago. I cannot blame some of the industries in the area that have been established for 20 or 25 years for putting their foot down and saying, "We don't want to spend all this money." One industry puts forward the argument that it spent a certain amount of money following advice from the Air Pollution Control Council. Having spent that money, it found that the equipment did not work. Orders have now been issued for the installation of additional equipment.

It is fairly obvious that some industries create pollution at night and after ordinary working hours and do not create it during the day; somehow or other they must be able to control it. Pollution does not occur between 8 a.m. and 5 p.m.; but between 5 p.m. and 7 p.m. or 8 p.m., out comes a

rotten, foul smell. I cannot be convinced that they have not some method of controlling it, because for nine hours of the day pollution does not occur and for three hours after the inspectors knock off—

**Mr. Moore:** That is because they turn the tap on into the creek.

**Mr. BURNS:** I do not know why it is; but for three or four hours after the inspectors knock off, people in the area cannot open the windows in their homes—in fact, they can hardly do anything—because of the rotten, foul smell.

A. G. Bush's rendering-down plant is a good example. I understand that one of the reasons why it operates at night is that the scraps are picked up from the butcher shops around the city during the day and the process of rendering down from blood and bone into meal is carried out during the night. During the first two or three hours after operations begin—just when most people in Murarrie are sitting down to have their evening meal—a foul odour wafts across the area.

The problem will increase for people in that area and for many other people in the city of Brisbane because the Government has made a decision and the Brisbane City Council has approved it—they are both involved so they cannot pass the buck from one to the other—that the area along the river-bank from the new dry dock at Colmslie to the mouth of the river is to be zoned for industries of this type—harbour industries and noxious and hazardous industries. What will happen? The prevailing wind will blow in from the sea and, as has been pointed out over the years, because of the hills at the back of Brisbane, the city has a worse fog potential than Los Angeles. That has been said a thousand times over, and it was stated in the first report of the parliamentary committee that considered the question in 1959. The potential is there for the wind to blow back over the city the smells, soot, dust and all the other things coming from these industries.

Therefore, before any more industries are established there, it is important to decide whether the zone should be extended right up to the houses. During the dispute over the town plan last year, I brought a deputation to the Minister. He agreed that he would consider some recommendations by people in the area that some of the industries be set further back from the housing.

As the port is developed, I can see the need for similar action to be taken. There ought to be some green areas and buffer zones to keep polluting industries away from housing areas. They need not necessarily be only parks. In some cases storage factories that will not create pollution or noise could be used to create a buffer between the factories in which the people work and the houses in which they live. People want to live there. It is no good arguing that people do not

want to live in these areas; they do. They wish to live close to work because transport is so costly today.

**Mr. Chinchen:** They were there first.

**Mr. BURNS:** They were. It is rather difficult to say that definitely, because the first meatworks in the area were built at the turn of the century. That decision is the one that we all have to fight today. After the meatworks were built, the bacon factories, the hide and skin works, the tanneries and other associated industries all grew round the meatworks. There was no town-planning in those days. The meatworks were far enough out of town and away from Wynnum and from Brisbane not to cause any concern. They were allowed to build there. But people wanted to live near to their work so they shifted out close to it. Gradually the world has closed in on them. Twenty-five years ago factories like the tannery shifted out there to get away from the citizens. Now they find that the residential areas have crept up on them.

It is not a matter of saying that industry is wrong or housing is wrong. We must face the problem. Our problem is to see that people have clean air. It is no use arguing and saying that a person is on the side of the polluter or against the polluter. We have to be on the side of our own environment and our own people. If a person pays \$25,000 or \$30,000 for a home, he is entitled to be able to wander around his back yard in the afternoon and breathe clean air.

**Mr. Kaus:** Would they pay that much in that area?

**Mr. BURNS:** Yes. If people go out to Murarrie on a pleasant Sunday afternoon when there is no pollution occurring, they can stand on a hill 4½ miles from the centre of the city and honestly say, "This is God's own country. This will do me. We will buy a block of land here and build." People are building new homes there right now, within 100 yards of the school. All facilities are available. People build a home and shift in, but then at 6 o'clock one night they open a window and find that A. J. Bush has allowed his foul, rotten odour to come wafting in. All of a sudden all of their dreams turn to dust. People who have paid \$30,000 for a house are prepared to sell it for \$25,000 to get out.

We have a health problem in the area. Doctors have told people to get out of the area because of the health problem. Someone asked, "How much does it cost industry?" How much does it cost the people when they have to drop money in this way? How much does it cost to go to doctors? How much does it cost to have a home deteriorate? How much does it cost to spend hot summer nights in a locked-up house? It is all very well to add up the cost to industry, but there are costs to us,

too. We pay for it. We pay for the problems of the kids in the schools in the area who have to work behind closed windows because they cannot study properly with the windows open and the smell coming in. We pay at Hemmant where the Minister's report shows that sulphur dioxide readings in March are sometimes so bad that the athletic performance of children at schools in the area is impaired. We pay for the houses that we have to repaint time and time again because of the greasy fall-out. People in the area are always washing and scrubbing their houses. They pay. It is not a case of factories versus the people. The community pay. Somewhere along the line we all pay. We all contribute.

It is not a case of the polluters being right or the householders being right. That is no argument at all. We have the job of seeing that the people who live in such areas get justice and enjoy the basic right of every Australian to breathe clean air, with protection from an industry that is not concerned about local residents and continues to pollute years after it is established.

I have sat with the Minister around a table and talked with industry representatives. They have agreed that something has to be done. Most of them are moving, but some of them are stubborn. Those that are stubborn have to be shown that, although we are prepared to negotiate, we cannot always continue to negotiate. Not all of the answers given to the people or to the industries in the area have been successful. We have made mistakes. But make no bones about it, we have to take steps now if we are going to protect our city. It is no good putting the matter off until later on. It is no good saying, "Let us leave it for another five or 10 years."

What about our own problem of pollution from cars and trucks? The other morning I pulled up in a traffic jam on the Story Bridge. Beside me was a truck, and when its engine was revved up it put out a pall of black smoke. For a moment I thought it had caught on fire. Obviously nothing at all associated with that truck could be covered by any of our laws.

**Mr. Hinze:** He'd have to be a Lib, wouldn't he?

**Mr. BURNS:** He must have been a Liberal. Actually I should have thought he would be a National Party member.

Every time I go across the Story Bridge I look at the blue poles at the side and think of the pollution that has stained them.

**Government Members:** "Blue Poles".

**Mr. BURNS:** They are all arty crafty around here. They are only interested in the painting "Blue Poles". They are never interested in the people whose lungs are

taking in the air they have allowed to be polluted over the years by their failure to implement their Act.

Progress reported.

The House adjourned at 10.6 p.m.

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