Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 7 APRIL 1976

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

AUDITOR-GENERAL'S SEPARATE REPORT

ACCOUNTS OF STATE GOVERNMENT INSURANCE OFFICE (QUEENSLAND)

Mr. SPEAKER announced the receipt from the Auditor-General of his separate report on the accounts of the State Government Insurance Office (Queensland) for the financial year 1974-75.

Ordered to be printed.

MINISTERIAL STATEMENT

ALLEGED INDEBTEDNESS OF RUSSELL J. HINZE

Hon. R. J. HINZE (South Coast—Minister for Local Government and Main Roads) (11.4 a.m.): Yesterday, while I was representing the Premier and the Government at a welcome to visiting Queensland and interstate sportsmen to a major championship on the Gold Coast, the honourable member for Archerfield (Mr. Kevin Hooper) saw fit to ask a question in this House in respect of a legal matter involving me. The honourable member for Archerfield is well known for his style of "bucket-tipping" politics, so it comes as no surprise that, firstly, he should stoop to asking such a question and, secondly, that he should wait till I was out of the Chamber before doing so. It indicates, of course, that the honourable member has no guts.

Mr. SPEAKER: Order!

Mr. HINZE: He never has had, and he never will have.

Mr. SPEAKER: Order!

Mr. HINZE: Normally, I would have thought that in view of his past performances and his record of standing over and intimidating union members—especially female members—the honourable member would be the last person to raise such a matter in the spurious manner he has chosen. Clearly it is a case of a leopard not changing its spots and, as I said at the outset, I am not surprised. I would, however, like the opportunity to answer the question which the honourable member yesterday posed in my absence.

Of course I am the Russell James Hinze referred to in the writ to which the member referred, and I make no apologies for it. There will never be another one. The facts of the matter are that a Supreme Court writ has been served on me, arising out of certain matters involving a partnership with a company. The matters giving rise to the writ

are in dispute, and I have instructed my solicitors to enter a defence against the action. Following discussions with representatives of the plaintiff I am now assured that the action will be fully withdrawn, and that the plaintiff's solicitors have been instructed accordingly.

QUESTIONS UPON NOTICE

1. LEGALITY OF SHOPPING BAG SEARCHES

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

(1) With reference to a newspaper report of 2 April that an elderly nun had her shopping bag searched in a Rockhampton supermarket, what legal authority does the staff of supermarkets and stores have to order such searches of the property of customers?

(2) Is it necessary for suspicion of a felony to exist or can random checks be demanded without reason on law-abiding customers?

(3) In the case of such a search, is the customer entitled to demand that a witness of his or her choice be present at the time?

Answer:—

(1 to 3) In the main, the law allows persons negotiating business transactions to agree upon the terms on which they will transact business. A shopkeeper is not obliged to sell to any person who comes into the shop and may lay down conditions upon which he will do business with potential customers. If the terms are unsatisfactory to such persons, then they will, of course, choose not to do business with the shopkeeper. However, if they accept the terms on which business is to be done, there can be no complaint if the shopkeeper seeks to implement the terms which are expressly or impliedly agreed upon. There is no power on the shopkeeper to use force in implementing the terms, and in general his right to request a shopper to open any bags or containers is based on agreement, which may, of course, be implied. A customer would seem to be within his rights in asking a witness to be present during the carrying out of the conditions of the contract.

2. AREAS FOR TRAIL-BIKES

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

(1) Is he aware of the urgent need for lands to be set aside reasonably close to residential areas for the use of trail-bike riders, in order to cater for individuals who desire to follow this modern form of recreation without disturbing the public generally?

(2) Will he detail relevant facts in relation to the announced interdepartmental committee set up to investigate these and related problems?

Answer:—

(1 and 2) For some time I have been conscious of the problems associated with the provision of suitable land for use by trail-bike riders and the establishment of recreation parks, as distinct from national parks, for use by persons interested in camping, horse-riding or the activities of pony clubs, etc.

As a result I welcomed the decision of Cabinet to appoint an interdepartmental committee to examine the availability of land for recreation purposes generally and to consider ways and means of providing suitable land for use by trail-bike riders and for recreation parks as distinct from national parks for the purposes of camping, horse-riding, etc. The committee comprises representatives of the—

Department of Community and Welfare Services and Sport;
Co-Ordinator-General's Department;
Forestry Department;
Lands Department;
National Parks and Wildlife Service;
Department of Local Government;
Department of Transport;
Surveyor-General's Department;

and is under the chairmanship of the Under Secretary of the Department of Community and Welfare Services and Sport.

There are many problems associated with finding areas of land suitable for recreational needs of young people. Locating acceptable circuits for trail-bike riding close enough to be accessible but not too close to residential areas to create a nuisance is one of the many problems.

With the growth in popularity of pony clubs, the question of availability of land for this purpose is also a growing problem. I have been told that there were more than 1,000 ponies in the Brisbane area.

It is also difficult to find camping sites close to urban areas where tents may be pitched, and this added to the costs of organisations working in the field of youth welfare.

The committee held its first meeting recently and as a result I have now invited the Pony Club Association of Queensland and the Auto Cycle Union of Queensland to submit to me, in writing, their requirements regarding the type of land, locations and area necessary for their purposes.

As a result of recent Press publicity concerning the establishment of this committee, I have already received a number of letters from interested citizens, and I would expect that I will receive more. All such letters will be brought to the notice of the committee to assist it in its deliberations, and I would inform honourable members that I would be interested to receive written comment from the public on the Government's proposals.

I have already indicated that there are problems for which solutions will not be easy to find. Some acquisition of land might be necessary to meet the growing need for recreation areas, and finance for this would be of major importance.

However, I am confident a worth-while contribution will be made by the committee to assist the youth of Queensland in their outdoor recreational pursuits.

3. INTERSECTION OF OLD CLEVELAND ROAD WITH CREEK ROAD, CARINA

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

(1) Is he aware of the accident hazard in Old Cleveland Road at its intersection with Creek Road, Carina, where on each side of the road two lanes merge into one lane without warning?

(2) Although this is known by daily commuters but could cause confusion to other drivers, will he have "Form one lane" signs placed at the necessary places in order to overcome the accident hazard?

Answers:—

(1) The accident record of the intersection does not indicate that a particular hazard exists.

(2) The design is conventional treatment for this type of intersection. The two lanes on the depart side of the traffic island are not long enough to permit placing of a sign which would serve any useful purpose.

4. MAYFIELD AND SEVEN HILLS PRE-SCHOOLS

Mr. Byrne, pursuant to notice, asked the Minister for Education and Cultural Activities—

When will construction of the Mayfield and Seven Hills pre-school centres commence?

Answer:—

Commencement of construction on State pre-school facilities at Mayfield and Seven Hills is contingent on allocation of funds. There is no allocation for these projects in 1975-76 and details of subsequent budgets are not yet available.

5. MALPRACTICES BY HOME-BUILDING FIRMS, TOWNSVILLE

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

As big and allegedly reputable home-building firms in Townsville and maybe elsewhere that entered into contracts with young couples, and in many instances started to build the homes required, stopped building when housing societies such as Tasman were suspended and have now told the couples concerned that, when finance again becomes available from the lending societies to complete the jobs, they will have to renegotiate the contracts and give the building firms an extra $2,500 plus several hundred dollars in legal and other fees to compensate them for the delay before they will restart the job, has he been made aware of this greedy and arrogant rip-off by the building firms at the expense of struggling young couples in Townsville and will all assistance, legal and otherwise, be granted to the intended victims to help them in their fight against these building blood-suckers?

Answer:—

If the situation as outlined by the honourable member is correct, I suggest that the people involved put this matter in the hands of their legal advisers. This would be the normal procedure where a contract agreement appears to be in danger of being breached.

6. DISTRICT COURT TRIAL OF SGT. A. J. W. BARRETT; COMPLAINANTS

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

(1) As the Minister for Justice answered my question on the matter in the House only with the cheap jibe that I had directed it to the wrong Minister and the Minister for Police in his answer to the same question, which was redirected to him following the evasive tactics of the Minister for Justice, told the House on 29 March that "The amount of money expended in bringing witnesses to Townsville for this trial is unknown to me, but should be available to the Department of Justice when all accounts have been received and paid.", will the Premier, in view of the reluctance of the Minister for Justice to inform Parliament on the matter, advise the House how much public money was involved in bringing to Townsville, twice from Perth and return, certain New Zealanders who gave evidence for conviction in the case in which Sergeant 2/c A. J. W. Barrett was charged with assault causing bodily harm to an Aborigine named Watson in the Strand Park, Townsville several months previously, before the case was ended by the filing, under the direction of the trial judge, of a nolle prosequi?

(2) In view of the involvement of certain Townsville A.L.P. journalists in the case, did the Leader of the Opposition ever question or criticise the spending of public money on the many plane flights involved?

Answer:—

(1 and 2) I can add nothing to the answer given in this regard by the Honourable the Minister for Police on 30 March, 1976 except to say that I have been informed that allowances to the witnesses referred to, and air fares, amounted to $2,986 in respect of the committal proceedings and $3,015 in respect of the trial.

7. JAMES COOK UNIVERSITY ORIENTATION MAGAZINE

Mr. Aikens, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) In view of his frequently expressed opinion in this House, in reply to questions by members, that he has no intention of interfering with what he describes as the inherent freedom of the universities to say, write and do anything they categorise as freedom, will he read aloud to the House the passage in this year's James Cook Orientation Magazine that I have marked and attached to this question and does this incredibly foul language conform to his conception of freedom?

(2) If he does consider that the printing and distribution of this gutter filth to students entering James Cook University at about the average age of 17 is to be defended and encouraged in the sacred name of freedom, will he have the passage distributed to grades 10, 11 and 12 in all secondary schools to assist them in their search for freedom and will he have the Director of Cultural Activities insist that it be incorporated in all presentations subsidised by the department?

Answer:—

(1 and 2) I do not think any good purpose can be served by reading the extract from the James Cook University Orientation Magazine, but I do intend to refer it to the university vice-chancellor for his comments. The honourable member implies, through his question, that I condone the publication of this type of language. Far from it! I join with him in condemning, not condoning, this sort of thing.

Universities have certain rights guaranteed to them in legislation passed by this House and one of those rights is the management of their own affairs. It is simply not feasible for the Minister for Education to jump in and start to tell the universities what to do every time some incident occurs that offends any citizen. However, at the same time, I strongly advise members of this House and citizens of this State that universities, their staff and their students are not exempt from the laws of the State. If anybody feels that he or she has grounds for complaint as a result of the James Cook Orientation Magazine or any other similar publication, he or she is at liberty to take action against those responsible, and I shall be only too happy to indicate how this is done.

8. HOUSING COMMISSION HOMES, WOLSTON ELECTORATE

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

(1) What is the number of Housing Commission houses in the electorate of Wolston and how many are at present under construction?

(2) How many applications are on hand from persons requiring Housing Commission rental houses within the electorate?

Answers:—

(1) 2,479 existing houses on commission land and 77 under construction.

(2) The information is not available. Records are not kept by the electorates.

9. TRAFFIC ACCIDENTS ON BUNDAMBA-OXLEY SECTION, CUNNINGHAM HIGHWAY

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

(1) How many traffic accidents were recorded on the Cunningham Highway between Bundamba Creek Bridge, Bundamba and the intersection of the highway with Blunder Road, Oxley (a) during 1974 and (b) from 1 January 1976 to 31 March 1976?

(2) How many fatalities occurred during each period as a result of these accidents?

Answer:—

(1 and 2) (a) 1974—320 accidents resulting in 9 fatalities. (b) 1 January 1976 to 31 March 1976—40 accidents recorded to date resulting in no fatalities.

10. MARYBOROUGH TECHNICAL COLLEGE; HOSTEL ACCOMMODATION

Mr. Alison, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) How many apprentices attending the Maryborough Technical College are using the hostel accommodation at Maryborough and from which districts are these apprentices being brought for their block-release training?

(2) What plan of development is intended for the Maryborough Technical College and what is the time-table of this plan to upgrade the college to the status of a college of technical and further education?

Answers:—

(1) On Friday, 2 April there were 15 block-release apprentices accommodated in the Maryborough residential. Eight of them were in their third year undertaking a shortened block and they have now returned to their homes. With one exception, the apprentices accommodated at the Maryborough residential came from the surrounding district encompassing the Mary Valley and the Sunshine Coast.

(2) The Maryborough college site with established boundaries has been approved. The site can now be master planned to provide for the future college of technical and further education. This planning will provide for a resource material centre, cultural activities, community welfare and such facilities and resources as are vital for the recurrent education of the total community.

Provided the funding is adequate to meet the total needs of Queensland, it is anticipated that initiation of these plans will be released during the 1977-79 triennium. To meet the urgent need for commercial pre-vocational training, commercial office courses were introduced at the commencement of 1976 even though shared use of the college site by the high school placed accommodation at a premium. The community need for technical and further education are currently being approached by offering technical education and adult education on the one site and from within the one administration building.

11. HERVEY BAY SHIRE COUNCIL AND CO-ORDINATING COMMITTEE

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

(1) Is the new Hervey Bay Shire Council now administering the local government area of what was formerly Burrum Shire Council?

(2) What authority has the co-ordinating committee, made up of representatives from Maryborough city, Hervey Bay, Woocoo and Tiaro Shires, in relation to administering the areas outside Hervey Bay Shire and what part will the committee play in producing a final division of assets and liabilities relating to those areas previously in Burrum Shire but now not in Hervey Bay Shire?

(3) What part will the co-ordinating committee play in deciding what employees presently employed by Hervey Bay Shire will be offered positions in one of the other local governments?

(4) Will the co-ordinating committee or the Hervey Bay Shire have to consider, along with other industrial matters, claims by employees of Hervey Bay Shire for possibly having to move to Hervey Bay?

Answers:—

(1) The Hervey Bay Shire Council is continuing to carry out some local Government functions on an operational basis in the area of the old Burrum Shire, which is not within the Hervey Bay Shire. This is taking place as a matter of necessity to facilitate the change-over. However, this arrangement does not include town-planning functions which have already been taken over by the appropriate local authorities.

(2) The co-ordinating committee is an advisory body. Its purpose is to facilitate the change-over referred to, and to endeavour to ensure that no breakdown of local government services or unnecessary interruptions to works occur during the period of transition, which it has been agreed will end on 30 June next. I anticipate that the committee will also provide a forum for discussions between the three local authorities concerned on the subject of apportionment of assets and liabilities, the final decision upon which will be made by the Governor in Council.

(3) I anticipate that the committee will consider and reach agreement on the division of staff between the three local authorities, and that each local authority concerned will confirm such agreement.

(4) The matter of ultimate location of the office of the Hervey Bay Shire Council is a matter for decision by that council, and in the meantime I would assume that the office will remain in Maryborough. The decision to move the public office, and any effect this may have on staff, are matters entirely for the Hervey Bay Shire Council.

12. TERM OF OFFICE, CITY COUNCIL ALDERMEN

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

(1) At what time do aldermen on city councils cease to be aldermen in the event of a local government election being called?

(2) Do local government representatives remain as such up till 8.00 a.m. on election day?

(3) Was it not only unwise but quite improper for a Maryborough City Council A.L.P. alderman to be appointed a poll clerk at the recent local government elections?

Answers:—

(1 and 2) The Local Government Act 1936-1975 provides, in so far as triennial elections are concerned, that the office of

member of a local authority becomes vacant at the conclusion of the particular triennial election. This means that an elected member continues in office until the date of the declaration of the poll for the election in question.

(3) I agree that such an appointment would appear to be most unwise.

13. LIGHT AIRCRAFT FOR CHECKS ON LIVESTOCK

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

As surveillance flights over the Brisbane and Mary Valleys are being made twice daily by police aircraft in an endeavour to prevent the indiscriminate shooting of deer or other breaches, will he consider having light aircraft made available in times of flood so that stock owners can locate and check on the safety of the thousands of stock that are caught in the floods?

Answer:—

Consideration will be given to every reasonable request, dependent upon availability of aircraft and the areas to be traversed. It should be appreciated, however, that owing to limited range, fuel requirements, etc., it would not always be practicable to utilise light aircraft operated by the Queensland Police Department.

14. DECLARATION OF DISASTER OR EMERGENCY AREA

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

(1) On what basis is an area declared a disaster or emergency area?

(2) Has the local S.E.S. controller power to commandeer equipment, etc., under such circumstances?

(3) In the event of commandeered equipment being damaged, has the owner any redress to recoup the cost of repairs or compensation and, if so, to what extent?

Answers:—

(1) When the magnitude or threatened magnitude of a disaster or impending disaster is beyond the capacity of existing counter-disaster measures or statutory services, the disaster district controller may declare a state of disaster in terms as defined in section 23 of the State Counter-Disaster Organization Act, 1975.

(2) (a) No. A Local S.E.S. controller is not authorised to commandeer equipment.

(b) Only the chairman, central control group, or the disaster district controller appointed under the provisions of the State Counter Disaster Organization Act 1975 has the authority to have resources surrendered to him for counter-disaster operations.

(c) The circumstances for such action arise when the chairman or disaster district controller is of the opinion that the resources are necessary for the preservation of human life.

(d) Section 25 (2) of the State Counter-Disaster Organization Act 1975 defines the action necessary.

(3) If equipment surrendered for counter-disaster operations on the authority of the chairman or the disaster district controller is damaged, the owner is entitled to claim compensation for the damage by submitting his claim through the disaster district controller or such other authorised persons as prescribed by the Minister.

The claims will be submitted to the Minister, who shall determine the amount of compensation to be paid. There is no defined amount and each claim will be determined on its merits. (Section 25 (4) of the Act prescribes this action.)

15. DISTRIBUTION OF COMMONWEALTH MONEYS TO LOCAL AUTHORITIES

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

With reference to a statement by the chairman of the Grants Commission in relation to proposals for Commonwealth assistance to local government put forward by the Prime Minister at the recent Premiers' Conference to the effect that it was likely that the need for future regional hearings of individual council applications would be eliminated as a consequence of the Government's new policies, will the Treasurer outline the method by which it is proposed to distribute Commonwealth Government moneys to individual local authorities?

Answer:—

While the Commonwealth Government has proposed that there will be a system of grants to the States for local authorities in substitution for grants previously recommended by the Commonwealth Grants Commission, only a tentative outline of the form the Commonwealth assistance is to take in future has been discussed up to the present time.

The Prime Minister has proposed that the future role of the Commonwealth Grants Commission so far as its local authority responsibilities are concerned will be as an adviser to the Commonwealth Government on the percentage distribution between States of the total amount allocated for local authority purposes by the Commonwealth, the Commonwealth Government deciding what that amount will be.

It is anticipated that the State share will then be paid to individual local authorities. The basis on which such payments will be made is still subject to discussion with the Commonwealth Government.

16. BICYCLE INSTITUTE

Mr. Miller, pursuant to notice, asked the Minister for Transport—

(1) Has his department drawn his attention to the formation of the Bicycle Institute of Victoria and the role played by Mr. Dixon, Minister for Tourism and Recreation, in the formation and operation of this institute?

(2) Will he consider playing a similar role in the formation of a comparable organisation here?

Answer:—

(1 and 2) I am aware that a Bicycle Institute has been formed in Victoria. I cannot say that I am acquainted in any detail with the role said to have been played by the Victorian Minister for Tourism and Recreation in the formation and operation of the institute.

I have been advised of a proposal to form a Bicycle Institute of Queensland by one of the sponsors of the project and I have arranged for appropriate inquiries to be made by officers of the Queensland Road Safety Council.

17. ADMINISTRATION BLOCK FOR WYNNUM NORTH STATE SCHOOL

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

(1) Is he aware of the urgent need for the building of an administration block at the Wynnum North State School?

(2) Have the plans for this block been completed and, if so, when will approval be given for the work to commence?

Answer:—

(1 and 2) As indicated in my letter of 16 October 1975 following the honourable member's personal representations, the provision of this administration block has not been afforded a sufficiently high priority by the client department to enable planning to be put in hand, having regard to the finance available. Therefore, no indication can be given at present as to when the project is likely to be approved for construction.

18. ROADWAY TO BOATING AREAS, MANLY

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

Will he, as a matter of urgency, arrange for his department to inspect the roadway between Manly Esplanade and the public launching area and the Moreton Bay Trailer Boat Club area, on the north arm of the Manly Boat Harbour, with a view to having it sealed?

Answer:—

The roadway from Manly Esplanade to the public launching ramp and the Moreton Bay Trailer Boat Club area was graded after recent cyclonic weather and the road will be maintained.

It is proposed to seal the roadway but this work has been delayed pending the negotiations with lessees in the area concerning the provision of underground services to their leased areas.

19. COMMUTER CAR-PARKING FACILITIES AT WYNNUM, MANLY AND LOTA RAILWAY STATIONS

Mr. Lamond, pursuant to notice, asked the Minister for Transport—

In view of the urgent need for the upgrading of commuter car-parking facilities at Wynnum, Manly and Lota Railway Stations and my continued submissions to him on this matter, what is the estimated schedule for this work?

Answer:—

Concept designs have been drawn up and cost estimates made by the Metropolitan Transit Project Board for new parking facilities at Wynnum, Manly and Lota.

Work on the cross-river rail bridge is in progress and until this is completed major increases in new car-parking provisions could not be justified. Stations have been arranged into an approximate order of priority for parking but at this stage we could not precisely schedule works at these particular stations.

20. INSPECTORS UNDER CLEAN WATERS ACT

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

How many inspectors have been appointed to service the Clean Waters Act and in which areas are they located?

Answer:—

At the present time there are three officers classified as inspectors. However, as I have previously explained, the director and the engineers and scientists are ex officio inspectors and this increases the number to 16. There are also a number of vacancies for officers who will be ex officio inspectors.

At present, all the inspectors are located in Brisbane, but, as stated previously, approval has been given for an office at Townsville and this office will initially

have two inspectors. Consideration will be given to the establishment of further offices once the Townsville office is operating. I may add that local authorities and other State departments give considerable assistance in the administration of the Act in country areas which is an advantage of their representation on the Water Quality Council.

21. NOTICES UNDER CLEAN AIR ACT

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

(1) How many notices have been issued under section 32 of the Clean Air Act since its inception?

(2) For what geographical areas were the notices issued?

(3) What was the nature of the notices and were they complied with?

Answers:—

(1) Two.

(2) Gympie and Redcliffe.

(3) At Gympie a sawmill proprietor was ordered to fit a cyclone dust collector to a sawdust storage bin. Rather than comply he vanished with his plant, presumably to another site, as yet unknown. Yes; at Redcliffe a dry cleaner was ordered to obtain a satisfactory automatic oil-fired boiler.

22. OVERCROWDING AT SANDGATE STATE SCHOOL

Mr. Dean, pursuant to notice, asked the Minister for Education and Cultural Activities—

In view of the overcrowding of the present land occupied by the Sandgate State Primary School, is his department negotiating to acquire any of the adjacent properties in Rainbow and Lunn Streets, Sandgate, and, if so, how many property owners have been notified?

Answer:—

In March 1975 I approved that four allotments in Rainbow and Lunn Streets, Sandgate, be acquired, by negotiation if possible or by the process of resumption if unsuccessful, for addition to the Sandgate State School Reserve.

In view of the financial situation facing my department in regard to land acquisition, the Department of Works asked the officers of the Land Administration Commission to obtain a valuation of these properties. This has not yet been done and the owners have not yet been approached.

23. DECLARATION OF BRISBANE CITY COUNCIL POLL

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

In view of the long and inexplicable delay in the declaration of the poll and the gazettal of the election of aldermen following the general election held in the city of Brisbane on 27 March, will he take steps to amend the City of Brisbane Act to ensure that the declared wish of the electors is implemented promptly?

Answer:—

Under the City of Brisbane Act 1924–1974, the triennial elections of the Brisbane City Council are conducted under the provisions of the State Elections Act 1915–1973, which is adapted for that purpose and the Town Clerk is the chief returning officer. Pursuant to the former Act, the Town Clerk is required to appoint a returning officer for each electoral ward in the city of Brisbane and the Act provides that, except with the written permission of the Minister, a person who is not a returning officer for a State electoral district within the city is not eligible for appointment as returning officer for an electoral ward. Since Brisbane City Council elections are conducted under the State Elections Act, it is desirable that State returning officers should act at council elections.

My inquiries reveal that returning officers are proceeding with all reasonable dispatch with the counting of votes cast at the recent council elections and that the chief returning officer will gazette the names of elected aldermen as soon as possible.

I am advised that the time spent in counting votes at Brisbane City Council elections is comparable with that spent in counting votes in metropolitan seats at State elections and that every endeavour is being made to declare the poll as early as possible.

24. MINERAL DEVELOPMENT, NORTH-WEST QUEENSLAND

Mr. Bertoni, pursuant to notice, asked the Minister for Mines and Energy—

(1) What amount of money was received from lease rentals, royalties, survey fees and other means of income associated with mineral development in North-west Queensland during 1974-75?

(2) What was the cost of running the Mines Department activities in North-west Queensland during 1974-75?

Answers:—

(1) The amount of money received from lease rentals, survey fees, other means and royalties is as follows:—

		$
Lease rents ..	..	482,956.91
Survey fees ..	..	19,376.34
Other means	..	26,755.35
Royalties—		$
Mount Isa Mines Limited	..	18,141,719
Mount Isa Warden's District	..	3,655
Cloncurry Warden's District	..	8,070
		$18,153,444

Owing to change in royalty regulations, Mount Isa Mines Limited paid its 1973-74 royalty of $6,739,195 and 1974-75 royalty of $11,402,524—total $18,141,719—in the year 1974-75.

(2) Records of the costs of running the various Mines Department activities in North-west Queensland are not kept separately.

25. BRISBANE NIGHT-CLUBS; SIN CLUB

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

In view of his announcement in the Press that police and Licensing Commission officials are out to clean up Brisbane night-clubs, what action will be taken against politicians found to be involved in illegal activities associated with night-clubs, especially the two politicians who are supposedly involved with the new Sin Club being established in Brisbane?

Answer:—

Whenever evidence of the commission of offences is available, prosecution action will ensue irrespective of the profession or occupation of the offender. However, if the honourable member is involved and is seeking an opinion as to the legality of such a situation for his own protection then I suggest he see his lawyer.

26. MACKAY-NETHERDALE BRANCH RAILWAY LINE

Mr. Casey, pursuant to notice, asked the Minister for Transport—

(1) What tonnage of (a) sugar and (b) other goods has been carried on the Mackay-Netherdale branch-line during each of the last five years and what has been the tonnage to date this year?

(2) What has been the operating profit on the carriage of goods on this line during each of the last five years?

(3) What amount was spent on maintenance on this line during each of the last five years and what was the cost of shifting the surplus railway buildings from Gargett and relocating them at Finch Hatton?

Answers:—

(1) The following tonnages of (a) sugar and (b) other goods were dispatched from stations on the Netherdale branch during each of the last five financial years:—

		(a) Tonnes	(b) Tonnes
1970–71 ..	..	180 004	76 359
1971–72 ..	..	153 019	58 236
1972–73 ..	..	157 578	66 632
1973–74 ..	..	113 034	51 822
1974–75 ..	..	153 926	56 438

(2) An operating loss was recorded in each of the five years to the following extent:—

		$
1970–71	..	59,758
1971–72	..	118,555
1972–73	..	83,696
1973–74	..	159,836
1974–75	..	333,727

(3)—

		$
1970–71	..	171,899
1971–72	..	138,670
1972–73	..	126,557
1973–74	..	140,517
1974–75	..	270,501

The cost of shifting the surplus railway buildings from Gargett and relocating them at Finch Hatton did not justify a separate record and is included in the maintenance cost.

27. BUILDING STANDARDS FOR CYCLONE-PRONE AREAS

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

(1) Is he aware of a recent call by the Commonwealth Minister for Construction for Northern Australia's building industry to reconsider its standards of design and construction for cyclone areas?

(2) As the Building Act of this Parliament has no specific reference to cyclone construction standards other than that buildings should conform to the relevant Australian Standards Association Code, as construction costs in cyclone areas are much higher than in other areas of Queensland, as storm and tempest insurance premiums in cyclone areas are much higher than in other areas of Queensland and no allowance is made in the premium structure for buildings that are considered to be cyclone-proofed structurally, and as much of the cheaper mass-produced building materials available to the building industry are unsuitable for use in cyclone areas, will he set up an interdepartmental committee to investigate the various needs, costs and priorities for upgrading building construction in cyclone areas and ways in which both the State and Commonwealth Governments can assist the people

of the North to overcome the added cost burden of living in the North where they contribute so greatly to Australia's economic well-being.

Answers:—

(1) No.

(2) There appears to be no need at the present time to set up an interdepartmental committee as suggested. The Building Act 1975 empowers local authorities to require a standard of building construction which is desirable for any specific area of the State. The Standard Building By-laws provide that the design of every building shall comply with the relevant provisions of Australian Standard 1170, Loading Code, which at the present time is the only published document which is available for design purposes. The area of Queensland which must be considered for high wind loadings is that part extending northwards from 27° South and 50 km from the coast. Further investigations are proceeding. It is understood these will result in the southern boundary being moved south and will possibly take in the whole of Queensland's eastern seaboard. An appendix to the by-laws is expected to be released in the near future setting out detailed requirements for private dwelling-houses and outbuildings. The appendix will deal, inter alia, with structural requirements in areas of high wind velocities.

In view of the fact that the Building Act 1975 will make it necessary for all buildings to be safely constructed taking into account high wind loadings, insurance premiums on new work could be expected, with some reason, to decrease.

It is not known which particular materials are referred to by the honourable member. However, it is not so much a question of the materials which are cheaper being excluded from use but the methods by which they are put together. In other words, it is the method of construction which is most important.

It is not known how costs will be affected by the implementation of the Building Act 1975 although there are areas in which definite savings may be anticipated because of standardisation of building practice. The Standard Building By-laws are based on an Australian Model Uniform Building Code which has been adopted or is in the course of being adopted by all States.

28. GROUNDSEL IN COOROORA DISTRICT

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

In view of the serious spread of groundsel in the Cooroora district, will he take steps to ensure its urgent eradication?

Answer:—

Under existing legislation the onus for control of groundsel bush rests with the landholder on private property and with local authority on roads and reserves.

The many problems associated with the control of groundsel bush and other declared noxious plants are presently under scrutiny by the committee of inquiry appointed by the Government to investigate the over-all control and eradication of animal and vegetable pests in Queensland.

29. MEDIBANK RECOUPMENT OF PENSIONERS' REPEAT PRESCRIPTION FEES

Mr. Jensen, pursuant to notice, asked the Minister for Health—

(1) As pensioners are charged $1 to $1.50 for each repeat prescription, is there any way that they may claim a refund of the amount through Medibank?

(2) If not, does the Government expect an invalid pensioner who is confined to a wheel-chair to have an ambulance transport him to the doctor for a repeat prescription, which his wife or next of kin could obtain, and thus involve the Government in an expense of $4.50 or so, which is either bulk-billed or reclaimed from Medibank?

Answers:—

(1) The matter referred to by the honourable member comes under the control of the Commonwealth Department of Health. I am advised, however, that a person who has a full Pensioner Medical Entitlement Card is not required to pay any amount for any prescription approved under the National Health and Pharmaceutical Benefits Scheme.

(2) I am advised that provision exists for any person authorised by the patient to collect prescribed drugs on behalf of such patient.

30. BUILDERS REGISTRATION

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

(1) How many registered builders are there in Queensland?

(2) How many are registered as "owner-builder single unit"?

(3) How many are registered as a company and have a company number plus a nominee's number?

(4) What is the annual cost in each category?

(5) What is the total amount of money paid to the Builders' Registration Board since it commenced?

Answers:—

(1) 9,260.

(2) Owner-builders of single dwelling houses are not required to be registered.

(3) 2,557.

(4)—

Individual builder	$25
Firm	$40
Private Company	$50
Public Company	$75

(5) Audited figures up to the 30 June 1975 total $1,763,508.81.

31. HOUSEHOLDERS' INSURANCE

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

(1) In view of the continuing withdrawal by various private insurance companies from small general-type business and, in particular, householders' insurance and the attendant concentration of such risks in the remainder of the industry, what are the likely effects of this transition on premiums paid by householders?

(2) Will he monitor these developments closely and, in the light of the exacerbating effects of the high prevailing rate of inflation, inform the public of important aspects of householder-type insurance, in particular the application of replacement and reinstatement bases to the sum insured?

Answer:—

(1 and 2) Although some insurers have tended to restrict small-scale business or business in certain areas of Queensland, there are many who continue to seek it actively. The market is very competitive, with the result that attractive premiums and increasingly wider forms of cover, such as replacement and reinstatement insurance and the inclusion of more types of risk of loss, are being offered to the insuring public.

I am satisfied that this competitive spirit and modern marketing promotion of insurance products are serving the best interests of the public.

32. MILK SUBSTITUTES

Mr. Doumany, pursuant to notice, asked the Minister for Health—

Will he make strong representations to the Commonwealth Government on behalf of those families who are obliged for genuine health reasons to use high-cost milk substitutes, including soya bean derivatives, and who are now faced with the prospect of having to meet a crippling cost as a result of withdrawal of benefits attaching to such substitutes?

Answer:—

I am advised that the Commonwealth Minister for Health has asked the Pharmaceutical Benefits Advisory Committee to review the situation.

33. COST OF COAL, GLADSTONE AND SWANBANK POWER STATIONS

Mr. K. J. Hooper, pursuant to notice, asked the Minister for Mines and Energy—

(1) What is the present cost per tonne of coal being delivered to Gladstone Power Station stockpile?

(2) What is the present cost per tonne of coal being used at Swanbank Power Station?

Answers:—

(1) The coal for Gladstone Power Station is mined under an agreement with Utah involving recoupment of costs incurred by Utah. As this is contractual matter involving operating costs of the Utah mine at Blackwater. the information is confidential to the Government and the company.

(2) The present average cost of coal delivered to Swanbank Power Station is $16.25 per tonne.

34. NEW SCHOOL FOR MT. MOLLOY

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

Will the dilapidated school at Mt. Molloy be replaced with a new school in the next financial year and, if so, when will construction commence?

Answer:—

There is provision on the draft works programme for the 1976-77 financial year for the erection of a new school building at Mt. Molloy. However, although planning has commenced, no indication can be given at this juncture as to when construction will commence.

35. HOUSING AND POLICE STATION, MAREEBA

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

In view of the answer to my question on 30 March by the Minister for Works and Housing regarding the purchase of C.S.I.R.O. houses in Mareeba by his department, will he now press for the houses to be made available for rent to policemen in Mareeba?

Answer:—

Representations will be made regarding police housing needs at Mareeba.

36. CROWN APPEAL AGAINST SENTENCE OF J. M. MURPHY, CAIRNS

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

(1) Did Mr. Justice Kneipp, in the Northern Supreme Court in Cairns, recently impose a sentence of a mere five years' gaol on James Melville Murphy, who deliberately ran over and killed Senior Constable L. Hoey, who had set up and manned a road block at Julatten to apprehend Murphy, who had stolen a container of beer from Mossman and was attempting to evade arrest?

(2) If so, will an appeal be instituted to express the firm opinion that this sentence for the deliberate killing of a police officer acting in the execution of his duty is manifestly inadequate and an incitement to dangerous criminals to do anything possible to evade apprehension, irrespective of the death and injury they may cause to responsible police officers doing their duty?

Answers:—

(1) Yes.

(2) The question of an appeal will be given serious consideration.

37. CHEMICAL DEFLEECING OF SHEEP

Dr. Lockwood, pursuant to notice, asked the Minister for Primary Industries—

(1) Is chemical defleecing of sheep still in the experimental stage of development?

(2) Is it likely to replace mechanical shearing as the standard method of recovering a fleece, thus making shearers redundant?

(3) If it does, will shearing sheds and yards need modification for this new method?

(4) Is this method more or less labour-intensive than mechanical shearing?

(5) Is the chemical used related to the extremely toxic drugs used in combating human cancer?

(6) Can the chemical be used on breeding rams, ewes and pregnant ewes or only on wethers?

(7) For how long after defleecing is the flesh poisonous for human consumption?

(8) For how long do the sheep have to be protected from the elements after chemical defleecing?

Answers:—

(1) Yes.

(2) This is the objective of the chemical shearing research programme. A successful—and I emphasise "successful"—method would overcome the shortage of shearers and gradually make them redundant, but I think that shearers will be needed for many years to come.

(3) Yes, sheds would require some modification to facilitate the use of machinery for defleecing treated sheep. Last year, in company with some of my colleagues, I attended a field day at Toorak Field Sheep Research Station and actually shore a sheep by this method; I got the fleece off it somehow. Special tables have been designed, and these were displayed at that field day, together with cradles and other devices for handling sheep during marking, mulesing and so on, and I am sure that my colleagues from Warrego and Gregory would agree that chemical shearing lessens the possibility of backache and pulled muscles. However, I think they would also agree that sheep will be shorn by machines for many years to come.

(4) It would be less labour intensive and therefore lower in cost.

(5) Two of the chemicals being researched are used in cancer research. However, only one very small dose is used annually. Such drugs may have to be used under veterinary supervision, but the costs would be significantly lower than present shearing costs.

(6) This aspect and the possible production of anatomical defects in offspring are presently being studied.

(7) As stated, a single small dose is used and residue problems are not anticipated as the drugs are metabolised and excreted fairly rapidly. Again, this aspect is under investigation.

(8) All sheep chemically shorn require protection against sunburn. Methods of protection are under investigation. These drugs take up to 10 days to effect the necessary break in the wool by which time regrowth affords some protection.

38. REGISTRATION OF COTTAGE BUILDERS AND MASTER BUILDERS

Dr. Lockwood, pursuant to notice, asked the Minister for Works and Housing—

Will his department consider allowing the registration of builders in the categories of (a) cottage builders and (b) master builders?

Answer:—

Yes.

39. SOUTHPORT GENERAL HOSPITAL

Mr. Gibbs, pursuant to notice, asked the Minister for Health—

(1) Has his attention been drawn to an article in the "Gold Coast Bulletin" of 6 April regarding the Southport General Hospital and the postponement of a major operation on a Southport woman?

(2) Is he going to set up an inquiry into this case?

(3) If so, and if it is found that it is necessary to use the operating theatre for longer hours each day to overcome similar problems in the future and that more staff are needed to achieve this, will he authorise the hospital board to make the necessary appointments so that the board, the superintendent and the hospital staff can continue with their high standards?

(4) When will the new tower-block hospital be completed?

(5) How many operating theatres are there in the present hospital?

(6) How many operating theatres will be in the new tower block?

Answers:—

(1) I am aware of the incident referred to by the honourable member.

(2 and 3) The utilisation of the operating theatres is a matter for consideration by the hospitals board. In respect of staffing, I would advise that arrangements have been made for an urgent investigation to be carried out in respect of an application for additional staff by the hospitals board dated 2 April 1976.

(4) Stage 1 of the new multi-storey ward block presently under construction is anticipated to be completed in December 1978.

(5) Two.

(6) Stage 1 of the new multi-storeyed development will provide for four theatres and Stage 2 for an additional two theatres, making a total of six available when the complete project is finalised.

40. INCREASED STUDENT ALLOWANCES

Mr. Gibbs, pursuant to notice, asked the Minister for Education and Cultural Activities—

As student allowances are being denied to pensioner families with children at high school because their pension is too high, will he alter the framework of the student allowance to keep pace with inflation and to avoid the hardship being caused?

Answer:—

The means test which determines eligibility for the student allowance was adjusted on 1 January 1976 to take into account movements in the State basic wage.

The next adjustment to the means test is expected to be undertaken on 1 January 1977.

41. ROCKHAMPTON BASE HOSPITAL DENTAL CLINIC

Mr. K. J. Hooper for **Mr. Yewdale,** pursuant to notice, asked the Minister for Health—

(1) Is he aware that in recent weeks large numbers of families have been advised of their ineligibility to continue receiving dental treatment at the Base Hospital Dental Clinic at Rockhampton?

(2) Is the withdrawal of this service based on a revised means test and, if so, will he detail the present means test imposed on dental patients at Government clinics?

(3) What is the position of the work-load on staff at the Rockhampton Base Hospital Dental Clinic as a result of the current reduction in numbers of eligible patients at this clinic?

(4) In view of over-all wage structures and present private dental costs, will he be prepared to give immediate consideration to a revision of the means test?

Answers:—

(1) I am aware that, as is customary, a proportion of patients seeking treatment at the Rockhampton Hospital Board's Dental Clinic over recent weeks have been advised of their ineligibility for treatment. The primary purpose of dental clinics in Queensland is to provide a full dental service for those persons least able to afford private dental fees, that is, pensioners, indigent persons, those with large families or those with low incomes.

(2) There has been no recent change to the means test as it is applied in relation to patients seeking treatment at State dental clinics.

(3) The Rockhampton Dental Clinic has a very heavy work-load, which has not been influenced by any recent exclusion of patients which may have occurred as a result of the application of the means test.

(4) I am able to advise that the dental clinic means test is at present under review within my department, and I hope to advise members of the results of this review in the near future.

42. LANGUAGE PROBLEMS OF MIGRANT WORKERS

Mr. K. J. Hooper for **Mr. Yewdale,** pursuant to notice, asked the Minister for Industrial Development, Labour Relations and Consumer Affairs—

(1) What studies has the Government conducted into the problems of migrant workers in Queensland and more expressly into the views expressed by Mr. S. Baltinos, general secretary of the New Settlers Association of Australia, that there were thousands of migrants who had been in the country 20 to 25 years but who

had never gained a good command of English because no adequate training facilities have been provided by Governments?

(2) As many migrants are forced because of language difficulties to take labouring jobs and have to get up early and work hard all day and, as a result, are not physically interested in night studies, has the Government considered day courses in English for migrant workers?

(3) Has any study been made of Mr. Baltinos' claims that migrant labourers are too old to swing a pick, are restricted by lack of educational qualifications and face an old age plagued with uncertainty or insincerity?

Answer:—

(1 to 3) My Government is fully conscious of the need to provide assistance to migrants to enable them to integrate quickly and successfully into the local community.

A variety of migrant education classes are conducted by the Education Department. These include part-time day and night classes, correspondence courses, and accelerated full-time courses. These have proven very popular and are much appreciated by migrants.

Full details of the courses may be obtained by the honourable member from the Education Department. I am not aware of the existence in this State of the problems referred to by the honourable member.

43. UNDER-AGE DRINKING; ARRESTS AND CONVICTIONS

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

(1) Is he aware of the statement by the Registered and Licensed Clubs' Association president, Mr. S. Morgan, that registered clubs and sporting bodies are being policed strictly by the Licensing Commission while thousands of under-age drinkers go untouched in hotels and taverns?

(2) What are the figures in relation to under-age drinking arrests and convictions in Queensland hotels for the past three years?

Answers:—

(1) No. I have not had an opportunity of viewing the statement stated to have been made by Mr. Sid Morgan.

(2) Statistics of the kind sought are not readily available without a great deal of research being undertaken. I do not propose directing that that research be undertaken.

44. VOLUNTEER FIREMEN

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

If the Commonwealth Government proceeds with the proposal to tax volunteer firemen 35 cents in the dollar, could this cause a decline in membership of the State volunteer fire-fighting force and so create further problems for country areas, and what further action can the State take?

Answer:—

The Taxation Department has advised that payments made to part-time firemen fall within the ambit of salaries and wages and are subject to tax-instalment deductions where no general rebate declaration can be lodged. As taxation on the allowances is expected to cause a decline in fire-fighting personnel available in over 170 fire stations, representations have been made by the Honourable the Treasurer to the Commonwealth Treasurer seeking an exemption with respect to the allowances paid for this community service. Advice has been received that the Commonwealth Treasurer is having the matter examined.

45. MT. GRAVATT HOSPITAL

Mrs. Kyburz, pursuant to notice, asked the Minister for Health—

(1) What are his department's future plans for the use of the land bounded by Kessels Road, Orange Grove Road and Troughton Road, Coopers Plains?

(2) As many hospitals are situated in a treeless, sterile and hostile environment, will he make the ground plan for the hospital open to the public before any building commences?

(3) Will he agree to a more suitable name being suggested for the hospital?

Answers:—

(1) The area referred to by the honourable member is the site for a complete new general hospital complex. The first stage of this complex will be the provision of obstetrical and gynaecological facilities on which preliminary works are anticipated to commence in the near future. A project team is presently preparing an architectural brief so that sketch plans can be prepared for the balance of the complex.

(2) I am confident that the question of landscaping of the new complex will be given consideration in the over-all planning, and that wherever possible existing flora will be preserved.

(3) No firm decision has been made on the name for the proposed new hospital, and I would be happy to consider any suggestion from the honourable member.

46. LEVELS OF PESTICIDES IN BODY FAT OF QUEENSLANDERS

Mrs. Kyburz, pursuant to notice, asked the Minister for Health—

(1) What are the levels of DDT, lindane and dieldrin in the body fat of Queensland people and what are the known or suspected effects of these chemicals on humans?

(2) Are these levels higher than those in other States and developing countries, and when can the people of Queensland expect a total ban on DDT?

Answers:—

(1) The results of 70 samples of adult fat were reported in the Director-General of Health and Medical Services Annual Report 1974–75. Toxic effects of DDT on humans are unknown unless it is ingested, and even then the symptoms may be mild. Lindane and dieldrin are moderately toxic and act as central nervous system stimulants.

(2) The survey referred to in (1) consisted of a small number of samples of the population, and it was noted that the wide range of levels found would operate against statistical significance. The National Health and Medical Research Council has carried out a number of surveys throughout Australia, and a further one is planned for 1976. The council has advised that there is no imminent hazard to human health in Australia due to the level of residues, but it considers that the matter is one which should be kept under constant scrutiny. Cabinet on Monday approved the setting up on an interdepartmental committee to continue monitoring of chemical contamination, and the chemicals mentioned will be kept under close scrutiny.

47. OPEN SEASON FOR RED DEER

Mrs. Kyburz, pursuant to notice, asked the Minister for Lands, Forestry, National Parks and Wildlife Service—

(1) How will the officers of the Wildlife Service ensure that the so-called sporting shooters shoot only red deer and not any other forms of wildlife?

(2) Why was the decision made to allow an open season for red deer?

(3) Who is the large property-holder in the Brisbane Valley who complained that the deer were grazing on his land in competition with his cattle?

Answers:—

(1) The difference between the deer-hunting season this year and the deer-hunting season in previous years in Queensland is that this year it is controlled by permits and is being rigidly policed by fauna officers. There is no doubt in my mind that there will be fewer deer shot this year in Queensland than have been shot in previous years. The 200-odd shooters who have been granted licences have been carefully screened. Deer hunters have no interest in shooting native fauna.

(2) I answered this question yesterday. The decision was a genuine attempt to stamp out illegal poaching of deer.

(3) I do not know whom the honourable member is referring to specifically, but many permits have been issued over the years to Brisbane Valley landholders troubled with deer damaging crops and pastures.

48. REMOTE-AREA SCHOLARSHIPS

Mr. Katter, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) Is he aware that, of 16 eligible children in one Charters Towers boarding school, only one was able to secure a remote-area scholarship and that the children of two moderate-income Public Service employees in North-west Queensland will, as a result of this means test, be unable to secure a scholarship?

(2) How much money has been allocated for this purpose and will he, in view of these facts, widen the existing means test so that moneys allocated for this purpose can be used up?

Answers:—

(1) Boarding schools in Charters Towers have each been awarded more than one senior remote-area scholarship. The number of scholarships and the schools to which they were awarded are—

	scholarships
Blackheath College ..	13
Thornburgh College ..	5
All Souls College	3
St. Gabriels College ..	7
Mt. Carmel College ..	5
Total	33

(2) $500,000 has been allocated to the scheme for the 1975-76 financial year. The $13,400 per annum maximum of the means test is considered to be a satisfactory measure for defining families which are facing financial difficulties in educating their children.

49. TRAINING OF NURSES, CHARTERS TOWERS

Mr. Katter, pursuant to notice, asked the Minister for Health—

Is he aware that both the Charters Towers "Eventide" geriatric hospital and Mosman Hall mental hospital are

staffed by nurses who are not being trained because there is no training available for them at either hospital and, in view of this, will he investigate the immediate implementation of a training programme to enable these men and women to further themselves in their chosen profession and to open to them doors of promotion now closed because of their desire to live permanently in Charters Towers?

Answer:—

At "Eventide", Charters Towers, patients are looked after by sisters who are trained nurses with at least a general nursing certificate and by attendants who are not required to undergo formal training. In order to acquire a general nursing certificate, it is necessary to undergo the prescribed course at a hospital recognised by the Nurses Board of Queensland as a general nurse training school. It would not be practical to institute a course of training at "Eventide" for the general nursing certificate because of the restricted category of patient, and in fact it would not be permitted under the Nurses Regulations. Nurse-training for the purposes of the mental nursing certificate is not provided at Mosman Hall Psychiatric Hospital. The reason that training is not provided is that there is insufficient clinical material to allow an effective training programme.

50. AUSTRALIAN ASSISTANCE PLAN

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

(1) Did he see a report in "The Courier-Mail" of 5 April that a recent conference was held under the auspices of the A.A.P. in Brisbane, from which a call was made to the Commonwealth Government to continue to provide finance for this plan?

(2) Was the Queensland Government invited to send a delegate to this conference?

(3) On what basis were invitations extended?

(4) Does this expression of opinion represent the view of welfare organisations in Queensland generally?

(5) Does the Queensland Government support the continuation of the A.A.P.?

Answer:—

(1 to 5) I have seen the report referred to by the honourable member. This reported conference was a meeting of bodies funded by or developing under the auspices of the Australian Assistance Plan in Queensland. The conference was organised by the Department of Social Security (Qld.) in preparation for the national conference on the Australian Assistance Plan at the end of April. The Queensland Government was not invited but it is to take part in a conference on the Australian Assistance Plan with other State Government representatives and Commonwealth officials in Melbourne on 12 April 1976. The opinion of State-wide welfare organisations on this matter is not known. However, it is known that State-wide welfare organisations have had great difficulty, since the inception of the plan, in discovering if and how they could support its development. In addition to the national conference proposed for the end of April and the meeting of State and Commonwealth Government officials, there will be a meeting of local government representatives and Commonwealth officials later this week. The Queensland Government has always had difficulty in relating to the Australian Assistance Plan in Queensland because it has bypassed the State Government in its development and funding. Queensland will await the outcome of the conference held this month to see if it is likely that the Australian Assistance Plan will continue in its present form. It should be recognised that there is uncertainty as to the direction which this matter may go and until the intentions of the Commonwealth are made known, it will be difficult to determine a firm policy in so far as Queensland is concerned. Factors as yet unknown include the following:—

(i) To what degree is the Commonwealth Government committed to the plan?

(ii) If the Commonwealth Government supports the plan, to what extent will the support be, particularly in relation to funding?

(iii) Will funds in future be paid through State Treasuries?

(iv) What will be the form of legislation and, if so, will complementary State legislation be required?

Until such details are forthcoming, no real decision can be made in relation to this matter.

51. NORTH WEST ISLAND

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

(1) In respect to the world-wide tenders that have been called by the Government for the development of North West Island on the Great Barrier Reef near Gladstone as an international tourist resort, is he aware that this small island was completely covered by at least 12 in. of water during cyclone "David"?

(2) Will he make this fact public and guarantee that he will advise prospective tenderers prior to the date set for the closing of tenders?

Answers:—

(1) I have heard unconfirmed reports that uninhabited North West Island was subject to partial coverage by sea-water resulting from the abnormally severe effects of cyclone "David".

(2) Applications from persons or companies interested in being granted the right to establish a tourist resort on North West Island are required at their own cost and expense to make such investigations, surveys and probings as they deem necessary in order to acquaint themselves thoroughly with the implications in any proposed plan of development of the island.

52. ROAD BRIDGE OVER HERBERT RIVER, HALIFAX

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

(1) How many men are presently employed on the construction of the new road bridge over the Herbert River at Halifax?

(2) What is the maximum number of men employed at any one time since the commencement of the bridge construction programme?

(3) How many men have remained in employment on the programme for the whole of the time and what is the average length of time of employment of individuals on the job?

Answers:—

(1) 18.

(2) 18.

(3) The honourable member is of course aware that the Herbert River Bridge is being constructed by contract. This prevents me from answering this part of his question precisely, as the Main Roads Department does not keep wages records of contractors' employees.

53. FIRE INSURANCE PREMIUM ADJUSTMENTS

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

Do insurance companies adjust fire premium rates in areas of new water reticulation where none previously existed?

Answer:—

Normally insurers take account of the availability of water reticulation and other fire-fighting facilities in fixing premium rates. Adjustments are made from time to time as new reticulation is installed. However, some insurers are now tending to adopt flat premium rates over large areas, without reference to all individual features of each property. This development leads to cheaper costs of administration and tends to keep down premium rates. Property owners are advised to search the insurance market as many variations are available as regards policy conditions and premium rates.

54. TRAFFIC BRANCH STAFF, ROCKHAMPTON AND LIVINGSTONE DISTRICTS

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

(1) What is the present police complement in the Traffic Branch in (a) the Rockhampton District and (b) the Livingstone District?

(2) What were the staff numbers in both areas for the six months to 1 July 1975?

Answers:—

(1) There is no particular police complement presently attached to a Traffic Branch in either district.

(2) There were 10 members allocated to traffic duties at Rockhampton for the six months up to 1 July 1975. The Livingstone District did not come into operation until 1 July 1975. Traffic duties are now allocated in rotation to various members as circumstances dictate, but there is a statutory responsibility for all members of the Police Force to ensure that traffic laws are duly observed.

55. PRE-SCHOOLS

Mr. Wright, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) How many State pre-schools have now been completed and are operating in Queensland?

(2) How many children are at present being catered for in these pre-schools?

(3) How many new pre-schools are planned for completion this year?

Answers:—

(1) As of 1 April 1976, 295 pre-school units were in operation. In addition, the Pre-School Correspondence Unit and 19 pilot programmes for pre-school children at Class 4 schools were in operation.

(2) It is estimated that approximately 14,750 children are presently enrolled in pre-school centres together with 800 with the Pre-school Correspondence Unit and an estimated 200 children in the Class 4 schools pilot project. This makes a total of approximately 15,750.

(3) At present some 78 pre-school units are at various stages of construction throughout the State.

56. TEACHERS RECRUITED FROM OVERSEAS

Mr. Wright, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) How many overseas teachers are presently employed by his department in (a) primary schools, (b) secondary schools and (c) pre-schools?

(2) How many such teachers resigned in the last 12 months?

(3) How many of these teachers contravened the terms of their contract?

(4) How many new overseas teachers have been employed this year?

Answers:—

(1) At the beginning of March this year there were in State schools a total of 1,452 teachers who were recruited overseas. These comprised 653 primary, 94 special, 699 secondary and 6 pre-school teachers.

(2) During the 12-month period since March 1975 a total of 283 teachers recruited from overseas resigned. Over two-thirds of these had completed their contractual obligations to the Department of Education.

(3) Of the above 283 resignations, 84 teachers resigned prior to completion of their contracts.

(4) Since the beginning of January 1976, appointments of overseas recruits numbered 98. These comprised 39 primary, 6 special and 53 secondary teachers.

57. PRICE OF MILK IN NORTH QUEENSLAND

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

(1) In view of the announced rise of 4.5c per gallon in the price of milk in North Queensland and 1c for each item of dairy products on retail sale, what is the share of the new margin for farmers, manufacturers, vendors and retail suppliers?

(2) Is any of the increase attributed to metric change-over and, if so, to what extent can this be justified?

Answers:—

(1) Milk in North Queensland is supplied by the Atherton Tableland Co-operative Dairy Association and no price is fixed for milk received by that association from producers. From 1 April 1976 the interim increased margin to retail vendors is 0.04c per gallon. The balance of the increased margin has been temporarily applied to the manufacturer to compensate for losses directly related to metric conversion.

(2) Yes. The increase attributed to metric change-over is 5.83c per gallon on weighted average sales as at 31 December 1975. In order to fit in with present currency, the retail price was adjusted upwards to the nearest whole cent per unit of supply.

58. DRINK-DRIVING AND BREATHALYSERS

Mr. Jones, pursuant to notice, asked the Minister for Transport—

(1) Is he aware that according to the New South Wales Bureau of Crime, Statistics and Research breathalyser convictions fell 6.9 per cent in 1974, the first fall since the breathalyser was introduced into New South Wales in 1969?

(2) To 30 June 1975, what are the figures annually since introduction of the breathalyser into Queensland?

(3) Has any study been carried out into the reported excellent results of the New South Wales advertising campaign that depicted drinking drivers as slobs?

(4) Is there any intention of using this or similar advertisements in Queensland?

(5) What number of Queensland's convictions for drink-driving offences is made up by what is called a hard-core of drinking drivers who have had one previous conviction or more than one previous conviction?

Answers:—

(1) I am aware of the Press report. However, as enforcement of the law is concerned it is suggested that the honourable member direct his question to the appropriate Minister, the Honourable the Minister for Police.

(2) See answer to (1).

(3 and 4) I have read Press coverage on the conclusions of a study of drink-driver offenders in 1974 by the New South Wales Bureau of Crime, Statistics and Research which indicated some support for the "slob" advertising campaign directed at drinking drivers.

I am informed that the Traffic Accident Bureau Unit of the Department of Motor Transport in New South Wales, which was responsible for this advertising campaign, proposes to bring out a detailed research report on the results of the project. Any action taken in Queensland to extend this campaign to this State will depend on a number of factors including this report.

By legislation, I receive as Minister for Transport an annual sum from the Liquor Act Trust Fund, which is devoted to the drink-driving area. The money is in fact used by the Queensland Road Safety Council of which I am Chairman.

During the past several years, we have used all media in an effort to get our message across to the public and our campaigns are planned by professional advertising agents. In recent years, our

principal media usage has been television and a current campaign throughout the State commenced this week.

(5) See answer to (1).

59. DEATH OF STUDENT AT DUTTON PARK RAILWAY STATION

Mr. Jones, pursuant to notice, asked the Minister for Transport—

(1) Has any railway inquiry, inquest or coronial inquiry been held to investigate the circumstances and events leading up to the death of a student at Dutton Park Railway Station at approximately 3.55 p.m. on 27 February while the boy was travelling home from school?

(2) Was the cause of death determined and, if so, was obsolete railway stock, the lurching or sway of carriages or any allied cause, such as too close proximity of track linage, found to be in any way a contributing factor to his death?

Answers:—

(1) The holding of a coronial inquiry into the fatal accident referred to by the honourable member is a matter to be determined by the coroner.

(2) Pending such a decision and the outcome of a coronial inquiry, if held, it would be an impropriety on my part to comment on the circumstances surrounding the accident.

60. SUCCESSION AND PROBATE DUTY

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

(1) In the last financial year, how many estates were required to pay succession and probate duty and how much was received?

(2) How many of these estates exceeded $100,000 and what was the total amount of duty paid on them?

(3) How many estates were above $250,000 and what was the total amount of duty paid on them?

Answers:—

(1) During 1974-75, succession and probate duty assessments issued by the Stamps Office, including nil assessments in respect of exempt estates, totalled 10,764. In that year, collections in respect of death duties amounted to $23,553,980.

(2) Of the 10,764 assessments issued, 367 were in respect of estates having a net value in excess of $100,000. Duty assessed on these 367 estates was—

	$
Succession duty ..	10,814,284
Probate duty	335,475
	11,149,759

The question refers to duty paid but, without considerable clerical effort, it is not possible to ascertain whether all amounts have in fact been paid. The figures I have quoted are the total amounts payable on the basis of the assessments made.

(3) Details of estates over $250,000 are not available, but there were 106 estates with a net value in excess of $200,000 and duty assessed was—

	$
Succession duty ..	6,038,098
Probate duty	176,380
	6,214,478

Again the amounts quoted are payable but not necessarily paid.

61. POLICE DEPARTMENT AEROPLANES

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

(1) How many aeroplanes are in service with the Police Department and what is the make, type, age and number of engines of each?

(2) When was each plane purchased and for how much, what extra amount was paid on each plane to adapt it for police work and from whom was each purchased?

(3) Where is each plane stationed, what crew is required for each and how many passengers can each carry?

(4) How many members of the Police Force are qualified pilots, what are their ranks and what is the total wages paid to each officer?

Answers:—

(1) The Queensland Police Department has two aeroplanes. Both are Cessna 180E aircraft. They were built in 1962. They are single-engine aircraft.

(2)—

(a) The planes were purchased on 17 June 1975.

(b) An amount of $5,000 was paid for each plane.

(c) Expenditure incurred to adapt for police purposes was $17,570.15 ($8,683.35 and $8,886.80).

(d) Purchase on tender from Commonwealth Department of Manufacturing Industry (both planes previously owned by Department of Army).

(3) Both planes are hangered at Archerfield aerodrome and operate from that point. The crew for each plane is one pilot. Each aircraft is able to carry a maximum of three persons including the pilot.

(4) There is at present one sergeant 2/c and two senior constables attached to the Air Wing. Each of these members

is a licensed pilot. Another senior constable has been appointed to the Air Wing but has yet to commence duty there. He is also a licensed pilot.

The salary for the sergeant 2/c is $411.20 each fortnight and the salary for each of the senior constables is $369.50 per fortnight.

62. BAN ON MEAT IMPORTS

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

With reference to his reported action of asking the Prime Minister to ban meat imports, in what form did he communicate with the Prime Minister and what was the reply?

Answer:—

I have written to the Right Honourable the Prime Minister and no doubt he will be replying to me in due course.

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

DRUGS STANDARD ADOPTING BILL

INITIATION

Hon. L. R. EDWARDS (Ipswich—Minister for Health): I move—

"That the House will, at its present sitting, resolve itself into a Commitee of the Whole to consider introducing a Bill to amend the law relating to the adoption of the British Pharmacopoeia in Queensland and to provide for the adoption of the British Pharmaceutical Codex and the British Veterinary Codex in Queensland, and for other purposes."

Motion agreed to.

HEALTH ACT AMENDMENT BILL

INITIATION

Hon. L. R. EDWARDS (Ipswich—Minister for Health): 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 Health Act 1937–1975 in certain particulars."

Motion agreed to.

HARBOURS ACT AMENDMENT BILL

INITIATION

Hon. R. E. CAMM (Whitsunday—Minister for Mines and Energy): 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 Harbours Act 1955–1972 in certain particulars."

Motion agreed to.

CORONERS ACT AMENDMENT BILL

THIRD READING

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

PICTURE THEATRES AND FILMS ACT AMENDMENT BILL

THIRD READING

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

DISTRICT COURTS' AND MAGISTRATES COURTS' JURISDICTION BILL

THIRD READING

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

MATTERS OF PUBLIC INTEREST

ART UNION PRIZE OF ISLE OF CAPRI LAND

Mr. K. J. HOOPER (Archerfield) (12.8 p.m.): The matter of public interest I desire to raise today concerns an art union conducted on a non-existent block of land on the Isle of Capri on the Gold Coast, the proceeds of which were to go to charity. The winners were subsequently named as being two minors called "The Totties" of Alverston, Somerset, England. The minors were two young girls named Marian and Ruth Hawkins. Questions were asked of the Minister for Justice concerning this art union. He replied to them on 4 March 1974 and there was a newspaper article on the subject on 5 June 1974. Various people have subsequently been concerned about certain aspects of the art union and have endeavoured to view the file without success.

It will disturb the Parliament to learn that these two girls have not yet received their prize and in fact, if the law governing art unions is to apply, will never receive it. On 19 March 1974 the Minister for Justice told the House that the land concerned was generally described as being on the Isle of Capri, and that each new subdivision received an individual name. On 5 June 1974, however, the President of the Isle of Capri Development Association disagreed that the land was on the Isle of Capri and the Postmaster of the Southport Post Office advised that the land was not and is not serviced from the Isle of Capri as stated by the Minister. On 19 March 1974 he advised the House that the art union land in question was covered by a title deed in the name of Nerang Pty. Ltd. He gave the land description and stated that the land was approved for subdivision by the Gold Coast City Council on 29 May 1972. He said

further that the land developers had been granted various approvals by the Department of Harbours and Marine.

I want to make it quite clear that the council's solicitors, the subdivisional engineers and the Town Clerk of the Gold Coast City Council all state that there has never been an approved subdivision over this land. Somebody is telling lies; that is quite obvious. I repeat: there is no subdivision approval as of this moment. In fact, the developer has a legal action pending against the council's refusal to grant approval of the subdivision.

As to the so-called approval of the Department of Harbours and Marine—the dates given by the Minister on 19 March 1974 are incorrect. In fact, the final gazettal did not take place until 4 March 1976.

Under section 8 (2) of the Canals Act, it is forbidden in law to sell, or offer for sale, land before the final gazettal is approved. How this final settlement took place is a mystery, and a search in the Titles Office reveals that there never has been any plan of subdivision lodged over the land in question.

As to the $22,000 cheque—as a mark of good faith it is of no importance, because it did not appear until after questions were asked, and I do not know where the money is now. However, I am told that $22,000 was paid out of the proceeds of the art union to Nerang Pty. Ltd. for the land. Whether it is in trust, and in whose trust account (if any), has not been determined.

Mr. Speaker, certain facts are clear. The Minister has misled the House, either as a result of incorrect information or for reasons best known to himself; further, the Act covering art unions has been seriously breached—and I say that advisedly—because it is forbidden in law to sell, or offer for sale, canal land until final gazettal of the subdivision, namely, block 545 Benowa Waters; and, further, there remains the court case to decide whether the subdivision will be approved or otherwise.

Surely the Department of Justice would have required that a statutory declaration be made as to the ownership of the land. I fail to see how a true declaration establishing title to the land could be made, as it was not possible at the time of the art union, that is, April 1974, to obtain legal title or access to legal title. Consequently, the art union is illegal and the organisers must have signed a false declaration—and, I would suggest, signed it knowingly.

The evidence should be collated and the organiser should be charged and tried on a number of counts.

These are serious charges, Mr. Speaker, and I believe that I have given the House sufficient information to support them. I have a file here that I am prepared to table in further support, so that it can be viewed by all honourable members. After all, there is no reason why any art union should not be subjected to public scrutiny. People's money is involved, and people who buy tickets in an art union expecting that they will be able to collect a specific prize should be able to do so on the day on which the art union is drawn. That is the law. The two girls concerned cannot collect their prize two years later. It is a public scandal.

Mr. Wright: Who is behind the art union?

Mr. K. J. HOOPER: I am coming to that. Obviously the Minister will need to report to the House on how the incorrect information came to be given to honourable members. The Premier also will need to assure himself of all the facts, because he, too, is involved in that his photograph was on the brochure advertising the art union.

The national organiser of the art union has been granted a knighthood for his so-called gifts to charity. This particular block of land was publicly described as being a donation. Is this one of the so-called contributions to charity for which his knighthood was granted?

I believe that the Minister, in giving his reply in this Chamber on 19 March 1974, could have been misled by information supplied to him in a very devious manner by the person involved in the whole dubious affair.

Mr. Wright: Who was it?

Mr. Hinze: Why don't you name him?

Mr. K. J. HOOPER: The national organiser of the art union, who was shown on the ticket as being "Bruce Small, M.L.A.".

Mr. Hinze: Sir Bruce to you.

Mr. K. J. HOOPER: It is on the ticket.

Mr. Hales: The tin-tipper is here again!

Mr. K. J. HOOPER: I have the ticket and the file here. I will table it so that honourable members may peruse it.

Mr. Wright: He gave away non-existent land?

Mr. K. J. HOOPER: He gave away non-existent land. He should be stripped of his knighthood. If he is convicted, he should be kicked out of the House.

Mr. Marginson: No wonder he can buy onions!

Mr. K. J. HOOPER: Yes, no wonder he can buy onions! The Minister should carry out a full and open inquiry into the legitimacy of the art union concerned to ensure that the person who perpetrated this fraud on the public of Queensland is punished.

ADMINISTRATION OF HEALTH DEPARTMENT

Dr. CRAWFORD (Wavell) (12.15 p.m.): There has been general public concern expressed in recent days throughout the

community about constantly recurring themes for altercation between the Queensland Health Department and those who work in or are associated with medical, nursing and ancillary services in the hospital units. The Health Department has a rather classic intransigent attitude to any form of criticism, and that has been manifested in recent years in a series of ways.

I have had representations made to me in recent months about the fact that radiologists have been unable to find a negotiating level with the department which they can accept so that the Radiology Department at the Royal Brisbane Hospital can function correctly. In effect, a series of first-class young men have been unable to accept the terms of service the department has offered them to control the radiological services at the Royal Brisbane Hospital. This is one manifestation of the difficulty which various groups have had over the years.

Currently we have a nursing problem at the Southport Hospital. Whether the basis of that is that the cockroaches have not been cleaned out is immaterial to the fact that the problem exists and the nurses find that they have unsatisfactory conditions of work.

Many of the old buildings located in many parts of the State which are still euphemistically termed hospitals do not assist those who work in them. Although for 20 years one has heard the cry in Queensland "If only we had enough money, all would be well", the provision of money itself is not the complete answer to the problem. The most important thing as far as patient care is concerned, and therefore probably the most serious of the altercations currently in vogue, is that which involves Drs. Paul Wilson and Jim Gardner on the one hand and the Health Department on the other. A great deal of publicity has resulted from the activities of those two gentlemen in recent times. In my view Messrs. Wilson and Gardner have been extremely foolish in their approach to the department. Their report mirrors the belief in the university community that the use of emotive language, exaggeration and hyperbole can accomplish what rational argument will not accomplish—a university manifestation which should have been relegated to kindergarten days.

Mr. W. D. Hewitt: They have been more than foolish. I would class it as irresponsible.

Dr. CRAWFORD: Yes, indeed.

In no way can the submission of Gardner and Wilson be considered either an adult publication or a scientific treatise. I have read the whole publication in detail. Their own organisation, the Psychology Department at the university, has, in effect, disowned the manner in which the paper is presented.

The fact remains, however, leaving emotive language aside, that sufficient groups exist in the community who are unhappy with the functioning of the Health Department to warrant some form of action on behalf of the community to at least investigate the administrative work of the department, and bring it into line with other Government departments functioning in the 20th Century. When one attempts to analyse the various activities of many Government departments—not only the Health Department—it would appear that administration is basically the problem. Today I have had a major problem with a Public Service department which just cannot find itself able to alter the rules by which it attends to superannuation matters. Candidly, I do not know what one can do about it. When dealing with Government departments one constantly runs into the situation where the administration is incapable of flexibility.

Honourable members who were here prior to the last State election will remember that the Mental Health Act was upgraded in 1974. The original Act was drafted in 1971. At the time, the draft legislation was deferred and it was brought into this House in 1973. It was allowed to lie on the table for six months from that time.

The then incumbent of the Health portfolio made a great point of the fact that the idea of laying the draft legislation on the table was to enable interested members of the community to make comments, to offer criticism and to produce submissions so that the draft legislation could become the best possible legislation produced by the community. I believe, however, that the offer to make submissions and comments was not a genuine one. It was merely propaganda on the part of the Minister. When the comments came forward from various departments, including the Psychological Department of the University, they were not accepted. Various reasons were given for their non-acceptance. Those persons who had carried out quite a lot of research and done a lot of work to try to assist the legislation and the then Minister were told that their submissions were too late or alternatively were given some other excuse for not having their submissions accepted. In effect, the Professor of Psychology at the university and others in his department, including Dr. Gardner, were placed at a disadvantage, because at that time they were not able to bring their submissions through the legitimate channels to the Health Department. The whole miserable exercise of laying that legislation on the table for six months brought no credit whatever to the Health Department.

What can this Government or this Parliament as a whole do at this stage to correct the obvious anomalous functioning of some of the health services in this State? Three possible courses of action could be followed. First of all, the Government could take no action and allow the situation to drift on as it is. In many respects such an attitude would be anachronistic, because it would assume that the Parliament is prepared to

accept that methods used in the early part of this century are still adequate for the latter part of it.

Any solution that involves an investigation of Caesar by Caesar—in other words an intradepartmental investigation—is not relevant to the problem currently arising in our community. If we do have any form of investigation, it would need to be carried out by an independent commission or tribunal. It could include, perhaps, a member nominated by the Bar Association, one nominated by the A.M.A., another from the university senate and one from the Health Department. Only by full and open discussion can this whole process of correct administration be brought to the stage where the community can feel that justice is being done.

We could, of course, ask W. D. Scott and Company to come back and look at the administration of the department. It is interesting to note that when those consultants investigated the Royal Brisbane Hospital, they were forbidden to investigate the Health Department itself. As I say, such an investigation would need to be a full investigation not only of the hospital system but of the administration as well. The whole of the administration of the department from top to bottom must be investigated. Of course, the consultants may find that the department is running efficiently although this would be most unlikely.

Dr. Edwards: They were not asked to look at the department.

Dr. CRAWFORD: I fully realise that, but they should have investigated the whole of the department at that time. The limited brief given to them in relation to the Royal Brisbane Hospital has not worked in practice and did in effect waste money.

We are faced with two practical alternatives—either set up the type of tribunal that I envisaged or ask Scott and Company to investigate the administration of the whole department. One of these alternatives is needed to make a real effort to solve Health Department problems.

MEDICAL AND SPECIALIST TREATMENT FOR COUNTRY PEOPLE

Mr. JONES (Cairns) (12.24 p.m.): I draw the attention of the House and particularly that of the Minister for Health to the problems confronting people in our provincial and country areas who require specialist or other medical treatment that is not presently obtainable at their local base hospital or public hospital. The problem is not so much the inaccessibility to doctors. At this time we have the Flying Doctor Service and improved means of transport generally. Apart from exceptional circumstances, medical treatment is available. There may be delays; there may be difficulties; but in some areas of the State—and in my area, to a degree—the non-availability of specialist treatment in the home town and the costs involved in travelling away to obtain that treatment are matters for concern. Transport costs, accommodation, loss of wages and the attendant personal problems all pile up on an individual or a family when a sickness is prolonged or requires a specialist's attention, particularly where the specialist is not readily available in the area in which the patient resides.

I want it to be firmly understood—and I am sure that the Minister understands this—that there is no condemnation in this of the Health Department or the Minister. They honestly endeavour to make specialist attention—and the best specialist attention—available in base hospitals. I can certainly attest that that is so in my area. Quite a number of specialties that were not catered for many years ago are now provided.

However, limitations are still imposed, even in my area, by the unavailability of specialist medical personnel in some fields. To obtain that treatment, a patient has to travel to the centres at which it is available. Consequently, patients often travel to Cairns from Tully, Thursday Island, Cooktown or other centres. On the other hand, travel may be required from all those centres, including Cairns, to Townsville. Often, however, the treatment is available only in Brisbane.

I must admit that during my term in Parliament the necessity for travel to obtain specialist treatment has become less frequent. Whether we have a healthier community, whether there are more specialists in the area or whether people are more affluent and do not need to make approaches for assistance I do not know; they may all be contributing factors. In view of the need for specialist treatment in the community, it is gratifying that the necessity to travel away from home for it is decreasing. However, while there is still a need, we must keep the situation under review.

It is a traumatic experience for a patient to be referred to a specialist. There are some aspects of the referral that call for the Minister's concern as a Minister of the Crown and, perhaps, as a medico. The shock of the initial notification of the need to seek specialist attention is a frightening experience for the patient; it is fraught with patient anxiety. The family's involvement and concern must also be borne in mind.

There is panic as to the consequences that may flow from notification of the visit to the specialist. The first reaction of the patient is, "Well, I must be pretty crook if they are sending me off to Brisbane." Of course, that may not always necessarily be so; but the fact that a need exists is sufficient to concern the patient. So there is an element of panic in the referral—a desire to get it over and done with, to fly down there for a decision and a determination, to have an operation, and, if there is a doubt about

the complaint, disease or malady, to have it diagnosed, cut out or fixed up as quickly as possible. Naturally, that puts everybody into a flap immediately. If it is not diagnosed at that stage, the anxiety is aggravated.

The bane of the ordinary bloke is the question of money. He wonders, "How much is it going to cost me?" If the patient is a child, the father wonders whether he should send the mother with the child. If it is either the wife or the husband who is ill, the question to be decided is whether the other spouse should travel to Brisbane with the patient. Sometimes it would be better to leave one at home but in some cases husbands and wives feel that they should travel together. The ill person may not need an escort, but if he does extra costs are involved. If there is a series of visits to Brisbane, the accommodation problem arises. In addition there is loss of work for both the patient and the escort. So the problem is compounded.

Amid all of the anxiety the Health Department hits the patient or the immediate next of kin with the means test and asks, "Can you pay? Can you afford to pay?" And so the department goes through the ritual of applying the means test. If a person is on the basic wage and has myriad commitments, such as hire-purchase payments, he might qualify for a railway economy fare. If he needs an escort, two single fares are granted.

The decision is the responsibility of the senior Health Department officer in the area who is usually the medical superintendent of the base hospital. He decrees whether a railway sitter or sleeper will be provided, whether travel by air is warranted and whether an escort is required. When other people or the patient's family are involved, each facet of the situation has to be taken into consideration. But the decision is made merely on economic grounds and is subject to the application of the means test. I commend the medical superintendents as well as the welfare and social workers at the hospital. But that is not the point I am making at the moment.

At the moment, eligibility is determined on three grounds: poor financial circumstances proven by the means test; automatic approval to persons in receipt of the maximum social security pension; and people suffering from a malignant, pre-suspected or near malignant medical condition. Patients know very well that if they get a free trip, on most occasions it is because they have a suspected malignant cancer. That is why I say this system should be wiped and free assistance provided. No travel assistance can be provided outside those three grounds.

The place a patient chooses to reside can result in his being less favourably treated. If the full specialist facilities of the free hospital system are not available to a patient, for instance in Cairns, he is disadvantaged both as a patient and as a person. On the other hand a person who lives in or close to Brisbane simply gets into his car, a bus or a train and is immediately eligible to walk straight into the Royal Brisbane Hospital, for instance, and receive the best treatment available in Queensland. It is totally free to the Brisbane fellow but not to the Cairns fellow.

The return economy air fare from Cairns to Brisbane is $164. If the patient takes his wife, the cost is $328. The direct single air fare from Thursday Island to Brisbane is $138. That amount would have to be doubled for the wife if her moral support is needed and doubled again for the return trip; in the case of a child being escorted by a parent it would be one fare plus half a fare and that figure would be doubled for the return trip. What parent would allow his ill child to go to Brisbane alone? These people from Thursday Island cannot simply get into a car, bus or train. If the decision was made to travel by sea, the trip would not improve the complaint. This is one case where a sea trip would not do any good.

A side comment I might make is that these travel expenses are not tax deductible. That is another burden that is placed on these people.

(Time expired.)

ACCOMMODATION FOR DENTISTS, WESTERN QUEENSLAND

Mr. TURNER (Warrego) (12.35 p.m.): I enter the debate to draw to the attention of Parliament, the Press and the proposed State Government Public Service Housing Authority the desperate need generally for accommodation for public servants in western areas of Queensland and, more particularly, the shortage of suitable accommodation for dentists employed by hospitals boards in inland areas. On numerous occasions I have raised in the House the shortage of accommodation for school-teachers, doctors, dentists, police officers, railway workers, officers of the Department of Primary Industries and numerous other Government employees. Whilst it would be nice to solve the problems of all Government employees, the immediate need is the retention of health services in inland areas. I think that this is of paramount importance to people living in such areas.

I should now like to deal specifically with dental services and accommodation for dentists in western areas. I have discussed this problem with virtually all members representing western electorates, and although I am not appointed to speak on their behalf, I believe that many of the problems to which I shall refer are to be found in their areas as well as in mine. Dental services in western areas have decreased in recent years. Not many years ago there were three dentists in private practice in Charleville; today

there is only the overworked Government dentist at the Charleville Hospital. Other western Queensland towns that had private dental practitioners in the early 1960s and no longer have them are Mitchell, Charleville, Cunnamulla, Blackall, Hughenden, Winton, Clermont, Muttaburra and Monto. These towns are now serviced by clinics. Although I am one of the first to applaud the work done by clinics, I point out that those centres are not at present serviced by private dental practitioners. In all of western Queensland between but not including Roma and Mt. Isa, only one private dentist remains in practice.

The Government operates the hospital dental clinics and they provide a wonderful service. Although full implementation of the scheme may take some time, I think that the most significant advance in dental health in this State has been the introduction of dental therapists to schools. I understand that the scheme is to be extended eventually to all rural areas of the State. I certainly look forward to that time.

The Minister for Health recently visited the electorates of Warrego and Gregory on a tour of some seven hospitals. During his visit he not only inspected hospital facilities and the conditions under which doctors work but he also inspected clinics and saw the problems facing dentists who work in them. He spoke to dentists, to hospital board members and to council members, and I think he came away with a greater appreciation of the medical and dental problems of inland areas. I think I can speak for the honourable member for Gregory, too, when I thank the Minister for the concern that he has shown for the health of people in inland Queensland.

I think it worth mentioning that dentists, like doctors, cannot be forced to live in western areas. The advantages of city life, including educational opportunities for their children, tend to attract dentists and doctors from western areas. This brings me to the major point that I wish to make in this debate. The people of the inland areas need the services of doctors, dentists, teachers, etc., and I believe that the Government has a responsibility to provide incentives to entice such people to work and remain in western areas. As we have been virtually reduced to a Government dental service, I hope that a system of relief somewhat similar to that applied to doctors in western areas can be introduced into the dental service whereby dentists are given an opportunity to come to Brisbane to further their studies or have a break away from the area. They could perhaps also be given the right of private practice which is extended to doctors in western areas.

I believe the right of private practice and the scheme which enables doctors to have a break from their practice have assisted in the retention of doctors in these areas, and I think the same principle should apply to the dental service. I am quite sure that the Minister understand this problem and is most sympathetic about it.

Dr. Edwards: Following my visit with the honourable members for Warrego and Gregory and our discussions with certain dentists, I can say that this matter is under review at the moment.

Mr. TURNER: I thank the Minister.

Let us look at the accommodation situation of dentists in western areas. It is not my intention to name the dentists or the towns in question, but some dentists are required to reside in what I would term substandard accommodation. With your indulgence, Mr. Deputy Speaker, I would like to read through a summary of the accommodation provided for dentists in some 31 towns in western Queensland. In one town the dentist sleeps in the maternity ward if it is not occupied. In another town the dentist occupies quarters adjoining the surgery. In another he occupies a flat which has been converted from an isolation ward. In one area a very good house is supplied, but in another area the dentist pays $30 a week rental, yet for three out of every four weeks he is away on circuit and so is paying for the four weeks but is staying in the residence only one week in four.

We have similar substandard housing in other centres. In one area a Housing Comission home is rented. In another the dentist shares a flat above a shop with a technician. In other areas dentists have had to buy their own homes. Of course, they visit some towns during the day and it is not necessary for them to have accommodation in such towns. In yet another area a 1925 building attached to a labour ward is the accommodation for the dentist. I could go on and on.

Some of the accommodation provided is quite all right, but in the main I believe that it is unrealistic to expect dentists to tolerate this sort of accommodation in western areas. We cannot expect a young dentist to go out West after completing his training and finance the purchase of his own home. Accommodation is hard to get in western areas because homes are possibly 50 per cent dearer to build there than in urban areas, and instead of appreciating in value, they depreciate.

We should be conscious of the fact, and it is a fact, that while doctors in general are given housing in western areas, dentists are given housing only if the hospital board has a house available. This is not a general policy. The Government is setting up a Public Service Housing Authority to look into the housing needs of all public servants. I believe it will come under the control of the Minister for Works and Housing, and I can only ask that every effort be made as soon as possible to alleviate the housing shortage as it applies to public servants, particularly dentists, because in conjunction with doctors they look after the health of the communities in our rural areas.

ART UNION PRIZE OF ISLE OF CAPRI LAND

Sir BRUCE SMALL (Surfers Paradise) (12.44 p.m.): Mr. Deputy Speaker, I have listened with amazement to the scream of filthy, despicable and slanderous lies from the honourable member for Archerfield concerning the donation of a block of land valued at $22,000 for an art union in aid of the Darwin Flood Appeal. The way he shelters behind the privilege of Parliament is beneath contempt. He referred to a non-existent block of land. He and everybody else knows that the block of land is very much in existence, and is in fact a choice waterfront block on the Benowa Estate just behind the Isle of Capri which was donated for this purpose. The title is in the name of Nerang Pty. Ltd. It is a clear, unencumbered title which covers some 80 or 100 waterfront allotments. The prize land was valued at $22,000 and I have in my possession a sworn declaration made since that time that the land is now valued at $24,500.

For three years approval for this block of land has been held up by Robert Neumann, for whom the honourable member for Archerfield is now acting as stooge, the mantle of Mr. Davis, the former member for Brisbane, having fallen on him.

Mr. K. J. HOOPER: I rise to a point of order. That statement is untrue and offensive to me. I only met Alderman Neumann——

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! Does the honourable member ask for a withdrawal?

Mr. K. J. HOOPER: Yes, I ask for a withdrawal.

Mr. DEPUTY SPEAKER: Order! The honourable member for Surfers Paradise will withdraw that statement.

Sir BRUCE SMALL: If the honourable member says he has not seen him, I accept his word, Mr. Deputy Speaker.

Mr. K. J. Hooper: Withdraw it.

Sir BRUCE SMALL: I say he is acting as stooge——

Mr. DEPUTY SPEAKER: Order! Will the honourable gentleman please formally withdraw the statement?

Sir BRUCE SMALL: Yes, I formally withdraw it, in deference to your wishes, Mr. Deputy Speaker. Davis, the former member for Brisbane, was the stooge, and his mantle has now fallen on the filthy shoulders of the honourable member for Archerfield.

Mr. K. J. HOOPER: I rise to a point of order. Look, Mr. Deputy Speaker, he has already——

Mr. DEPUTY SPEAKER: Order! The honourable member will state his point of order.

Mr. K. J. HOOPER: I ask that the honourable member withdraw that statement.

Mr. DEPUTY SPEAKER: Order! I ask the honourable member for Surfers Paradise to withdraw it.

Mr. Hinze interjected.

Mr. DEPUTY SPEAKER: Order! The honourable gentleman will withdraw it.

Mr. Hinze interjected.

Mr. DEPUTY SPEAKER: Order! There is only one person in charge of the proceedings and it is not the Minister for Local Government and Main Roads. The honourable member for Surfers Paradise will withdraw that statement.

Sir BRUCE SMALL: Yes, Mr. Deputy Speaker; in deference to your wishes, I withdraw it.

The block of land in question is sewered and has underground electricity, the drainage is complete, and the roads are sealed and have kerbing and channelling. It has been accepted and passed by the Gold Coast City Council as having fully complied with the requirements under the application for approval that was lodged three years ago and which has been consistently held up by Robert Neumann, the erstwhile—and I repeat "erstwhile"—mayor of the Gold Coast, who has been conducting a feud for the last 10 years.

Mr. Marginson: With whom?

Sir BRUCE SMALL: With me. An appeal is now before the Local Government Court and it is due for hearing next month. There is no question about what the result will be.

The winners of the art union were the two little girls, Marion Hawkins, who was 15 years of age, and her younger sister who was 12 years of age. They came out with their mother to inspect the block, spent a couple of weeks with us and were completely delighted. It is true that the approval had not been sealed, although it was long overdue. Nevertheless, they were satisfied and they asked that the land be held for them in trust.

Because of a complaint by Mr. Davis, the former member for Brisbane, of a similar nature to the filthy lies you have heard today, Mr. Deputy Speaker, I lodged a cheque for $22,000 with the Attorney-General. He, in turn, put it into a trust account so that no question could be raised about this matter. In due course he returned the cheque because he said that, under the Act, it was not possible for a cash prize to be substituted for a prize offered in the art union.

The Hawkins family intends migrating to Australia, and I am in regular correspondence with them. They are a very happy family, and we have developed a very real friendship over the years that have passed.

They are coming to Australia, and, because the land cannot be transferred to the two children, they have requested that it be held until they arrive or, alternatively, until they express a wish on the subject.

Mr. Houston: Suppose they wanted to build on it now?

Sir BRUCE SMALL: They are not ready to build on it.

Mr. Houston: Suppose the person who won it had wanted to build. What position would he have been in for the last two years?

Sir BRUCE SMALL: He could go ahead and build on it at any time, if he was prepared to accept——

Mr. Houston: What you are saying is that all these rules are automatic.

Sir BRUCE SMALL: I am not saying anything of the kind. What I am saying in that the filthy, despicable references of that low cur over there called Hooper——

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! I ask the honourable gentleman to withdraw that statement.

Sir BRUCE SMALL: I do so.

Mr. K. J. Hooper interjected.

Mr. DEPUTY SPEAKER: Order! I ask the honourable member for Archerfield to withdraw that remark.

Mr. K. J. HOOPER: I will withdraw it, Mr. Deputy Speaker; I was provoked.

Sir BRUCE SMALL: The filthy, gutter-snipe, despicable references to the title that I hold are just about as low as Hooper and his slanderous lying can get.

Mr. K. J. HOOPER: I rise to a point of order.

Mr. DEPUTY SPEAKER: Order! I ask the honourable member for Surfers Paradise once again to moderate his language. I ask him to withdraw that statement.

Sir BRUCE SMALL: In deference to your wishes, Mr. Deputy Speaker, I withdraw it.

I say that he is building a reputation for himself that has never been equalled in this Parliament for gutter-snipe, low, slanderous, filthy, despicable conduct. He is building a reputation for himself as the greatest bucket-tipper that ever was. He will be recognised in those terms wherever he walks down the street.

I say again that the block of land is genuine. It is valuable. The family that won it are happy. The council, with the exception of Robert Neumann, for whom the honourable member is acting as stooge, is perfectly happy.

Mr. K. J. HOOPER: I rise to a point of order. Once again I deny that allegation.

Sir BRUCE SMALL: In accordance with your wishes, Mr. Deputy Speaker, I withdraw it.

Mr. K. J. HOOPER: Mr. Deputy Speaker, I have denied that allegation previously.

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! The statement was withdrawn.

PROTECTION OF ANIMALS

Mrs. KYBURZ (Salisbury) (12.51 p.m.): I rise to speak on a matter of grave public interest that concerns not only the adults but also the children of Queensland. I refer to our attitude towards sections of the animal world—animals which need and deserve a far more responsible attitude on the part of all human beings. Many humans have the attitude that they are the supreme and only deciding level of animal life as far as over-all world ecology is concerned.

Many countries and various races have been guilty of a flagrantly irresponsible attitude towards the protection of their wildlife in all its forms. Of course, we are now seeing that in Queensland. This abuse of the animal world is caused by many factors, including the primary one of exploitation by commercial interests. When humans can make money out of animals they certainly will do so at every opportunity. Another factor in the exploitation and sad neglect of many members of the animal world is public apathy towards the protection of animals. Such apathy is directly related to lack of education and an amoral attitude towards fellow animal species. Animals are a fellow species, no matter what some cranks and crackpots try to argue.

We are now including in various curricula in our schools a fairly comprehensive attempt to understand not only the zoological and biological aspects of the animal world, but also the ecological and environmental consequences of the extinction of many species of animals.

The fast decrease of the whale population is a world-wide scandal. The most guilty greedy countries in the grab for the commercially exploited whale are Japan and Russia—two totally irresponsible countries in the conduct of their fishing industries. Taiwan also has a totally irresponsible attitude towards fishing in foreign waters. An equally disgusting scandal is the annual slaughter of seal pups in Newfoundland. Against this particularly primitive hunt of white baby seals the world turns its head as grown men, murderous men masquerading as hunters, bash seals to death. Indeed, it is a bloody sight, and an indictment of so many human beings for their lack of sensitivity. I urge the imposition of trade embargoes on Canadian goods. I feel that

is the only answer because Canada has been turning a blind eye to that sort of slaughter for years.

Now we see in Queensland an open season for one month on red deer. It falls right in the middle of the mating season. The reason given for the approved slaughter is the legitimising of the shooting which takes place annually in any case. The real villains in this sad and primitive drama are the hunters—the so-called sporting shooters who destroy these defenceless animals. Those men—notice the sex—would shoot at anything moving through the bush. They are not the shooters who would use their skill at targets on a rifle range. I am not knocking that type of shooting at all. I am referring to the hoon who uses his gun as an extension of his warped personality, and takes it out on animals, which also have a place in the world. What weak, egocentric, warped-minded men they must be! They pretend to themselves and to the world at large that their love of killing animals is a sport. I decry this so-called sport for what it is—nothing but a massacre! The term "sport" should not even be used in this context, because it is nothing more than a disgusting debasement of people who play sports that are truly sports.

These creatures who remove only the heads from stags and the meat from the does can only be classed as murderers. The farmers and graziers who live in the area are disgusted and scandalised by what is occurring there. It is useless to patrol an area during the season if shooting is virtually unchecked for the other 11 months of the year. I feel quite sure that the farmers in the area are afraid not only for their own wildlife and cattle but also of what can occur perhaps to themselves in those 11 months.

Visiting shooters from New South Wales and Victoria are taking advantage of this open season in Queensland to come up here and massacre our red deer. Many of the graziers in the area have been publicly reported in newspapers as claiming that there are not more than 500 red deer in the area. They contend that the numbers are not high enough to warrant a culling at this time. They are calling for the closing of this season at least for the next three years.

Mr. Turner: Did you see where one noted conservationist was reported in "The Courier-Mail" several days ago as advocating the total destruction of all deer because they are an introduced species?

Mrs. KYBURZ: I read the article and it caused me a great deal of personal chagrin. I know the fellow well and, although he is probably well intentioned, he has made a grave mistake. If we had instituted that type of purist philosophy we would not have introduced many of the domestic animals that we now have in Australia. For example, we would not have introduced the feral pig or the feral cat, both of which are introduced species and are posing grave problems. The deer, on the other hand, are not a grave problem. The farmers have not pretended they are as an excuse for their destruction.

I sound a note of warning to the adults of Queensland. As I said, in our schools we are now preaching conservation of animals and the adoption of a responsible attitude towards their life management and towards wildlife management. It is disgusting hypocrisy for us as adults to allow slaughter such as this to go on unchecked and in fact unnoticed. People should stand up and criticise the lack of wildlife management in Queensland and elsewhere. Only by so doing can the next generation see that not all of us turned a blind eye to the primitive actions that take place in so many parts of the world.

OPPORTUNITY FOR MEMBERS TO SPEAK DURING MATTERS OF PUBLIC INTEREST DEBATE

Mr. AIKENS (Townsville South) (12.58 p.m.): I am sorry to take up the last minute and 52 seconds of this debate, but I was not given the opportunity to speak earlier. It is about time that this Parliament examined the procedures of the Matters of Public Interest debate, which is supposed to give members the opportunity of raising matters of public interest. Usually, of course, it is referred to as the "tipping the tin" debate.

I have not pressed myself forward, nor have I presumed or been arrogant. However, I had hoped, in vain, that some day I might be able to participate in this debate.

In this Chamber there are 10 members of of the A.L.P., two of whom speak every week in the Matters of Public Interest debate.

Mr. AHERN: I rise to a point of order. In the interests of recording the facts, I point out that I offered the honourable member a space in next Wednesday's debate.

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! There is no point of order.

Mr. AIKENS: As I was saying, there are 10 members of the A.L.P. in this Chamber, and each week two of them participate in this debate. In other words, every member of the A.L.P. speaks in this debate once every five weeks, whereas the other members, including the Ministers, speak once in every 16 weeks. I may not be very good at mental arithmetic, but my calculations show—I have gone into this matter with a very close and good friend of mine, whom I won't name—I am due to speak on a matter of public interest on 14 October 1978. I shall try to contain myself until that day comes along.

Mr. DEPUTY SPEAKER: Order! Under the provisions of the Sessional Order previously agreed to by the House, the Matters of Public Interest debate is concluded.

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

METROPOLITAN TRANSIT AUTHORITY BILL

RESUMPTION OF COMMITTEE

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

Debate resumed from 6 April (see p. 3390).

Clause 11—Fares on public passenger transport services—

Mr. BURNS (Lytton—Leader of the Opposition) (2.15 p.m.): Briefly, clause 11 (3) (c) provides "a method of collecting penalties from persons who fail to pay a fare, whether by way of court process or by collecting a fixed penalty on the spot." We are talking about on-the-spot fines. It has been suggested to me that we ought to use the words "correct fare", which would enable full redress. The provision does not fully cover on-the-spot fines, it has been suggested to me. I think an amendment would be in order to have the clause read "who fail to pay a correct fare".

People from the Brisbane Tramways Department drew my attention to this. I spoke to a private bus operator who operates in my area. He told me exactly the same thing. Many people pay for one section and then decide to ride the rest.

Mr. K. W. Hooper: It says "who fail to pay a fare as prescribed or in accordance with the system provided".

Mr. BURNS: Subparagraph (c) just says "pay a fare". Could I be fined on-the-spot if I had paid part of the fare? It reads "who fail to pay a fare", not "who fail to pay the correct fare".

Mr. Byrne: A fare as prescribed, which is the correct fare.

Mr. K. W. Hooper: It is a fare as prescribed.

Mr. BURNS: It reads—

> "(c) to provide for a method of collecting penalties from persons who fail to pay a fare, whether by way of court process or by collecting a fixed penalty on the spot or by both such methods."

Subparagraph (c) does not say "as prescribed".

Mr. K. W. Hooper: But look at (b).

Mr. BURNS: That is a different paragraph. I am talking about (c). If I paid a section fare, but not the correct fare, I think I would be able to argue that I could not be required to pay an on-the-spot fine. I would be entitled to argue with the people concerned that I had paid a fare. I think it would be far safer to put in the word "correct".

Mr. K. W. Hooper: If you would like to move it——.

Mr. BURNS: I move the following amendment—

> "On page 7, line 17, after the word 'a' insert the word—
>
> 'correct'."

Mr. JONES (Cairns) (2.19 p.m.): I support the amendment moved by the Leader of the Opposition. If the clause is not amended to read in that way, a passenger who overrides a section could escape penalty or being forced to pay the full fare. That could be a prescribed fare or a minimum fare of, say, 20c when the correct fare for the journey might be 80c or some other figure higher than the minimum fare.

In my former position in the Railway Department I gained a good deal of experience in this matter. If I did not know, I would say to a passenger, "Where did you join the train?" Naturally he would say that he joined at the last station whereas he might have joined at the starting station. I think that the right interpretation is "correct fare" and that the amendment is a good one.

It appears that the penalty can be imposed on the spot. I assume that the passenger will pay the correct fare plus an amount imposed by way of a standard penalty for evading the payment of that fare. I have much pleasure in supporting the amendment.

Mr. LANE (Merthyr) (2.21 p.m.): I am sure that we are all amused by the amateurish drafting methods employed by the Leader of the Opposition in this instance. He got to his feet and, without studying the clause beforehand, attempted to inject a word into the clause at random. I think that his action is quite irresponsible and it shows how badly organised the Opposition is in this place.

Surely wherever the word "fare" is used, is relates to the words, "prescribed fare" in the other part of the clause. It is quite improper and incorrect to insert the word "correct" after the word "a" in this paragraph. The Leader of the Opposition should behave more responsibly.

In his endeavour to participate in the debate, he has missed the real point of the clause, which is that the responsibility for fixing fares shall lie with the authority and ultimately with the Minister. The Minister is accepting his proper responsibility in assuming the right to fix or alter fares once the authority is set up. The move is radical and indicates that the Government wants this authority to work properly and to have the full authority and backing of the Government under this clause in a price-fixing sense. That apparently does not concern the Opposition. Opposition members are not interested in the price-fixing aspect of the clause. As a matter of fact they did not comment on it at all.

The second aspect of this clause, which is certainly more important than the frivolous amendment moved by the Leader of the Opposition, is that it gives power to make regulations to provide for imposing fines to penalise persons. One would infer that there would be some process under which a person could be brought to justice and have some punishment inflicted on him for refusing or deliberately omitting to pay a fare on a service running under the control of the authority.

One would hope that the regulations, when they are promulgated, will be reasonable and responsible in their terms of enforcement. Existing legislation gives power to the police and authorised officers to arrest people—take them into custody and confine them to a watch-house—for failing to pay a fare. The Traffic Act covers cab fares; other legislation covers bus fares and the Vagrants, Gaming, and Other Offences Act covers rail fares. Evasion, or attempted evasion, of a rail fare is an offence for which the police have powers of arrest. The Minister is to be given power to make regulations in this respect and this is something that should be considered very carefully. I am not sure that it is necessary to confer on the police a power of arrest for the evasion of fares under this section and I ask the Minister to keep this in mind when regulations are drafted. The provisions relating to the evasion of rail fares were first brought down during the depression years when vagrants and other itinerants travelled by train from town to town without the payment of fares—jumping the rattler, I think it was called—and the powers of arrest then provided have continued ever since. I would not like to see powers of arrest given under a regulation for the evasion of rail fares. That is what the clause that we are debating empowers the Minister to do. I ask the Minister to give attention to what I have said when the regulations are drafted. I am disappointed that the Leader of the Opposition missed both those vital points and moved his frivolous amendment—which was quite incorrect, anyway.

Mr. BURNS (Lytton—Leader of the Opposition) (2.26 p.m.): While the honourable member for Merthyr was making his contribution, I was able to check with you, Mr. Miller, the correct words to be inserted in this clause. I note that the Minister is nodding his head. I therefore seek leave of the Committee to alter the word "correct" in my amendment and to insert in paragraph (c) the words "the prescribed".

(Leave granted.)

The TEMPORARY CHAIRMAN (Mr. Miller): The amendment now reads—

"On page 7, line 17, omit the word 'a' and insert in lieu thereof the words 'the prescribed'.".

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (2.27 p.m.): Whilst I do not think the amendment is necessary, I am quite happy to accept it.

I should also like to comment on what was said by the honourable member for Merthyr. I shall not refer to his remarks except to say that regulations with respect to offences will most certainly be considered and discussed and I am very interested in what he has to say from his personal experience.

Amendment (Mr. Burns) agreed to.

Mr. JONES (Cairns) (2.28 p.m.): Where the authority operates, it determines its own fares without reference, but any other operator is subject to permission and authority in determining his fares. When dealing with matters pertaining to fares and the penalties for failure to pay the correct monetary contribution, irrespective of whether it be the "correct" or "prescribed" fare, one of the most important things in the operations of the transport or transit authority is the fare-sharing structure.

I think back in 1963 there was a breakdown in negotiations between the Brisbane City Council and the Railways Department on this subject. At that time negotiations took place in an endeavour to reach a compromise between the parties on a parallel fare structure. Of course, this did not eventuate and in the Brisbane metropolitan area now the fare structures are worked out on different bases. The fare structure of the restrictive services is:—

Council		Train Station	
Cents per Section		Cents per Station	
Section	Cents	Station	Cents
1	10	1	15
2	25	2	15
3	30	3	22
4	35	4	22
5	35	5	25
6	40	6	25
7	40	7	25
8	40	8	30
9	40	9	35
10	40	10	35
11	40	11	40
12	45	12	50
thereafter		13	55
		14	60
		5 cents per station thereafter	

For example, the fare from Kenmore to the city direct by bus is 40c.

The point I want to make is that with the co-ordinated service the bus fare from Kenmore to Indooroopilly is 35c and the train fare from Indooroopilly to the city is

25c. So with the co-ordinated service the passenger is paying a total of 60c, yet on a direct service by bus the fare is 40c. The fact that a co-ordinated service ensures more efficient and more economic utilisation of rolling-stock means that passengers using such a service should in fact be paying less, and certainly not 50 per cent more.

My purpose in rising to speak to this clause was to ask the Minister if he will assure the Committee that no-one will be compelled to switch from one mode of transport to another, and that, where there is a direct service and a co-ordinated service, a person will have a choice. I hope we can get an assurance from the Minister that the fare on a co-ordinated service will be of such a nature that it will entice increased patronage by choice and that it will not be a compensatory adjustment that will be borne by the Government or a direct or indirect burden on private transport operators or the public transport system. We have seen conflicts on this subject before and I hope this authority will be able to dictate to the bodies concerned, whether they be local authorities or the Railways Department, so that there will not be a continuing conflict. I hope that the authority will be able to fix fares within the metropolitan area and that those fares will be such as to encourage the use of the forms of transport most economical to the operators at the cheapest possible rate and that no other person operating within the declared region will be at a disadvantage.

Clause 11, as amended, agreed to.

Clause 12—Engagement and employment of staff—

Mr. JONES (Cairns) (2.35 p.m.): As I said earlier, the Bill contains some inaccuracies, and there is one in this clause to which I draw the Minister's attention. Clause 12 (2) says—

> "Subject to any applicable award of an industrial court, tribunal or authority . . ."

Of course, the award prescribes wages, and it must be remembered that those are always minimum wages.

The words "industrial court" seem to me to be an anachronism because it is now an Industrial Commission, not an Industrial Court. Technically, the Industrial Court is a court of appeal, the Industrial Commission being the body that inserts wages provisions into awards. I do not know whether the Act was drafted some time ago or whether the draftsman was not aware of the change in the jurisdiction of the Industrial Court, but I thought that the Minister's attention should be drawn to that point.

Clause 12, as read, agreed to.

Clause 13—Entitlements of Authority's employees—

Mr. JONES (Cairns) (2.37 p.m.): An obvious omission from this clause is provision for continuity of entitlements for employees of other authorities who may be seconded to the Metropolitan Transit Authority. The clause covers entitlements of the authority's employees and refers to continuous service, long service leave entitlements, etc., for persons who have been members of the Public Service.

As the clause now stands—and I raised this matter during the debate on the second reading of the Bill—it does not appear to cater for portability of entitlements from one service to another. If the Metropolitan Transit Authority is to encompass employees of many local authorities in contiguous areas, employees of the Brisbane City Council, the State Electricity Commission, or the Southern Electric Authority, and also employees of private operators, it is only natural that those people will be worried about their entitlements. None of them will be covered by the provisions relating to continuing superannuation benefits.

I ask the Minister what will happen to employees with eight or nine years' service in the authorities I mentioned earlier who are seconded to the Metropolitan Transit Authority? I do not think the person concerned should be deprived of any rights simply because he or she is working for a new boss. Although the Bill provides for Government employees who have been contributing to the State Service Superannuation Fund, it does not provide for employees who have been working for other authorities or private operators. The Committee must endeavour to ensure that there is continuity of entitlements and conditions of service for employees who transfer from other authorities. Not only long service leave but also the accumulation of sick leave must be considered. Those who have accumulated leave over the years but not sufficient to be covered by the provisions of the Bill will be at a disadvantage and will be treated less favourably than their fellow workers.

Let us assume, Mr. Miller, that there are two electricians, two bus drivers, or two drivers of some other type of vehicle, one coming from the Railway Department and the other from private enterprise or from the Brisbane City Council. The fellow who was previously employed by the Government is O.K. for his long service leave, but the other chap who is brought in from a local authority or private employment is disadvantaged. What about a Commonwealth employee? In this technological age it is not beyond the bounds of possibility that a Commonwealth employee in, say, the Australian Telecommunications Department would be seconded because of his knowledge of signalling and transistorised communications. There is no provision for Commonwealth employees. This is an omission in the Bill that should be brought to the attention of the Committee.

Clause 13, as read, agreed to.

Clause 14—Chairman—

Mr. JONES (Cairns) (2.41 p.m.): In his wisdom the Minister will have the job of recommending to the Governor in Council the appointment of one of the members of the authority as chairman. I wonder whether the Minister will be required to submit a panel of three names. I should like some explanation as to why the acting chairman will be eligible but not entitled to appointment as chairman. The clause is a bit confusing in some respects, and perhaps the Minister could explain that. It takes some reading to understand just exactly what the situation is with regard to eligibility and entitlement for appointment to the chair.

Mr. K. W. Hooper: All that means is that it is not automatic.

Clause 14, as read, agreed to.

Clause 15, as read, agreed to.

Clause 16—Management of Authority's affairs—

Mr. JONES (Cairns) (2.42 p.m.): The clause provides that in the absence of the chairman the deputy will act as the executive member of the authority and an employee will act as the manager of the authority's affairs. What is the purpose of splitting the delegation of each of those functions of the chairman in his absence? What purpose is served in not wholly delegating the chairman's powers to his deputy? Some explanation from the Minister seems to be needed.

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (2.43 p.m.): The explanation is quite simple. The only full-time employee—this is demonstrated right through the Bill—will be the chairman. Therefore all others are there in a part-time, voluntary capacity, and not employed by the authority.

Clause 16, as read, agreed to.

Clause 17—Minister to request names of nominees—

Mr. JONES (Cairns) (2.44 p.m.): The clause refers to the power of the Minister to nominate local authority appointees in default at his discretion. The Minister will request the Brisbane City Council and other local authorities for the names of their nominees. He must make that request at least two months before the commencement of the Act and thereafter at least two months before the expiration of the term of appointment. However, because of clause 72 the Minister is not bound by that time limit. Thus he may be able to seriously obstruct the representations of local authorities. If the Minister failed to request the names of a nominee within the prescribed time, I contend that the local authority should be able to make such a nomination.

Clause 17, as read, agreed to.

Clause 18—Term of member's appointment—

Mr. JONES (Cairns) (2.45 p.m.): The chairman's term of appointment is six years and the members' term of appointment is three years. All appointments are to be made at the one time and expire at the same time. Clause 18 (4) provides that 70 years of age shall be the limit. It says—

> "Every member of the Authority who has not attained the age of 70 years shall be eligible for re-appointment."

The age of 70 years seems to be too high. A person of 69 years of age is eligible for appointment and could be appointed, as chairman, until he attains the age of 76 years. The same thing could apply to a member until aged 73 years. Three score years and 10 are all that the Big Fellow allowed us, so we should be content to retire before that age. Public servants are governed by the statutes, yet this statute provides that 70 years is the ripe old age. In exceptional circumstances it could perhaps be 76 years of age. As 65 years is the Public Service retiring age, it should also be the retiring age under this Bill.

Mr. K. W. Hooper: Look at clause 19 (3) (d). There you will see your answer. It says, "In the event of his attaining the age of 70 years."

Mr. JONES: If he does not attain the age of 70—he could be 69 years and 11 months of age—he could be given another term of appointment.

Mr. K. W. Hooper: Yes, but read the whole thing. A member of the authority shall be deemed to have vacated his office in the event of certain things, of which (d) is one.

Mr. JONES: When he reaches the age of 70 years?

Mr. K. W. Hooper: Yes.

Mr. JONES: That means that if he turns 70 during his six-year term he retires on attaining the age of 70 years?

Mr. K. W. Hooper: That is right.

Clause 18, as read, agreed to.

Clause 19, as read, agreed to.

Clause 20—Casual vacancy on Authority—

Mr. JONES (Cairns) (2.47 p.m.): This clause deals with a casual vacancy. Where the term of members is three years the casual chairman's occupancy could not exceed three years, anyway. Why is it necessary to specify "not more than six years" under the circumstances? If everybody retires at the one time, the appointment could be held up and the whole authority could be without personnel. Or does this provision mean that the appointee will continue in office until his successor is appointed, indicating that the appointment could be held up for three years?

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (2.48 p.m.): The honourable member for Cairns is reading into

this clause something that is not there. I assure him that the office will be a continuing one.

Clause 20, as read, agreed to.

Clause 21, as read, agreed to.

Clause 22—Meetings of Authority—

Mr. JONES (Cairns) (2.49 p.m.): There is no provision here for a minimum number of meetings per annum, nor is there any directive that meetings will be held at any specified intervals. Members of the authority will be called by the chairman, or members may resolve to hold meetings from time to time. It is pretty loosely phrased. There is no commitment as to how many meetings a year will be held, when they will be held or whether they will be at set or flexible times. In effect, there is no compulsion on any member or the chairman to call meetings at any time. Quite a long period could elapse without meetings being held.

Clause 22, as read, agreed to.

Clauses 23 to 29, both inclusive, as read, agreed to.

Clause 30—Disability on participation in business of Authority—

Mr. JONES (Cairns) (2.51 p.m.): I hope that, in his selection of the members of the Metropolitan Transit Authority, the Minister initially avoids appointments of people who are disabled because of a direct or indirect pecuniary interest in transport matters. It would be apparent at the time of appointment, I should imagine, that a person had a pecuniary interest. Naturally, the clause is necessary, but it is to be hoped that it will not have to be invoked. However, in these days of Government Ministers holding shares, it should be incumbent upon members of the authority to disclose their interest to the Minister prior to an appointment being made.

Clause 30 (2) (b) spells out what an indirect pecuniary interest is. It does not cover the case where a relative—brother, brother-in-law, mother, father, sister or sister-in-law—may have a direct interest. According to the Bill, it is all right as long as the person on the authority does not have a direct interest. I think it would be open to him to say, "I didn't know about it. My wife"—or whatever relative it might be—"has shares in this, but I haven't, and I didn't know anything about it."

We have to make sure that justice is seen to be done. First, a prospective member should disclose his interest; secondly, he should disclose the interest of any of his relatives. We are giving him an out. If he does not disclose an interest, he has to be found out. This provision says that as long as he is not directly involved and as long as he does not know that his spouse is directly involved, it is all right for him to participate in decisions affecting the authority.

This is one of those clauses that we as members of Parliament are very conscious about, and it is one that the Minister should carefully consider when he comes to make appointments to the authority. I urge that people with pecuniary interests in a particular aspect of transport should not be allowed to participate or sit in judgment on decisions made on behalf of people within the metropolitan area.

Clause 30, as read, agreed to.

Clauses 31 to 39, both inclusive, as read, agreed to.

Clause 40—Budget subject to approval of Governor in Council—

Mr. HOUSTON (Bulimba) (2.55 p.m.): I rise to seek some further details from the Minister. I do not know of any other authority whose budget is subject to the approval of the Governor in Council and I wondered why this provision is included in the Bill.

The operation of the authority is supposed to be quite independent of the Government, yet under an earlier clause that has been passed the Minister can direct the authority on any matter that he wants to. Under this clause, when the budget of the authority is brought down, apparently the Government can say, "No, you can't do that." This means that the whole thing can be thrown into complete confusion. The authority will consist of experts—five who will be appointed by the Government as well as one each representing the Brisbane City Council and the local authorities. The Government has already made sure that no sitting alderman or councillor can be on the authority. So it has tied it down to being an authority of virtual experts. It will say that it needs a certain budget to do certain things and now the Minister, through the Governor in Council, can veto the whole of a project simply by not approving the budget. I want to know whether it is the complete intention of the Government that the authority will virtually be a tame-cat authority completely at the mercy of the Minister through the Governor in Council.

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (2.57 p.m.): I draw the attention of the honourable member to the second paragraph of subclause (2), which reads—

> "When the Minister is satisfied with the budget (with amendments should the case require it) and he has obtained the Treasurer's acceptance of the budget he shall recommend it for the approval of the Governor in Council."

This is not new. It might be new in our legislation but it is something that we are content with having this way because the Treasurer has to approve of it. That is the reason why it is included.

Clause 40, as read, agreed to.

Clauses 41 to 49, both inclusive, as read, agreed to.

Clause 50—Remedies of debenture holder—

Mr. HOUSTON (Bulimba) (2.59 p.m.): The reason why I rose to debate clause 40 was that I wanted to make sure what the Government had in mind. It has virtually been said that the Government, through the Minister, and then through the Governor in Council, is to completely control the budget of the authority.

Clause 50 reads—

"(1) If the Authority makes default in making a payment whether of principal or interest to the holder of any debenture or coupon issued by it under the authority of this Act—

(a) the holder may make application to and procure all necessary orders and directions from the Supreme Court for the appointment of a receiver and such court shall have jurisdiction to make all such orders for the appointment of a receiver . . ."

This allows a creditor to go to the Supreme Court and ask for a receiver to take over our Metropolitan Transit Authority, which should be running the whole of the show—not only physically running a bus service but also controlling the whole of the activities of the service. This brings a new principle into our administration. As the Minister said, the budget has already been approved so that it has become virtually a sub-government budget. Surely this could happen only if the authority ran out of money. If it were merely a matter of failure to pay an account, the Auditor-General or some other authority could tidy that up very quickly. As the Bill provides that a receiver can be appointed, what I am speaking about is already in the Bill and is not merely something that might happen. This means that it is envisaged that the authority could be well on the way to bankruptcy. To me, that is completely ridiculous. We are, after all, dealing with an authority that is being created by the Government to run a transport system. I should like to know in what situation this and subsequent clauses would be invoked. The clauses that follow deal with the remuneration of receiver, powers and duties of receiver, etc. Surely the Minister should be able to tell us the type of situation in which what is envisaged could be a reality.

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (3.1 p.m.): The advice that I have received is that anybody lending money to the authority would require this protection. This advice has been received from a very high level in the financial field. Its inclusion may seem strange to the honourable member. It was considered at length after receiving advice on it and what I have already said is the reason for its inclusion.

Mr. HOUSTON (Bulimba) (3.2 p.m.): I accept what the Minister has said. It is obvious that he has acted on advice. As he is not a legal man, I accept that situation. But, as I am not a legal man, either, I do not think that the clause is satisfactory. Major enterprises that control various activities on behalf of the Government usually have the Government standing behind them as guarantor. If such an organisation were lent a large sum of money, the Government would be the guarantor of the loan. I do not know why there has been a break from that principle. I can be corrected if I am wrong but I cannot recall in the time I have been in Parliament any occasion on which the Government has been asked to come to the rescue of such an authority. Reference is made to a receiver. There are at present problems associated with building societies which have resulted in the appointment of a receiver. When a receiver goes in, everything comes to a standstill and no-one is paid. This is the type of thing that is being embodied in the legislation.

This is, of course, not the Opposition's Bill. However, I seriously suggest to the Minister that Cabinet have another look at this provision because it is a complete break from an established principle. If anything did go wrong, what would happen to the whole administration, including operations and the payment of accounts, of the transport system? I shall not be speaking on the other clauses to which I have referred; they all seem to hinge on clause 50. If this clause is amended or removed, there will be a reversion to the principle of a Government guarantee.

Clause 50, as read, agreed to.

Clauses 51 to 60, both inclusive, as read, agreed to.

Clause 61—Constitution of committee—

Mr. JONES (Cairns) (3.4 p.m.): None of the five members of the Planning Advisory Committee can be said to represent the travelling public. A major defect is lack of public representation in membership. The Planning Advisory Committee is heavily stacked in favour of the Government. Technically speaking, those on the committee have a vested interest in the Government. They also have a vested interest in maintaining the status quo. For example, the railways representative would be expected to be concerned with ensuring that the railways remained autonomous. Similarly, the other representatives would be concerned about retaining the autonomy of their interests. The Brisbane City Council is not represented on the Planning Advisory Committee, and as the council will be the first——

Mr. K. W. Hooper: It's on the authority.

Mr. JONES: It has one member on the authority, but I do not see any reason why it should be debarred from having a representative on this committee.

Mr. K. W. Hooper: Because it's in a higher echelon, that's why. None of these people are represented on the authority.

Mr. JONES: This will probably be a continuing committee and it would not hurt to have the city council involved in it.

As I was going to say, the Brisbane metropolitan area will be the first declared area. The authority will be taking advice from this Planning Advisory Committee—this is what I was talking about earlier—and there should be consultation at all levels. After all, the Minister will have his five representatives on the authority and he will also have his departmental heads on the advisory committee, so would it not be fair to say that it is essential to ensure that all factors are taken into account when the committee is putting forward recommendations to the authority? Why should not the chairman of the Brisbane City Council Transport Department be a member of the committee? That would be an appropriate appointment. I do not think the Minister could accuse him of being politically biased or anything like that. I do not think there is any reason to see anything wrong with that officer being a member of the advisory committee.

As far as I can see, there is another anomaly in the clause in that there is no provision for appointing outside experts such as economists and town planners whose skills would be invaluable in formulating plans and making recommendations to the authority. In his introductory remarks, the Minister recognised that the Brisbane City Council is playing a very major role in providing public transport. In fact, he said it was still the biggest "people mover" in the metropolitan area, yet we see this major operator excluded from acting in an advisory capacity because it does not have a representative on the Planning Advisory Committee. Clause 61 (4) specifically excludes an elected member of the Brisbane City Council or any other local authority from being nominated for or on behalf of the Commonwealth Government. This appears to me to be a double-barrelled clause and a vindicative approach to Brisbane City Council representation. Obviously this clause was rendered unnecessary by subsequent events, but we have already shown that there are a number of shortcomings in the Bill.

It is contended that the provisions of clause 61 will conflict with the States Grants (Urban Public Transport) Act 1974. The Premier was a signatory to the agreement that was approved. The exclusion of a member of the Brisbane City Council from representing the Commonwealth obviously refers to one person who was once but is no longer a member of the Brisbane City Council. He will not participate in any of the activities of the Metropolitan Transit Authority, although previously he participated in other decisions affecting public transport. However, the constitution of the Planning Advisory Committee as set out in clause 61 (2) (b) and clause 61 (4) refers to the acceptability of the Commonwealth Government nominee, and the operation of this clause could be very adverse to the requirements of the Commonwealth.

Mr. K. W. Hooper: For your information, two other States have had a Commonwealth representative on their advisory committee, and he has been there all the time.

Mr. JONES: So they should, because if one looks at——

Mr. K. W. Hooper. But you said that this might be against their requirements. It is not; it is in line with their requirements.

Mr. JONES: I think that the honourable gentleman might have misinterpreted what I said. Part V of the schedule to the Australian Government's States Grants (Urban Public Transport) Act makes provision for that, and the amicable relations between the two arms of government could well be jeopardised if no representative is there. All I am saying is that this clause keeps out somebody who is not an elected member. It is obvious that there must be somebody there to represent the Commonwealth, but he cannot be an elected member of the Brisbane City Council.

It surprised me that clause 61 (2) (b) did not require a panel of three. On a previous occasion when we had to select somebody to represent us in the Commonwealth sphere, the demand was made that there should be a panel of three. I hope that it will not be necessary to go through that rigmarole on this occasion.

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (3.12 p.m.): I wish to answer a couple of the questions raised by the honourable member for Cairns. The Brisbane City Council can be represented either on the advisory committee or on the authority, and the honourable member must make up his mind which is more desirable. The council is in the top echelon at the moment—it is represented on the authority itself—and none of the commissioners is represented on the authority. It is represented on the policy-making body, and other local authorities will also be represented on that body. The honourable member cannot have it both ways.

The advisory committee comprises people who are interested in the operation of transport in some way or other. If the Brisbane City Council and the other local authorities are wise enough, they will appoint as their representatives to the authority somebody who is expert in the field of transport.

As to the honourable member's reference to Commonwealth representation—clause 61 (4) was deliberately written in that way because a Commonwealth employee may be a councillor in one of the contiguous shires.

A non-elected member is not required on the authority itself, and it would be quite wrong to have an elected member on the advisory committee in fact advising a non-elected member on the authority itself. That is why the clause providing for the constitution of the committee has been written in that way.

Mr. AKERS (Pine Rivers) (3.13 p.m.): The Minister has answered some of the points on which I intended to comment, but the constitution of the committee still does not include anyone with any planning authority. There is no-one on it from the Brisbane City Council, which governs a large part of the planning of the area, and no-one from any of the other local authorities. I know that there is on the authority a representative from the Brisbane City Council and also a representative from local authorities outside Brisbane. But I do not believe that is sufficient representation. In my opinion, there should have been a better spread of representation on the authority. There should have been one representative from north of the river and one from south of the river, not one person representing the whole area.

As the Minister said, the representatives are in the top echelon, but they are not in the advisory section. If there is poor representation in the top echelon, it will be less effective lower down, and I believe that the committee should have on it a representative of one of the planning authorities. It may be that the Co-ordinator-General should be represented because at present, as honourable members are aware, he is undertaking the Moreton Region Growth Strategy Study. Surely there should be some connection between the Planning Advisory Committee and an authority that has something to do with planning. I know that the word "planning" has two slightly different meanings; however, it must mean much the same thing when the future is being looked at. Town-planning and the planning of transport must go hand in hand. I believe that there should be some connection between the two. I should like to see the Co-ordinator-General and representatives of local authorities north and south of Brisbane on the Planning Advisory Committee.

Mr. HOUSTON (Bulimba) (3.15 p.m.): The Bill has so many weak points in it that I feel the Government is going to run into all sorts of trouble. We already have an authority established which is completely subject to the will of the Minister or Cabinet. The Bill now creates another advisory body—a body to advise the established authority. I agree with the honourable member for Cairns when he says that after all there are still people directly involved in the whole business who are not included. In its wisdom the Government says that it is going to appoint five people. I notice that the Minister did not say, "From those five we are going to exclude the Commissioner for Transport." He did not say that he was going to exclude any top public servant. Quite legally any of those persons can be appointed among the five. There is nothing in the Bill to say that they can't. All the Bill provides is that a person cannot be an alderman or a councillor. The same people or their deputies can be appointed both to the authority and to the advisory committee. The important point is the function of the Planning Advisory Committee. The Bill provides—

> "The Planning Advisory Committee shall review—
>
> (a) the Authority's programmes with respect to the construction or acquisition of works of a capital nature in connection with the provision of a properly integrated and efficient system of public passenger transport."

Surely that means the whole lot. Those words refer to the whole of the duties and responsibilities of the authority. If that committee can review a programme, surely it can stop it. So we could have the Minister wanting something and the authority saying, "Right, we will go ahead and do that. We will spend some money.", and then it would go to the other group of purely State Government employees—three of them, the Commissioner for Transport, the Commissioner for Railways and the Commissioner of Main Roads —who would look at the matter from purely a State Government point of view. Who would look at it from the local authorities' point of view? After all, in the main, the roads used by the buses will be local authority roads.

For the life of me I cannot see the need for an advisory body to scrutinise the authority's decisions—after all the authority is paying the money out—but if the Minister does need to have such a body, and if it is to be of any value at all, let there be someone on it with a town-planning background. After all, if this is to be only an advisory body, rather than a decision-making body, it could do no harm. It would certainly stop some of the things we see at the present time. A local authority provides a new bitumen surface, but within a week or two the road is dug up for a water main or a gas main. In other instances the electricity department will decide to put power lines in an area where a major crossing is required.

Mr. Kaus: Bad co-ordination in the council.

Mr. HOUSTON: No. Telecom Australia runs telephone cables along roads. I am sure the honourable member has seen holes in roads that have been dug by other than city council employees. However, it will be worse now because other organisations are being brought in that will naturally look after their own affairs.

I cannot see any great need for this advisory committee. If the Minister is going to have that body, for goodness' sake let him put someone on it with town-planning experience.

Mr. JONES (Cairns) (3.20 p.m.): The Planning Advisory Committee will comprise the Chairman of the Metropolitan Transit Authority, who is a nominee of the Minister, the Commissioner for Transport under the State Transport Act, the Commissioner for Railways under the Railways Act, the Commissioner of Main Roads under the Main Roads Act, and a nominee from the Commonwealth Government. I do not see any reason why on such an advisory body there could not be a representative of the local authority area, whether it be a member of the Pine Rivers Shire Council or the Brisbane City Council. I think the Pine Rivers Shire Council would concede that the Brisbane City Council has the more highly qualified officers.

Mr. Houston: Why not one from each?

Mr. JONES: I have nothing against that. By appointing one from each there could be closer consultation with the two local authorities that are directly affected.

This clause is one of the major defects in the Bill, apart altogether from the inadequacy of public participation provided for by it in relation to selection procedures and entitlement to membership. I realise that election by democratic methods is far too cumbersome under the circumstances, but something could have been done by way of extending categories of membership and the invitation to nominees. For example, nominees could be sought from professional bodies such as the engineers, town planners and economists. The Bill, however leaves no room for manoeuvring or for assisting the Planning Advisory Committee.

I cannot see how the ministerial nominee on the Metropolitan Transit Authority can genuinely represent the public. After all, in this Assembly there are 82 members who try to represent the public, and sometimes we get into an awful mess. The members in this Chamber do not always reflect the opinion of the public.

Let us concede for the moment that the authority has on it a member of the public. There are still five persons nominated by the Minister. The situation could arise in which those in the majority are acting not in the best interests of the local authority or the public. As to the advisory committee—as the Commonwealth Government has representation, I cannot see why local government should be deprived of it. This is not fair, right or just, to the third arm of government. The matter should be viewed from this angle, not in the light of the fact that the Brisbane City Council happens to be a Labor-controlled council. All of us want to see the Metropolitan Transit Authority work and not find itself in conflict with other bodies. If local authority representatives were appointed to the Planning Advisory Committee difficult situations could be avoided.

Mr. Houston: The council itself is the proprietor of the buses just as the Railway Department is the proprietor of the railways.

Mr. JONES: The council is a major transport operator, and its electricity undertakings are of major proportions. Consideration should be given to these matters.

Clause 61, as read, agreed to.

Clauses 62 to 64, both inclusive, as read, agreed to.

Clause 65—Plan for development of public passenger transport—

Mr. JONES (Cairns) (3.25 p.m.): Part V of the Bill deals with developmental plans. Clause 65 says that the developmental plan is to be prepared and submitted within two years of the authority's formation, or such longer period as the Minister allows. It is "to be studied by such persons and to such extent" as the Minister thinks fit. Then it becomes an "approved plan". Within the following five years it is to be exhibited and kept—but not necessarily implemented.

As I said in my second-reading speech, we have had plans in 1947, 1962 and 1969. Now in 1976 we are contemplating a further plan. Allowing two years for its preparation, that will be 1978, and another five years will take us to 1983. We have had all these plans, yet we are to be subjected to still more planning. Once the plan is devised and approved, it does not automatically become the policy of this Government, nor does it necessarily follow that the plan will be implemented. At that stage it could well be shelved or placed on exhibition for an indeterminate time. There is no provision for enforcing the approved plan's operation.

Although clause 65 (2) requires the Metropolitan Transit Authority to pay regard to a town-planning authority or transport authority when such bodies exercise functions in connection with a declared region, no procedure or guide-lines are laid down as to how any co-ordination or co-operation is to be effected or how the tie-up is to occur. How will this plan be dovetailed with any town-planning schemes or conflicts resolved?

Generally clause 65 contains no provision for public participation or independent scrutiny of the plan prepared by the Metropolitan Transit Authority. The Minister has the sole discretion on who shall study and comment on the plan before its approval. That is an inherently bad provision. Comments should be received from as wide a cross-section of the community as possible. Although the approved plan may be inspected by the general public—they may even purchase a copy—the Bill has no provision for community involvement. Public transport affects every aspect of community life, so the same provision of public participation and objection and parliamentary scrutiny should apply to this plan as is required of local authorities with their town plans.

This scheme will affect all of us. The provisions that a plan shall be approved and then submitted to the Minister, without due regard to the users—the general public; the voters; the passengers—show a complete disregard for the community in general. I draw the Minister's attention to that anomaly. Some better provision should be made for public scrutiny of the plan in a more reasoned way. There should be provision for objections to be lodged against the plan, because it will affect communities, local authorities and individuals. If it is good enough for us to have the right of objection as citizens against town plans, we should have similar rights of objection under this Bill, which relates to a similar concept.

Mr. LANE (Merthyr) (3.30 p.m.): I move the following amendment to clause 65—

"On page 24, line 22, after the word 'transport' insert the words—

'including ferry services'."

If those words are included, the clause will read—

"(1) Within two years after the date of the first constitution of the Authority or within such longer time as the Minister allows in writing the Authority shall cause to be prepared and submitted to the Minister a plan for the development of an integrated and efficient system of public passenger transport including ferry services for the declared region."

The reasons for the amendment are obvious. On numerous occasions in this Chamber I have spoken about making greater use of the Brisbane River. I have often said, I repeat, that it is a natural freeway through the centre of the city. It is a route that people could take in commuting to and from work. Indeed, some people do. They travel between Mowbray Park, Sydney Street, New Farm, and the bottom end of Edward Street. I have believed for some time that this service could and should be extended.

However, there has been an obstacle to this happening. It is contained in the Harbours Act, which places the responsibility for ferry services in the hands of the local authority. I am sure that when that provision was included in the Harbours Act it was inserted to encompass local authorities throughout Queensland. It probably works very well in the provincial cities such as Maryborough, Rockhampton and Bundaberg but it does not in the great metropolis of Brisbane.

Mr. Casey: We don't use ferries in those places.

Mr. LANE: In reply to the rather dense member for Mackay, the legislative authority for the control by local authorities of ferry services in those towns is contained in the Harbours Act.

It does not work in the capital city because it is too dense a centre of population. Until the Harbours Act is amended and the responsibility for ferry services is given over to the Metropolitan Transit Authority——

Mr. Moore interjected.

Mr. LANE: As the honourable member for Windsor says, this legislation will supersede it. It will override that provision in the Harbours Act because under an earlier clause the authority has power to take over such transport mediums as it considers desirable for the effective co-ordination of transport in the area that comes under its control.

I wish to ensure that, with the insertion of those words in clause 65, a full and proper study is made of ferry services and of the benefit they can be to the people of Brisbane. I also want to place a requirement on the authority that, within the two years stipulated under this clause, it include a plan for the development of the ferry services in Brisbane.

Mr. Lowes: Don't you remember the honourable member for Sandgate saying that the Brisbane River is already overcrowded?

Mr. LANE: The honourable member for Sandgate obviously knows nothing of the activities of the Golden Mile ferry service which already runs an efficient system.

I want to make it a statutory requirement on the authority that within two years it provide, within the plan that it is required to bring forward, a full study on ferry services.

Mr. HOUSTON (Bulimba) (3.35 p.m.): A short while ago the honourable member for Merthyr criticised the Minister when he said that he would accept an amendment moved by the Leader of the Opposition.

Mr. LANE: I rise to a point of order. What the honourable member for Bulimba says is quite untrue. He misrepresents me. What he says is offensive to me and I ask that he withdraw it.

The TEMPORARY CHAIRMAN (Mr. Miller): Order! The honourable member for Merthyr asks for a withdrawal by the honourable member for Bulimba.

Mr. HOUSTON: If that is offensive to him, Mr. Miller, I will put it another way. The honourable member criticised the amendment of the Leader of the Opposition when it had already been accepted by the Minister. The honourable member never had a very good reputation as a policeman and as a bush lawyer he is shockingly bad. If he would only listen for a while he might learn something.

Mr. Moore interjected.

Mr. HOUSTON: If the dogs were caught in the honourable member's hair they would not be affected at all. I ask the honourable member to keep quiet for a while.

Clause 10, which has already been passed, provides that the authority may—

> "operate by itself or in conjunction with another person a public passenger transport service by land, water or air, including a service by air-cushion vehicle . . ."

If water transport is to be specifically included in the clause under discussion, why not also include land transport and air transport? If specific mention is made of water transport, it could be argued, "How do you know this refers to public transport on land or in the air?" The honourable member is merely trying to upstage the Minister. I know that he and the Minister are not the greatest of friends in their party meetings but he should not try to upstage him here.

I was advocating greater use of the Brisbane River before the honourable member for Merthyr entered politics. The Minister will recall the speeches that Sam Ramsden and I, as members representing electorates along the river, made in this Chamber on the subject of water transport. I have no quarrel with water transport being made a major part of the over-all transport system. It is true that at the present time, because of the inadequacy of State laws concerning the river, it is not used to the best advantage. But that is not the main point on which I wish to speak.

Mr. Chinchen: Are you speaking to the amendment or to the clause?

Mr. HOUSTON: I have already said that I do not think the amendment is necessary because if there were specific reference to water there would have to be specific reference also to land and air. What the amendment proposes is not needed as the situation is already covered by clause 10.

The TEMPORARY CHAIRMAN: Order! I remind the honourable member that he may speak only to the amendment at this stage. After the amendment has been put he will have the opportunity to speak to the original clause.

Mr. HOUSTON: I accept your advice, Mr. Miller.

Mr. JONES (Cairns) (3.38 p.m.): The amendment highlights the inadequacies of clause 61 that we have just debated and passed. If the amendment of the honourable member for Merthyr is agreed to, there should be included as members of the Planning Advisory Committee to be set up by clause 61 the Director of Harbours and Marine and the Commissioner of Irrigation and Water Supply.

Mr. LANE (Merthyr) (3.39 p.m.): I shall take only a moment to answer some of the frivolous statements made by the honourable member for Bulimba, who has been one of the major opponents of water transport in Brisbane for the last five to 10 years. What neither Opposition speaker seems to comprehend is that clause 65 is about the preparation of a plan. What I seek is inclusion in that plan of a study of ferry services. Nothing else in the Bill makes such a provision. I seek to have ferry services specifically included in such a plan and I want this written into the clause. What sort of a plan would it be if it did not include ferry services? So it is quite proper that it be stated in the clause. Obviously the Opposition chooses to ignore the logic of that proposition and attempts to make some propaganda out of the fact that we have not had adequate ferry services on the Brisbane River. The reason we have not had them is not any inadequacy of State laws but that the laws laid down by the State have not been taken advantage of by the Labor city council over the past 15 years. It has ignored ferry services and in fact placed administrative obstacles in the way of private enterprise which sought to develop them.

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (3.41 p.m.): I thank the honourable member for Merthyr and the other members who have spoken on this clause. I do not think that the amendment is necessary. I am sure the point is covered. Nevertheless, to allay the fears of the honourable member for Bulimba and to prove that the remarks of my good friend the honourable member for Merthyr are indeed well founded, I will accept the amendment. The honourable member for Merthyr is indeed the champion of river-ferry services, and, irrespective of what any other member might say, I do not think I have had more representations from any one person than I have had from the honourable member. He has been more than interested; he has taken an active part in all the discussions concerning ferry services, and if it is going to make him feel better and assure him that ferry services will not be overlooked then I am quite happy to accept the amendment.

Mr. JONES (Cairns) (3.42 p.m.): If we include it in the Bill, we will be doing exactly what the honourable member criticised another member of the Committee for doing just a while ago, that is, making impromptu amendments to the Bill.

Mr. K. W. Hooper: That is unkind. I have accepted two amendments, one from you.

Mr. JONES: All I am doing is commenting on the remarks of the honourable member for Merthyr. I reject the implication of the honourable member for Merthyr that we are not interested in river transport. He has turned our remarks around. I interpret the Bill as dealing with public passenger transport for the declared region and this embraces every possible form of transport not only now but in the future. If we are specific at this stage, we will get ourselves in one hell of a tangle.

Mr. Lane: Oppose it then.

Mr. JONES: The honourable member for Merthyr has put forward a very limited view of the proposal. We are trying to debate the

Bill as a whole and to ensure that the people who read it at a later stage and have to interpret it will know exactly what our intentions were. If we specify a particular form of transport, we will be limiting the interpretation of this Bill because the legal eagles will say, "Well, if they specified this one and they did not specify that one, therefore they only meant that one", and they will limit themselves to the one we are talking about instead of embracing the wide spectrum of transport services.

Clause 65 (1) uses the expression "public passenger transport for the declared region" and in my opinion that embraces every form of transport that we could possibly talk about, whether it be river transport, sea transport, hovercraft, railways, road transport or whatever. This was our intention, and that is why I believe the amendment is unnecessary. As the honourable member for Bulimba says, we can go to other clauses of the Bill which spell out exactly what forms of transport will be covered by the Metropolitan Transit Authority and what limitations we are placing on it. Here a developmental plan is being prepared for a declared region. If it is not prepared in such a way that it covers all aspects of transport, the people preparing it are falling down on their duty.

Amendment (Mr. Lane) agreed to.

Mr. HOUSTON (Bulimba) (3.46 p.m.): I hark back to the question I raised at the introductory or second-reading stage. We are now to have an authority that will get on with the job of running public transport in this region. Apparently, at the same time as it is carrying out these operations and doing all the things that we think it should do, it has also to prepare a plan. I want a clear indication from the Minister whether I am right in making that assertion.

The authority will be doing things, and in the two-year period it could have done a tremendous amount of good or a tremendous amount of harm. It will depend on what happens. During the two-year period it will lay down a plan and say, "This is what we are going to do in the next five years." I think I have that right.

Under certain Acts of Parliament, the Brisbane City Council—and I imagine that other shires are in a similar position—has continually to put before Parliament a revised town plan covering a certain period. Apparently there is no co-ordination between the requirements of the town plan and the requirements of the transport plan. I remind the Committee that when Wilbur Smith and Associates were asked to make certain recommendations, they had to make an additional set of recommendations because it was found that the two sets of recommendations made did not interlock properly. There was a transportation survey and then a development survey. It seems to me that the Bill now before the Committee does not make any provision for co-ordination.

The town plan must have a great bearing on the work of the transit authority. If an area is to be a residential area under the town plan and the transit authority says, "We think this should be one of the main corridors for our transport system"—and it is likely to happen in both newly developing areas and old-established areas—how quiet will that residential area be with roads carrying buses and big transports through it? If the honourable member for Archerfield gets his way, a railway system could go into the Archerfield area. The corridor decided on by the Metropolitan Transit Authority could be in an area shown on the town plan as a first-class residential area.

As honourable members are aware, the Minister has completely rejected the idea that a member of the Brisbane City Council or the town-planning authority should be on the advisory committee. That being so, how will it be possible to achieve any co-ordination?

In addition, of course, there are completely different sets of rules when one is dealing with the Brisbane City Council and when one is dealing with the State Government or one of its authorities. One of the great regrets that I have about legislation of this type, and particularly about this legislation, is that there is an underlying current of rejection of the Brisbane City Council. One feels that it is being treated as a foreign body and that the Government does not want anything to do with it.

Mr. K. W. Hooper: It is represented on the authority.

Mr. HOUSTON: It has only one vote out of seven. The Minister has already said that a quorum is four, so its representative need not even be there. The point is that it has only one vote out of seven.

Mr. K. W. Hooper: The same argument could apply in the case of the advisory committee.

Mr. HOUSTON: That is so; but the Minister has laid it down that the council shall have only one vote out of seven.

The Minister has agreed that we are to have a plan for transport. For two years we will be running without a plan—it will be catch as catch can—and then, after two years, the plan will come in for five years.

Mr. K. W. Hooper: In fairness, I think the plan that the authority will be following will be the plan laid down by the Metropolitan Transit Project Board.

Mr. HOUSTON: I have not fought that issue. I am talking about the lack of co-ordination between the council town plan administered by a colleague of the Minister's, which can be thrown back to the council (as has happened now), and the Minister's town plan. There is nothing in the Bill to even suggest co-ordination. The two bodies could be completely at loggerheads.

Certain rules apply to the town plan. The plan must be placed on public exhibition with survey details. It must be presented to the public for a period of 60 days. It must be advertised in the Press that the plan is available for public inspection, and for what hours and where. Copies of it must be made available for objections, and plans must not exceed their own production costs. People have a right to lodge objections in writing and appropriate forms must be available for them to do so. The council must consider objections. And so the rules go on. There are a great number. Nothing like that is seen in the Bill.

Mr. K. W. Hooper: We are not supposed to speak about a clause yet to come, but if you look at clause 70 you have the answer.

Mr. HOUSTON: Clause 70 refers to transport authorities consulting on plans. I will not make detailed reference to the clause, either. The point is that the plan is not going to the public for objections. I am worried about what has happened in other cities. The authority might decide to send public transport into first-class residential areas, and no-one could do anything about it. There is an opportunity to object to the town plan. There has got to be better co-ordination between the two planning authorities, and the public should have some right of objection before the plan is made final. Let us put the plan on public display so that at least the public can say something to somebody.

Mr. K. W. Hooper: I will give an undertaking to have a look at that one for future amendment.

Mr. CHINCHEN (Mt. Gravatt) (3.53 p.m.): I do not agree with the Opposition's approach to many matters, but on this occasion I am in agreement with what has been said from that side of the Chamber. I would like to speak on matters coming somewhere between those covered by clauses 65 and 66. Clause 66 talks about an approved plan, but clause 65 does not say anything about the people who are so vitally interested in the plan. This is a public passenger transport plan, and the passengers are the people. We have gone to a great deal of trouble to see that there is public involvement in town-planning. I did learn from the Minister for Local Government this morning that he intends to recognise the Metropolitan Transit Authority's plan in regard to town-planning. In other words, the local authority planning must be done within the context of the major Government requirements for the city, namely, main roads, railways, port and harbour facilities, schools, etc. Those things cannot be decided by the city council, although it tried to do something about them in the last plan. It is not its job or responsibility, but it is given no lead. This morning I learned that it is the intention of the Minister for Local Government to give this information to the local authority so that it can plan in that context. That is sane and sensible.

What worries me is that the plan is approved before the public is aware of it. I am just a layman when it comes to planning. I know the experts can do the job much better than I can. When the South-eastern Freeway was being planned for my electorate, I thought I saw a better route for the road. The then Commissioner of Main Roads and his experts came out and inspected it. At that stage they had what was known as the red line, the green line and the blue line. The Chinchen line went on the official plan. The strange thing is that the Chinchen line is the one that is now being used. That saved 40 or 50 houses from demolition.

The point I am making is that the public can make a worth-while contribution. If only one person expresses his thoughts to the experts, the provision of a better service may result. However, the Bill does not allow for such an eventuality. The Minister would satisfy me if, without amending the Bill, he simply said that some means would be found of ensuring that the public see the plan before it becomes the approved plan. In other words, I am looking for a clause 65 (A).

Mr. K. W. Hooper: I have gone further than that. As you got the call, I told the honourable member for Bulimba that I would be happy to look at a future amendment.

Mr. CHINCHEN: The Bill states that the Minister has the authority to amend the plan. I want to ensure that the public see it before it becomes the approved plan. If the public are to be allowed to see the plan, that is all to the good.

Mr. K. W. Hooper: I will give you that undertaking in the interim.

Mr. CHINCHEN: I thank the Minister. That satisfies me. We must open the avenue for public participation. I thank the Minister for accepting that thought.

Clause 65, as amended, agreed to.

Clause 66—Publication of approved plan—

Mr. JONES (Cairns) (3.56 p.m.): The authority has not got to show the need for, nor is it bound by, the town plans of local authorities. Although the approved plan may be inspected by the general public, and members of the public may purchase a copy of it, the Bill shows a complete lack of public participation. Whilst I appreciate the Minister's comment that he will look at this, I hope he will allow the public to put in even a basic written objection; otherwise the procedure becomes a purely bureaucratic one, giving the public the right only to inspect the approved plan. This Bill will have a tremendous effect on property, on

transport interests and citizens. The Government would be neglecting its duty if it did not give the individual some room for objection prior to the publication of the approved plan. No provision is made for a public inquiry; but I suppose we have become conditioned to this. Regional plans under the Co-ordinator-General's Act are not subject to this type of objection and public inquiry. We must have due regard to the users. If we do not, we are overstepping the mark. I applaud the Minister's indication that he would consider the Opposition's request that he make the plan available and that he would look at a future amendment to provide for a public inquiry or written objection.

Clause 66, as read, agreed to.

Clause 67—Plan to be exhibited—

Mr. JONES (Cairns) (3.58 p.m.): Does this clause mean that each five years the authority will review the approved plan, or is it going to be a continuing thing?

Hon. K. W. HOOPER (Greenslopes—Minister for Transport) (4 p.m.): In answer to the honourable member—this is really a continuing thing. On the other hand, at the end of the five-year period, it is more of an intense display.

Mr. Jones: Not each five years; just that one period of five years?

Mr. K. W. HOOPER: Each period.

Clause 67, as read, agreed to.

Clause 68, as read, agreed to.

Clause 69—Variation of plan and subsequent plans—

Mr. JONES (Cairns) (4.1 p.m.): Clause 69 (1) (b) provides—

> "shall within a period not exceeding five years from the publication of the approved plan . . . cause to be prepared and submitted to the Minister a plan to replace such approved plan."

This makes it even more necessary for such a plan to be dealt with in the way the Government demands of others, particularly as the Minister has absolute discretionary powers as to the region applicable and as it applies to air, land, sea and river transport that may operate from within or into the region.

I think it is necessary that, after their exhibition, the plans should be open to public objection. As we are to review them after each five-year period, perhaps it would be fair to comment that, if the Government demands this of local authorities, it should observe that criterion with this proposal.

Clause 69, as read, agreed to.

Clause 70—Transport authorities to consult on plans—

Mr. JONES (Cairns) (4.2 p.m.): Clause 70 (2) (a) says—

> "Notwithstanding the provision of any other Act, a transport authority that intends—
>
> (a) to take a policy decision".

How does an authority intend to take a decision? Is any decision taken a policy decision? Does this provision mean that the Metropolitan Transit Authority will be advised of all recommendations and intentions? This will compound its difficulties. The clause is badly worded. If an authority intends to make a policy decision, it has to submit it to the Metropolitan Transit Authority. After my experience as a council alderman, I do not know how local government, the Commissioner for Railways or anyone else could comply with the provisions of this clause as it is drafted. How could they inform the transit authority when they intend to take a decision?

Further, does clause 70 (2) (a) grant to the authority control over all motor vehicles in all parking areas from Brisbane to Noosa and Caboolture to Coolangatta? Does it usurp the powers given under the Traffic Act for traffic control and parking regulations to be administered by the local authority? Does it take over parking meters, parking stations, parking zones, loading bays, off-street parking and private parking?

Mr. K. W. Hooper: The answer is, "No".

Mr. JONES: I appreciate the Minister's comment on that.

I turn to clause 70 (2) as it refers to taking a policy decision with respect to siting, inauguration or operation of a public transport service within a declared area or with respect to siting within the region of areas, and so on.

The submission we make here on the development of transport is that the responsibility for all or a significant part of town-planning, development and forward planning, as well as significantly affecting the heart and pulse of the community, could be very derogatory of local authority planning. The body concerned—for instance the Main Roads Department, the Brisbane City Council, or another local authority—will have to notify the authority at all times of the construction of all works and any demolition. The body would be bound to do this in each instance. The authority would have to be advised of work done on a local suburban road, a subdivisional road, an arterial road or work done on an electrical service. The provisions are so wide that these bodies will be bound to notify the authority of the intentions in regard to that type of work.

Clause 70 (2) (c) reads—

> "to license a public passenger transport service within the declared region or between a place within and a place outside that region."

Does that mean that the authority will have control from Brisbane to anywhere else or only within the declared boundaries? My interpretation is that the provision as drafted covers the whole State, and in fact interstate. On my interpretation the clause refers to a place within the region and a place outside the region, so the service could be confined to the declared area or be from within the declared area to anywhere outside that area.

Mr. K. W. Hooper: I might explain that to you. There could be a service that is not servicing the immediate local government area adjacent to the metropolitan area but comes from outside that area and then services the metropolitan area. That is what it means.

Mr. JONES: Then it does not mean from Brisbane to anywhere else; it means from within the area declared by the Minister but, for instance, if the Minister has not declared the area from Mt. Gravatt——

Mr. K. W. Hooper: Let us not be ridiculous. As I said, there could be just outside the area a service that comes through a local authority area and does not service it but then it commences to service another local authority within the region or within the Brisbane City Council area. That is what it means. It does not refer to a bus coming from Townsville or anything like that.

Mr. JONES: As I read it, the provision as drafted covers the whole State or even interstate.

Clause 70, as read, agreed to.

Clauses 71 to 75, both inclusive, as read, agreed to.

Bill reported, with amendments.

BUILDING SOCIETIES ACT AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.10 p.m.): I move—

"That a Bill be introduced to amend the Building Societies Act 1886–1975 in certain particulars."

I will be dealing with the over-all amendments to this Bill and will leave the financial statement to the Honourable the Treasurer, who will immediately follow me to clarify the financial proposals in more precise detail. This is in order to ensure that honourable members will be able to consider the Bill in as much detail as possible.

As part of the Government's policy to protect the interests of members, creditors and depositors in the permanent building societies of this State, the Government has moved to strengthen the existing control and other provisions of the Building Societies Act to ensure that this objective is achieved.

The chain of events which have occurred in recent months has amply demonstrated the need to further regulate and safeguard the building society industry so that it may continue in the purpose of providing houses for thousands of Queenslanders. It is my belief that this Bill will provide those safeguards. I might add that during discussions with the industry this morning those present congratulated and complimented our action in strengthening the legislation.

I further believe that the legislation when introduced will be among the strictest and best in Australia in respect of building societies and on a par with other legislation in respect of other commercial-type operations.

The object of the legislation is to further protect building society members, depositors and creditors and its introduction should do much to foster the interests of permanent building societies in Queensland and should also have the effect of completely restoring public confidence which is so essential to the home purchaser and the building industry. Because of the controls outlined in the current Bill, the prospects of building societies getting into financial difficulties in future will be greatly reduced.

In order that honourable members may be aware of the principal facets of this legislation, I will outline in brief the main aspects that the Government considers necessary to achieve the objective that I stated earlier. The major part of this Bill is concerned with the provision of a Contingency Fund which will safeguard members' and depositors' money in the building societies.

The moneys required for this fund will be obtained largely from the building society industry itself with provision for moneys to be borrowed from other sources.

The building society industry will be levied 0.25 per cent per annum of the total funds of the society made up of investments by members and other persons in the society. There is provision for additional contributions and compulsory loans to be levied on all permanent building societies. Payments out of the fund would be made to a liquidator or administrator appointed under the Building Societies Act, who will be entitled to make a claim on the fund to the extent of any deficiency in that society. Compulsory levies will be made on all permanent building societies. and provision exists for voluntary and compulsory loans to be made by those societies.

The Contingency Fund will be administered by a committee comprised of six members, the chairman of which will be the Registrar of Building Societies. Two members would be appointed by the Minister, two further members from names submitted by

the Association of Permanent Building Societies of Queensland Limited and one further member from a panel of names submitted by permanent societies not affiliated with that association. The term of office of members, other than the chairman, will be two years, but members may be reappointed, if qualified. The Contingency Fund will be empowered to invest money not required immediately to meet claims against it in short-term approved investments.

The Bill also provides for many amendments to strengthen controls which, I feel, are essential for the proper functioning of the building society industry. Further controls are also necessary to ensure that societies do not get into financial difficulties and thereby create a need for the fund, which is a contingency one, to be called on frequently.

Some other provisions include the following, of which I will give a brief outline—Substantially increased financial backing for any new society before it could be registered and permitted to commence operations.

Statutory requirements limiting the amount of loans building societies may approve to corporate bodies and individuals in any one year, limited to approximately 10 per cent of the total amount of loans made by the society in that year. This provision will go a long way towards ensuring that 90 per cent at least of the funds in buildiing societies will be made available to individuals desiring loans below approximately $50,000 for the erection and purchase of dwelling-houses.

The fidelity insurance cover provisions introduced into legislation in this Chamber last year have been extended to embrace agents and other persons acting on behalf of building societies in the conduct of their affairs.

There is also included in the Bill statutory provisions requiring building societies to establish and maintain systems of control and internal audit in respect of their records, securities and moneys and for the auditors appointed to examine the accounts of those societies to report on those matters. External auditors will also be required by statute to conform to the highest professional standards of accounting prescribed for their field of operations.

A requirement has been included to provide that directors of building societies must attach a detailed report to the published accounts of the societies. This report is almost identical with that required under the Companies Act in respect of public and proprietary companies. Provisions are also included to permit the compulsory transfer of the engagements or property of societies that have got into financial difficulties to other building societies, with the consent of the Minister. Before this action could be taken it would be necessary for the same type of certificate to be issued as was provided for in the legislation introduced last year concerning the appointment of an administrator or a liquidator to a society.

Provisions are also included concerning situations where persons are directors of building societies and also directors of other societies or companies and where the activities of those other companies may be in conflict with the interest of members of the societies. In these circumstances, directors may be required to vacate their office as directors in societies, but not before they have been given a full hearing. They would also have a right of appeal.

There is also a provision that there be at least five directors in every building society. A further provision limits the number of these directors who can be also employed on the staff of these societies or on the staff of a company providing administrative or secretarial services to that society. The limitation is that where there are fewer than seven directors, only one such director can be an employee and where there are more than seven directors, two directors can be employees.

There are strict provisions for the control of persons who are directors of societies, and provisions that would enable court orders to be obtained prohibiting persons from being directors or being concerned in the management of societies. These provisions are designed to keep out those persons who have, within a period of five years before taking up an appointment as a director, been convicted of various offences involving fraud or dishonesty, etc.

Severe penalties have been provided for in the legislation, ranging up to $5,000 or two years' imprisonment, or both, for extremely serious offences.

The Bill provides that directors and others can be prosecuted for offences concerning the falsification of records, files, and misleading statements and reports; inducing to secure or prevent appointment of persons as directors, auditors, liquidators or administrators of societies and to prevent the exercise

of any lawful duty by those persons; and for frauds by directors and other persons against the funds of a society.

The Bill also provides that prosecutions may be laid within a period of three years instead of the six months' limitation that presently exists in the Act, and thereafter with the consent of the Minister.

As I previously mentioned in introducing this Bill, the legislation provides for strict control and penalties where abuse is found to exist and I feel that, although there has been in the past some reported criticism that Queensland's legislation may not have been as strong as that which exists in other States, I am sure that members will agree that this proposed legislation will show that this situation is being changed and that it will be the best in Australia. I believe that we will now lead the legislation in this field. We have gone to a great deal of trouble to provide adequate safeguards, and for this purpose we have capitalised on the experience of other States.

As a result of this legislation I can now, with confidence, advise investors in permanent building societies, including those from other States, to put their money into permanent building societies in Queensland.

I also take this opportunity to pay a tribute to some of the people who have worked so hard and for such long hours during the preparation of the Bill. As the Treasurer can confirm, we have had only about six hours' sleep ourselves in the last 48 hours, but some very loyal public servants and my own personal staff also have had very little sleep. I mention first the Registrar of Building Societies, Mr. Ken MacPherson, the two Deputy Registrars, Don McKirdy and Barry Smith, and the Inspector, Ron King. They have worked tirelessly hour after hour, irrespective of the hour of the day or night. I also say "Many thanks" to my personal staff, my private secretary and my confidential secretary, Elizabeth McKinlay, who have been a tower of strength to us when we have needed their help. I also thank my Press Secretary for his loyalty and for the long hours he has worked.

I commend the Bill to the Committee.

Hon. Sir GORDON CHALK (Lockyer—Deputy Premier and Treasurer) (4.24 p.m.): I appreciate the opportunity that the Opposition has given me to be the second speaker on the Bill. I believe it is necessary —in fact, essential—that the financial arrangements involved in remedying the problems that confront, and have confronted, building societies be fully explained in this Chamber.

However, before proceeding to deal with the events that have taken place and the outcome of the discussions that have occurred, I wish to add to the names mentioned by the Minister for Works and Housing the name of my Under Treasurer, Mr. Hielscher, who has been associated with me in many of the discussions.

I think it is necessary first of all to pay tribute to the part that building societies have played in the development of housing in this State and throughout the Commonwealth. Let me say here and now to any of those who have in any way charged me with being opposed to building societies that that is the furtherest thing from my thoughts.

It was very evident over a period of time that the day had to come when there would be a need to tighten up some of the things that were occurring within societies. In the middle of last year it became evident that some of the smaller societies would undoubtedly find themselves in difficulty as a result of the shrinking money market in Australia —and, for that matter, the world—and the variations in interest rates. It was about that time that the association made an approach to the Government, indicating that there were some troubles ahead. I pay tribute to the members of the association for the part they played in the taking-up of mortgages of a number of smaller companies. We were able to ride the tide, as it were, and ensure that there was no breakdown.

But about November last year it became more evident that certain things were occurring that were not quite in accord with the Building Societies Act. Consequently we agreed to approaches made by the association to tighten up the Act to a degree. We did that. We put ourselves in the position where it was possible to have further and wider inspections. As a result of those inspections, and the way in which the Act was written placing certain responsibilities on the Minister for Works and Housing and on me as Treasurer, when we were faced with reports regarding certain societies in Queensland, we had no alternative to taking particular action to safeguard shareholders in those societies.

Because of what occurred then and the Press publicity that was given to it, there was a run on the liquidity of societies. We

regret that. However, as an outcome of the action taken, I believe that we will now have legislation in this State second to none in the Commonwealth, legislation which, when placed before the industry this morning, brought words of commendation from most of those who know the responsibilities that are involved in the administration of building societies. The legislation outlined by my colleague the Minister for Works and Housing will not only strengthen building societies but will ensure that in future there will not be the ramifications that have occurred in some places. If there have been difficulties in the past week or two weeks, the outcome of the proposals involved in the legislation will be for the betterment of the community and the betterment of the building society industry.

I believe that when the legislation is passed and we make the various changes that are necessary in relation to the suspended societies, we will be able to restore public confidence in the building society movement and so ensure that people, feeling that their money is safeguarded, will return some of the funds withdrawn. If we can get stability in the industry and confidence among the people, we will have a return to where we were before, and at the same time we will have an industry much better safeguarded from its own point of view and from the lenders' point of view. Protection will be given to the borrower and, above all, funds will be flowing in and this will benefit the building industry.

The establishment of the Contingency Fund has been outlined by my colleague. It is being set up for the purpose of ensuring that from now on certain funds will be available. I would stress, however, that the fund is not Government-guaranteed. Finance will be available for the purpose of meeting any eventualities that might arise. The Bill outlines the basis on which the Contingency Fund will operate. Briefly, 0.1 per cent will come from the building societies themselves and 0.25 per cent will come from part of the interest structure. This will provide the necessary finance to get us over the difficulties encountered by the permanent building societies. It will also ensure that any person who has invested money in building societies will obtain a full return if he so desires.

The suspension of certain societies has given rise to widespread speculation. In one or two quarters reference was made to the State Government Insurance Office and to a socialistic attitude. I would point out that the State Government Insurance Office has no desire to enter into the building society movement. It does, however, have a financial backing of approximately $50,000,000, and this money could be made available if a rescue operation has to be carried out and if the building society industry itself is not capable of carrying out such an operation.

The proposals that were put forward to the building societies by Mr. Lee and me are on the basis that we would ensure that if the building societies can find their own backing, the five societies, when amalgamated, can take over the responsibility for the mortgages and the Contingency Fund will pick up what is left in the shell, or, in other words, the debt involved. There is nothing socialistic about this. The societies are at liberty to come back to me within 24 hours to indicate whether or not they can succeed in this direction.

The other point arising in our discussion this morning concerned interest rates. Owing to the fact that the liquidity of the societies has been reduced as the result of the run on them, the Government has agreed that, to avert a standstill, the interest rate should be lifted from 9 to 9½ per cent. The borrowing rate also will be increased. The standard 11 per cent will be increased to 11¾ per cent. The building society movement has indicated that it will not impose extra demands on the home owner at present. Rather it is prepared to spread the increased amount involved over a longer period than at present. On the one hand we will create a stable situation in which money will be attracted back to the building society movement and on the other hand we will protect the mortgagor who otherwise might find himself in the hands of a liquidator or alternatively transferred to another society.

We have been able to work out a pattern for tightening up the Act. We have been able to work out a scheme for the five societies to be merged into one solid, sound society with a financial backing to cover the assets involved. Two other societies are involved—the ones in the hands of a liquidator. We have said that the Contingency Fund will pick up whatever are their losses. In other words, although the liquidator very rightly is saying that he will only be able to pay X cents in the dollar, we assure those who have their money in those societies that they will ultimately have their balance refunded. The same

conditions will apply to another society that has indicated that it cannot pay except on the basis of a three-month call. We will safeguard its investors.

One of the points causing concern is the small investor who has been detrimentally affected because the suspended societies have not been able to carry out their operations. I am not exaggerating when I say that I have had hundreds and thousands of letters, telegrams and calls about this. We are providing under the proposal in this Bill that on 14 April, which is only seven days away, at least $500 will be available to any person who urgently wants money that he has invested in the suspended societies. That does not apply to those societies that are not under suspension, however; it applies to suspended societies only.

Under the proposal that we have put forward, which will become a reality either by the industry's taking the societies up on their own behalf or by the S.G.I.O.'s funding a new society, by 12 May the doors of all suspended societies will be open, and trading will be back to normal. I believe that, by achieving that, we have established the basis for people to be able to sleep easy tonight, feeling that they have the security that is necessary for them and for the safeguarding of their investments.

This has not been an easy task, but it is one that has been justified by the reports that have been made to us. The action we have taken with all suspended societies has been vindicated by the fact that there were deficits.

We propose to take the Bowkett side of the societies that are involved in the suspension and to put all of them together. I could tell honourable members some of the problems and some of the ways in which the Bowkett scheme operates. We will put them under one administrator and allow them to carry on for such period as is required for them to run out in accordance with the undertaking. $14,300,000 is involved. It will be hived off into one society; an administrator will be appointed and a new entity administered till the conclusion of, say, the 10 years involved. The contingency fund will meet any losses that may be apparent at the conclusion of that society.

I turn now to the permanent side. As I said, the five suspended societies, together with the Great Australian, the City Savings and the Australian Permanent, which are under administrators or liquidators at this stage, will be taken over either by the rest of the industry or by a new society that will be backed by the S.G.I.O. Those in the industry feel that they can do it themselves. I want them to do it themselves if they possibly can, because I believe that it should remain, if possible, in their hands. The fact is, however, that a way has been put forward, if the industry cannot meet it, whereby the eight societies in difficulty can be taken over and the doors will be opened first of all on 14 April for small payments and later on 12 May for total operations.

Quite probably the same offices and facilities will be used. It is possible, of course, that they will be rationalised and reduced. The deposits of the eight permanent societies absorbed will total $55,700,000 and, owing to the assistance from the Contingency Fund and the availability of the money that I have indicated can be procured, we will be able to have those societies moving. The eight societies involved——

An Honourable Member: Which are they?

Sir GORDON CHALK: The five under suspension and the Great Australian, the City Savings and the Australian Permanent.

The losses of the eight permanent societies total about $3,900,000. That portion will have to be picked up by the Contingency Fund. I have indicated that there is also a shortage of funds in the Bowkett system. Sometimes it is hard to arrive at the absolute figure, but it could be over $4,000,000.

In relation to the Australian Permanent Society there is also a problem because it appears that its deficit is over $2,500,000.

There are also the problems facing the Great Australian. That matter has still to be worked out. Candidly, there are problems there.

I want to emphasise to the people of Queensland that through the provisions of this legislation we are providing for their safeguarding and protection. I hope that these people will ensure that there is no new run on building societies. I hope that the confidence of the people will come back to this type of movement. If it does—and I believe that it will—the basis of administration will be extremely tight. I give the Committee the assurance that another six inspectors will be employed in the department to ensure that right from the word go this legislation is policed and that

ways and means are laid down. We will increase the interest rates, increase the security and set up the Contingency Fund. In that way, I believe, the problem will be overcome.

There is one other point I should like to touch on. Reference has been made in this Chamber over recent days to something in the nature of a State savings bank. This is not covered by this Bill. I, as Treasurer, have access to certain funds of the Commonwealth Savings Bank. That is part of the agreement entered into between that bank and the Queensland Government. At present, the State has the right to use some $20,000,000 of the funds in that bank for certain purposes as laid down within the agreement.

From the State's point of view, local government has been able to meet its commitments in loan funds. The State has been able to meet its own loan requirements. Because of that, this morning I made an approach to the Commonwealth Savings Bank soliciting that it divert to housing the $20,000,000 that is available to this State on the understanding that the State would forgo its claim to the money and so give the bank an opportunity to take some $20,000,000 and use it for housing.

Can I say that what the Government has done is in the interests of the building society movement generally; it is in the interests and for the protection of people who have invested; it will be for the betterment of the community as a whole and it will give the building society movement an opportunity to continue to provide homes for those who need them in this State.

Mr. K. J. HOOPER (Archerfield) (4.45 p.m.): The Opposition welcomes the Bill. Prima facie it appears to be good legislation although it is long overdue. The belated action by the Government to call a halt to unsound practices of building societies is encouraging. If the Government had only listened to the Opposition as far back as September of last year, many of the difficulties that have arisen in building societies would not have occurred.

Mr. Moore: What a load of codswallop!

Mr. K. J. HOOPER: It is not a load of codswallop. It is true—and the honourable member knows it.

Prima facie the legislation appears to be adequate but it is certainly long overdue. It brings Queensland into line with the southern States. But I hope the introduction of this legislation does not mean that the crooked directors of the Great Australian Permanent Building Society go unpunished.

Mr. Katter: Did you say "Trade Union Building Society"?

Mr. K. J. HOOPER: There is nothing the matter with the Trade Union Building Society. I make it quite clear whilst I am on my feet that the Trade Union Building Society is one of the few building societies in this State that have never operated outside their charters. I know that the Minister will agree with that. Where there have been malpractices in building societies, I hope that those societies will not be propped up by a rescue operation.

In a speech that I made in this House in November last I referred to a report by the Society of Accountants in which they recommended some amendment to the Building Societies Act which would have improved the operations of such societies in this State. The report was given to the Minister, but until today nothing has been done about it. Because of procrastination by the Government, the building society industry is in trouble and the Government has a clear responsibility to its investors to tighten up the laws relating to those societies.

The establishment of the proposed Contingency Fund is also a step in the right direction, but it would be foolish to think that it will solve all the problems in the industry. It is interesting to note that recent Government action was described as papering over the cracks. The Treasurer said that the interest rate to investors will increase from 9 per cent to 9.5 per cent and the lending rate will increase from 11.5 per cent to 11.75 per cent. The 0.25 per cent difference will be paid into a Contingency Fund; this will be compulsorily levied on all building societies. This should have been done years ago.

The financial journalist Geoffrey Luck said on the A.B.C. programme, "The Week in Business" on Saturday 20 March—

> "In the panic of battle to restore confidence and stop the flow of funds truth has at times been the major casualty."

That is true. Many half-truths have been spoken and a lot of questions have gone unanswered about building societies in this State. Had the Government heeded the warnings of the Opposition, most of the

recent problems would have been avoided. I asked 25 questions of the Minister on this matter. I was fobbed off and never given proper answers. This allowed some of the defrauding building societies such as the Great Australian Permanent Building Society and the United Savings Society to go on defrauding the investor.

There is still a need for urgent action in other areas. I think that stiff fines should be introduced in the proper policing of the present legislation. I know that such a provision is not contained in the legislation. Stiff fines should be imposed when building societies operate outside their charter. Building societies should also be required to engage in sounder and less risky financial operations.

There should also be a prevention of misleading advertising. An advertisement appeared in "The Courier-Mail" some weeks ago during the time of the building societies scare. It was inserted by the Queensland Permanent Building Society. If ever an advertisement contained half-truths and untruths, this was it. Thousands of investors in building societies were astonished to find that the picture portrayed in this building society advertisement differed from reality in a number of ways. I make it quite clear that the societies are not banks, which they pretend to be by the issuing of passbooks, which are prominently displayed in their advertising, by describing their cashiers as tellers and by the use of the term "Savings Account". One society—again, I think, the Queensland Permanent—even encourages mothers to lodge their child endowment payments with the society. My advice to mothers who are contemplating putting their child endowment money into the Queensland Permanent Building Society is not to do so.

A Government Member interjected.

Mr. K. J. HOOPER: That is true. I want to make that quite clear. The Queensland Permanent Building Society is now advertising a travel department, which is allegedly a service to its members. I would say this building society should be doing what building societies were created for, that is, providing homes for the investors.

Sir Gordon Chalk: When you get the Bill you will find that a lot of that is tightened up. I would hope you would give the move your blessing and not be critical of it.

Mr. K. J. HOOPER: I accept that. I will certainly be perusing the Bill in detail. As the Treasurer just said, investments in building societies are not Government-guaranteed, as most readers of the advertisements inferred from the societies' clever use of misleading half-truths and references to the insurance of their funds with the Government-guaranteed Housing Loans Insurance Corporation in a context which implied quite wrongly that investors' capital was guaranteed.

Investments are not at call despite the use of this phrase or the use of the words "No fixed term". Repayments may be deferred at the option of the building society, and this has been done in the past, as many investors have found to their sorrow. As the Minister should know, building society investments are not deposits or loans; they are withdrawable shares in a co-operative society and the investor has no legally enforcible right to payment of dividends or return of capital. In the event of financial trouble he does not even have the margin of safety enjoyed by unsecured lenders in the form of shareholders, who rank behind lenders for payment in the event of liquidation.

Mr. Chinchen: It works all over the world, you know.

Mr. K. J. HOOPER: It is not working too well in Queensland. One only has to read "The Financial Review." Every journalist in that newspaper has criticised the Queensland Government for its previous legislation relating to building societies. The amazing thing is that while the Government strictly enforces the very restrictive legislation relating to investment and debentures——

Mr. Chinchen: It's too restrictive; that's the trouble.

Mr. K. J. HOOPER: It is not restrictive enough. While the Government strictly enforces the very restrictive legislation relating to investments in debentures and other company investments, the building societies are allowed to get away with misleading advertising. What is worse

is that the massive inflow of funds into building societies made possible by this completely unregulated advertising leads to some societies expanding too quickly and getting into trouble, and this has occurred with some building societies in Queensland.

Then we had the ludicrous situation of the Minister and the Treasurer becoming advocates for the industry by appealing for faith and suggesting that any criticism of the building societies strikes at the heart of the financial system. This was a lot of codswallop. The Minister should realise that action to ensure a sounder fund structure is long overdue, although this legislation goes part of the way towards achieving that. I suggest to the Minister that some of the funds raised by the building societies should be for terms of three months, six months, or even 12 months.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber.

Mr. K. J. HOOPER: This would mean that in the event of a run on funds a portion would not be subject to immediate withdrawal. Some of the Victorian building societies operate on this more logical basis, and it should be made a requirement in this State. I hope that the Minister takes particular note of what I am saying. If the Minister had the interests of the investors in building societies at heart he would insist that cash reserves should be set by law at a minimum of 10 per cent, which is the New South Wales requirement, instead of 7½ per cent as it is in Queensland. There should also be a requirement that a certain percentage of profits must be put aside in reserves before dividends are paid.

It would be interesting to know how many people who invest in building societies are aware that even the most highly regarded building societies have reserves which amount to a fraction of one per cent of their withdrawable capital. This is a classic example of building societies skating on financial thin ice.

While I am on my feet, I would be failing in my duty as a member of Parliament if I did not mention a very dubious deal that has taken place concerning the Reubens Building in the city. It was formerly known as United Savings House and was absorbed by the Great Australian Permanent Building Society as part of a merger on approximately 16 January 1975. It has now been advertised for sale. At the time of the merger the value of the building and the land was shown as approximately $850,000. When the building was purchased originally by United Savings, the cost was approximately $400,000. That money, of course, was supplied by the Great Australian Permanent Building Society.

It is quite obvious to me, Mr. Hewitt, that under normal conditions a business or a society would not lend an opposition company money to buy property, especially when it was building society money which, as I said before, should have been used for the purchase of homes.

What compounds this felony is that the building was revalued on several occasions and the increase in value transferred to an unrealised asset revaluation reserve. The United Savings Permanent Building Society was prostituted by the actions of the directors of United Savings and Great Australian Permanent Building Societies, who transferred massive operating losses and permitted charges by the Great Australian Permanent Building Society to be written off against the unrealised asset revaluation reserve. If the Minister checks this out, he will find that what I am saying is true.

I might add that the auditors of the Great Australian Permanent Building Society reported that the actions of the directors were improper. If the Minister is administering his portfolio correctly, all the directors of the United Savings Permanent Building Society and the Great Australian Permanent Building Society at the time of this transfer should be charged with conspiracy to deceive. There has been obvious collusion by both sets of directors to deceive the shareholders and Government officers supposedly policing the Building Societies Act. I hope that the Minister takes particular note of that. I think it is a job for the Fraud Squad.

Mr. Moore: You are; there is no doubt about that.

Mr. K. J. HOOPER: As I have said before, the honourable member for Windsor gets his denture cream mixed up with his haemorrhoid cream.

The CHAIRMAN: Order!

Mr. K. J. HOOPER: One disappointing feature of the Bill is that it does not appear to include a provision to preclude real estate agents and land developers from sitting on the boards of building societies. In my opinion, such a provision is long overdue.

Let me say something about the Queensland Permanent Building Society. On its board there are three real estate agents—Lloyd Olsen, Melloy and Postle. I said in an earlier speech in this Chamber that the Queensland Permanent Building Society had not presented a balance sheet or financial statement for last financial year. To the best of my knowledge it still has not done so.

Mr. Lee: Your knowledge is not very good.

Mr. K. J. HOOPER: The Minister may correct me if I am wrong. However, to the best of my knowledge, no balance sheet has yet been issued. It has not been issued because of the very dubious merger that took place about two years ago with Sunstate and Gold Coast Permanent Building Societies. I have been fobbed off every time I have asked questions in this Chamber about the Gold Coast Building Society or about the sale of the Rix building. That is a scandal. The Minister has said that the Rix building is only a shell, and last time I asked a question he said that the matter did not come within the ambit of the Corporate Affairs Commission.

The Queensland Permanent Building Society has many sins to atone for, and I make no apology for saying that. After my speech in this Chamber about a fortnight ago, the managing director of the Queensland Permanent Building Society, Mr. Lloyd Price, issued a memorandum to all members of the staff employed by the society advising them that any person taking work home or taking anything out of the building would face instant dismissal. That leads me to believe that the society must have had something to hide.

In conclusion, I say that I think the Bill basically is a good one. However, the Opposition will be perusing it and will have more to say about it on the second reading.

Mr. GREENWOOD (Ashgrove) (4.59 p.m.): The Treasurer and the Minister for Works and Housing have introduced a carefully balanced package of measures to place building societies in Queensland on a safe and secure foundation. The particular aspect of the proposals that I wish to speak on is the interest rates—both the investors' or depositors' rates and the borrowers' rates. The new rates are 9½ per cent to be offered to depositors and 11¾ per cent to be offered to borrowers.

Before going into the reasons why such levels are desirable, one should look at the levels that have operated in the past. For the 12 months from September 1974 to September 1975, the depositors' rate was 9¾ per cent and the borrowers' rate 11¾ per cent. For those 12 months up till last September the borrowers' rate was the same as the rate we are now returning to. In September 1975 there came a change. From then until January 1976 the depositors' rate dropped to 9¼ per cent and the borrowers' rate to 11¼ per cent. From January 1976 the depositors' rate dropped once again, this time to 8¾ per cent, whilst the borrowers' rate was 10¾ per cent. Recently there have been minor alterations—first of all to 9 and 11 per cent respectively, and then to 8¾ and 11 per cent.

Everybody likes to see interest rates go down. Cheaper money usually encourages investment. All Queenslanders welcomed the drop in rates that took place in the six months that followed September 1975. Although cheap money is a desirable policy, it must not be cheap money at any price. If cheap money means that Queenslanders who want to build houses are prevented from doing so, then we have to look critically at policies which produce this result. If cheap money means that the building industry is to remain depressed, then we must look critically at a cheap money policy. The most important goal for any Government to attain is that there is a job in Queensland for every man and woman who wants to work.

Let me turn to the influences that have operated in the last few months—influences that have affected the economy's capacity to achieve cheap interest rates for building loans. The most important factor was the introduction of the 10.5 per cent interest rate for Commonwealth savings bonds on 22 January.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber.

Mr. GREENWOOD: That was only three weeks after the drop in our depositors' rate to 8¾ per cent. The Lynch bonds, as they were called, were necessary. The Hayden legacy of a huge Budget deficit—the greatest Budget deficit in Australia's history; the greatest Budget deficit ever contemplated—had to be financed.

Mr. Alison: $4,800 million.

Mr. GREENWOOD: As my friend says, $4,800 million.

Had it been financed by creating credit there would have been an explosive inflationary influence unleashed on the whole of the economy. A deficit of $4,800 million financed by the generation of credit would have been disastrous.

Opposition Members interjected.

Mr. GREENWOOD: Of course, my friends on the Opposition benches are interjecting because they are apparently prepared to wear the Hayden Budget. They are apparently prepared to endure the consequences of the economic policies they have given this country. I say to them that I am not; the Liberal Party is not; the National Party is not; and Lynch did something about it.

The Treasurer's solution was a determined and successful effort to finance the deficit by attracting funds from the community. The measures were necessary ones, but they necessarily had an effect on the other interest rates offered by other borrowers. Of course, if other borrowers did not respond they did not attract any money. If other borrowers did not increase their interest rates to compete with the 10.5 per cent, they did not attract funds. All the money went to the Commonwealth, and the important function performed by other borrowers could not be performed at previous levels once access to investors' funds was denied.

I refer now to the way the Commonwealth soaked up all the surplus funds on 22 January. The first series raised $759,000,000 in about three weeks. On 11 February the second series was introduced, not at 10.5 per cent but at 9.5 per cent, and it raised a total of $329,000,000. If conversions are taken into account, the net figure raised is $256,000,000. That can be regarded as having been skimmed off the economy. So in the space of less than two months a total of $909,800,000 was raised—made up of $99,200,000 raised in January and $810,600,000 raised in February. That was the effect.

Let us look at the effect that that had on the other financial institutions in this country. First of all I refer to trading bank deposits. It has been the typical pattern in Australia for trading bank deposits to increase in January and February, and to increase quite sharply. We can, of course, look at specific years when this has not happened. For example, we can look to two years ago—1973-74—when we were just coming into a fairly vicious credit squeeze. But even the downturn in savings bank deposits in the credit squeeze of 1973-74 was exceeded by the downturn that took place in February of this year. The only explanation for that, in the face of the ordinary trend, is that it was due to the introduction of the Lynch bonds.

What is the current position? A lot of people are ready to criticise the Federal Treasurer, Mr. Lynch, for what he has done. In fact, however, he has done only what is necessary. He has responded in sensitive fashion to the daily alterations in the situation. Only a couple of days ago he announced the new Series 3 bonds, and he said this—

> "With the seasonal downswing in liquidity approaching, and consistent with the Government's flexibility in the use of this new instrument (that is, the savings bond), some further moderation in the rate of subscriptions to savings bonds is now considered appropriate."

The interest rate went down from 9.5 per cent to 9.2 per cent, for a maximum currency

of seven years and 10 months. That is the present situation.

We may hopefully say that the position with savings bonds has stabilised. The rates have been carefully adjusted and have been pared down after their initial impact to such an extent that the rush on savings bonds has stopped.

However, we must also look at other influences acting on the economy at this time and particularly on interest rates. We are now embarking on that quarter which traditionally is one of tight liquidity. Interest rates are firming.

The 180-day bank daily rate is probably as good as indication as any. At the end of March it was hovering around 9.25 per cent; at the end of last week it was at about 9.2 per cent; on Monday it moved to 9.35 per cent, and yesterday it reached 9.5 per cent. This movement seems to have been caused in part by some liquidity difficulties encountered by one of the major trading banks. It went into the money market offering certificates of deposit with a six-month maturity at 9.5 per cent. But certainly this influence is only one of many, and the over-all position is that we are entering on that quarter in which liquidity is always tight, in which people have to pay their tax and the money supply tends to dry up.

I return now to the Queensland building societies and the problems that they face. Like every other financial institution, Queensland building societies depend on an influx of funds in the first quarter of the year—an influx of funds which they are then able to draw upon in order to maintain a steady rate of lending to people who want to build houses. This year they did not get it. This year, because of the Lynch bonds' competition, instead of having a net surplus of approximately $40,000,000 they probably had a net deficit. That means that Queenslanders who are capable of repaying loans and who want to build houses are being turned away.

All that a building society constitutes is an efficient vehicle for offering an opportunity for investment to people who want to invest and an opportunity for borrowing to Queenslanders who want to borrow. Traditionally they have financed 50 per cent or more of the home-building industry in this State.

I know that some honourable members opposite do not seem to have regarded this as terribly important; but, if they were put in the position of a young couple going to a savings bank and trying to obtain an average house loan of $20,000 or $22,000, they would be told in many cases that they could have only $10,000 at about 10½ per cent reducing—and that is a common maximum—and the remaining $10,000 or $12,000 would have to be found around the corner with a financial institution at 7¾ per cent flat. If honourable members opposite care to do their arithmetic, they will realise that 7¾ per cent flat amounts to approximately 15 per cent reducing.

Mr. Doumany: If they are capable.

Mr. GREENWOOD: Yes. When honourable members opposite work that out they will realise that over the whole loan of $20,000 or $22,000 they are paying a rate of interest somewhere between the 10½ per cent and 15 per cent, and certainly well above the 11¾ per cent they are likely to pay if they borrow from a building society.

That is the service that the building societies are performing to the men and women of Queensland, particularly the young people who want to build their own homes. They are gathering money; they are providing an opportunity for investment and they are providing funds from which over 50 per cent of Queensland homes are being built. This is an institution that must be preserved and must be encouraged, and that is why the Minister and the Treasurer have introduced this legislation, which should enable every Queenslander to have the utmost confidence in the safety of the industry.

Later in the debate my parliamentary colleague the honourable member for Kurilpa will deal more fully with the aspect of home-building, but I wished to address my remarks to interest rates; to the necessity for increasing them to enable a flow of funds to continue in a highly competitive situation and to enable our building societies to continue to perform the indispensable function that they perform in this economy.

Mr. BURNS (Lytton—Leader of the Opposition) (5.15 p.m.): Thousands of Queenslanders are looking anxiously to this Parliament today for visionary legislation that will restore confidence and stability to our seriously injured building societies. This is a time for all honourable members to exercise mutual responsibility in the long-term interests of the entire electorate.

In the light of recent, frightening experience, the Government will be neglecting its obligations if it uses this opportunity to merely patch up existing legislation already exposed as inadequate. Our aim today must be to inscribe upon the Statute Book of Queensland practical yet air-tight legislation that will be a model to the remainder of Australia.

No Government can continue tolerating a situation in which every time depressed confidence occurs in building societies Queensland, of all States, suffers first and worst, yet this was our agonising experience in 1974 and again this year. One wonders why it continually happens here. I hope that the actions taken today will overcome this continuing problem.

In this debate we must act to dispel once and for all—and for ever more—any lingering illusions that may persist in Queensland that building societies are banks. This misconception was the major contributing factor in our present crisis. All persons in my electorate who were involved and lost money as a result of the Australian Permament Building Society going to the wall, getting into trouble or whatever other fate befell it, said that its agency was conveniently situated near where they did their shopping and they therefore banked there. They used the phrase "banked there".

If we do not take notice of our own experience, let me refer to what one of a number of top financial experts have said—

> "Aggressive marketing of building societies as an alternative to savings banks has been one of the features of the industry."

He continued—

> "As in other States building societies have assiduously cultivated the idea that they are actually banks.
>
> "They issue pass books. They call their cashiers tellers and provide as much as they can in their shop front operations the appearance of being banks."

That is the finding of one of the leading financial journalists—it makes no difference who he is—as recently as 19 March this year.

Mr. Doumany: Name him.

Mr. BURNS: If naming him is of great advantage to the Parliament, I shall; he is Mr. Max Walsh, who was writing for "The Australian Financial Review". He is highly respected in the business community.

In Queensland, even the Federal Liberal-National Country Party Government—I am referring to the Federal colleagues of Government members—helped nurture the impression that societies are banks by advising social security recipients that they could have their benefits paid directly into society accounts. No-one in this Parliament seriously believes that people in receipt of age pensions, or invalid pensions enjoy such a degree of financial independence that they can act as shareholders in societies and invest their money with the long-term idea of helping to build more houses in this State. They invested the money there because the interest rate was high and because the office was convenient. It was a local bank as far as they were concerned. The Government ought to spell out in future that building societies are neither banks nor Government-guaranteed institutions. Any implication to the contrary is not only misleading but is in fact malicious.

Last week the Treasurer made a statement in this Chamber that investors in societies are shareholders, not depositors. Today he said again that building societies are not Government-guaranteed and are not banks. In enforcing our own advertising legislation in the future, we must ensure that the implied suggestion, which was admitted by the Minister in the debate on the motion for the adjournment to the House, that these societies were banks and that they were Government-guaranteed is no longer allowed.

The Building Societies Act provides that the advertising of building societies must be checked by the Registrar of Building Societies. So the Government approved this type of advertising which implied something that was not true, as the Minister has admitted. The Government should never have allowed such advertisements to be used. Much of the advertising as far back as 1973 contains clear examples showing that it was positively misleading. In spite of the right of the registrar to approve or reject the advertising, it continued. We must ensure in this legislation that the advertising provisions are tightened up so that people cannot imply—to use the word of the Minister a fortnight ago in this Parliament—that they are something that they are not.

Eleven times in 90 years this Act has been amended and on 10 occasions interest rates have been increased. I do not for a moment agree with the words used by the honourable member for Ashgrove when he attempted to weasel out of the blame for increasing charges. Every borrower from a building society will have to pay for the legislation that is before us today. The Government has legislated to make them pay more. Never mind talking about longer repayment periods. Periods have been extended on a number of occasions over the last couple of years and many borrowers will die before they can pay off their houses. People want to be able to pay off their homes during their life-time. The Government should not talk

about removing death duties when it is not even giving people the opportunity to pay off the properties in which they live during their lifetime.

Mr. Greenwood: Do you believe in unemployment?

Mr. BURNS: It is not a question of believing in unemployment. The 10.5 per cent bond rate that the honourable member spent 15 minutes trying to justify is the reason why building societies are in trouble. The sum of $28,000,000 was taken out of Queensland building societies in the first month of this year as a result of that bond rate. Let no Government member try to tell me that that is not so. A confidential report circulated by building societies said that that was in fact the situation. The Treasurer said in the Press that he was worried about the drain of funds from building societies. Who was creating unemployment by taking $900,000,000 and shoving it away in a bank or somewhere in Canberra? How many people in Queensland got an extra job as a result of the 10.5 per cent bond rate? Government members should not talk to me about unemployment; they created it by increasing the interest rate to 10.5 per cent and indirectly taking money from building societies. And you, my friend, spent 15 minutes weaseling because you know you did it.

The CHAIRMAN: Order! I suggest that the honourable member address the Chair.

Mr. BURNS: Yes, Mr. Hewitt.

I want to talk now about interest rates. The honourable member challenged me on them. In the last five-year period the lending rate of building societies has increased from 7 per cent to 11.75 per cent. A person who borrowed $15,000 to purchase a home on 1 April 1971 is today repaying an extra $713 a year, or $14 a week, in interest alone. Do Government members think that such people are happy with their explanation of why they should continue to pay higher interest rates? The Government keeps slugging home buyers and keeps up the cry to us, "You don't believe in people owning their own homes." If the Government continues its present policy the people will have no opportunity to own their own homes.

I imagine that there will be many people tonight who will be pleased that the Treasurer has acted so responsibly in saving their funds in the building societies that are in trouble, but there will also be many people sitting at home working out how much extra they will have to pay each year as a result of what is now proposed. They will be sitting home tonight saying, "The interest is now to be 11.75 per cent. That's an extra three-quarters per cent on the $20,000 we owe. How much extra does that mean to us? How much more do we now have to find as a result of the Government's decision?" So let the Government not try to wipe it aside and talk about unemployment. This will affect every person who has borrowed including those who borrowed in the last 10 or 15 years and who are well on the way to paying off their homes. They will have to pay extra because there has been mismanagement and misjudgment in some building societies. That is a fact of life. There has been lack of control by the Government.

Mr. Lowes: That's the bank rate of interest.

Mr. BURNS: The honourable member can put all the technical arguments he likes about the bank rate of interest. The fact remains that when people who have borrowed money from building societies go home tonight they know that they will have to pay more tomorrow. Whether the honourable member for Ashgrove likes it or not, they are not going to be very happy about it. As a direct result of Mr. Lynch's 10.5 per cent interest rate $28,000,000 was taken from the home-building industry and their pockets will be hit and hit hard.

If members doubt that, I can quote the Treasurer on the bond rate and its effect on building societies. An amount of $28,000,000 was withdrawn from the building societies as a direct result of the first bond issue. A report I read stated that, as a result of the problems we have had with building societies, $120,000,000 worth of housing, that would have gone ahead if this problem had not arisen and Mr. Lynch had not introduced the new bond rate, had been deferred. We just cannot afford to take $28,000,000 off the Queensland building societies followed by another $80,000,000 or $90,000,000 in the run that was created by an anonymous Government spokesman. We just cannot make bald statements like that and like what the honourable member for Ashgrove said today—that a trading bank had liquidity problems—and expect people who are worried about the financial situation not to start wondering what is happening to their savings. There is no doubt people started to wonder about what was happening when on the front page of the newspaper—before any debate in this Parliament and before any other problems arose—we were told that five societies were in trouble. Everybody was ringing up, as I said in the debate recently, and asking, "Which society? Is it the one I have my money in?" As soon as people start to make bland statements like these——

Mr. Kaus: Who made them?

Mr. BURNS: A senior Government spokesman. Someone in the Government ought to come clean. It was reported in that way, and it has never been denied—that a senior Government spokesman made the statement. I cannot name the fellow concerned. Honourable members can take their choice if they like, but I am not going to point the bone at anyone. What I am trying to say is that we ought to ensure that in future no-one makes a statement such as

that made by the honourable member for Ashgrove today, that one of the banks had liquidity problems. As soon as people say that, the same as saying that five building societies have problems, they start to worry people who have their money invested. I do not think I have ever seen people so worried, and rightly so.

We owe a debt of gratitude to those who have done so much work to try to save the money of depositors. I play no politics in this. I congratulate all those people who have been able to solve the problem that must have scared the living daylights out of thousands of Queenslanders who woke up one morning and found that their building societies had been suspended, that another two societies had gone to the wall, and it seemed to them that their life's savings had been frittered away.

I think there are still some items that should be cleared up. I have not been able to check the Treasurer's speech—I will have to check it tomorrow—but a report in the newspaper today talks about people being able to withdraw an amount of $500 or a figure of 25 per cent. I do not know whether the Treasurer said that. I do not remember his saying it in the Chamber, but it is in the newspaper today and I think it ought to be checked. As I understand it, everybody will be able to take up to $500 out of their building society up to 14 April.

Sir Gordon Chalk: The statement was that you could take a quarter of your investment up to a maximum take of $500. I want that to be clear. On the other hand, if somebody has, say, only $100 or $150 in an account we are prepared to have a look at a bit of laxity in that case. But if you take $500 for each investor in those societies then you could arrive at a figure which would be——

Mr. BURNS: The Treasurer has a right of reply. I will have no time left. To get away from that point—there are still two groups of people in the community concerning me.

Mr. Lee interjected.

Mr. BURNS: The Minister has a right of reply. I want to use my time to make some of the points that need to be made. The people I am concerned about are the investors in the Great Australian Permanent Building Society and the Australian Permanent Building Society, whose investors now seem to be the only two groups who still cannot pay their taxes, who still cannot get some money prior to Easter to pay some of their bills and who cannot get some money to catch up with the financial problems that are facing them. I accept that a lot has been done to help them. In essence I make a plea to the Minister to do as much as he can to bring the Great Australian Permanent Building Society and the Australian Permanent Building Society as quickly as possible to the situation where a limited amount of money can be made available to their investors. I know the situation of investors in the Australian Permanent Building Society because a branch was situated within half a mile of my home and a lot of people—ordinary workers, pensioners and others—put all their savings in there.

I think we ought to look, too, at some of the limits on money when the Contingency Fund is set up, because I know people who received $80,000 or $90,000 from superannuation funds, put the whole lot into building societies and said they would live off the interest. Now they have no money. They have a pass-book from a building society showing that they have $90,000, so probably no-one will give them a pension or lend them any money until this legislation goes through. They might then be able to get some bridging finance, but they will be paying interest on money to live on while they have $90,000 salted away.

I am grateful to the Treasurer for clearing up today a reference that has been made to him on a number of occasions—that is, that he does not have much faith in building societies. I think he must make his stand very clear, because I remember reading an editorial in the "Financial Review" of 19 March which said—

> "The Queensland Treasurer (Sir Gordon Chalk) has never been a friend of the building societies and indeed contributed to the run on them throughout Australia which was nipped in the bud by prompt Government action in 1974."

The Treasurer cannot pretend to inspire confidence if stories of that type continue to be circulated.

Sir Gordon Chalk: You have been long enough in political life to know that some of the stories published are not true.

Mr. BURNS: Well, I think the honourable gentleman must make sure that he denies them.

Sir Gordon Chalk: I have denied them today.

Mr. BURNS: I will admit that the honourable gentleman has denied them today.

The Government must admit that it has been remiss in not acting quickly enough on the Contingency Fund. It has been spelt out very clearly by the "Telegraph" and other newspapers and by the building societies that the societies did make a number of appeals for contingency funds to be set up, and over a period this Parliament did nothing about it.

Sir Gordon Chalk: They were never discussed until November-December.

Mr. BURNS: The societies say that they were calling for it as early as March last year. If that is untrue, again I think that

the Treasurer ought to refute it and let that be known. Peter Charlton was making statements to that effect in the Press.

Mr. Lee: He makes a lot of false statements, that boy.

Mr. BURNS: Well, if they were false statements, they ought to have been refuted, because everybody who has been interested in building societies in the past three or four months has been reading everything printed in every newspaper. If statements are being made and no responsible official denies them and no Government takes action on them, the people who believe the false statement will be misled.

I am concerned about building society rules. I think people who borrow from building societies become locked into the society and are very much controlled. They are there for 30 years, and the decision is made in their absence about how long they are to be lent the money for and what interest rate they will pay.

I picked up a little form that was sent out by one of the building societies—I will not mention the name of the society—in which it was stated that 18 rules were to be altered. There was no explanation of what any of the rules were, and the meeting of the society was held at 10.30 on a Tuesday morning when most of the workers who were investing in the society would not be able to attend. They would have to take a day off. Can you imagine a worker suggesting to his wife, "I am going to take a day off and go along to the meeting of this building society because they are going to alter 18 rules."?

Rules 2, 3, 12, 16 and 31 are mentioned. The print is so fine that one needs a magnifying glass to read it. There is no copy of the original rules with alterations so that a person can read them in their new form and find out what they are to be. The rules are binding on investors who are shareholders; they are also binding on borrowers. Most people borrow money from building societies because they want to build a home. Having borrowed the money and having the sum of money in his hand, the person concerned then finds that there is a set of rules which are binding on him. Most people do not read the rules beforehand—you do not do it yourself, Mr. Hewitt; you accept the situation—and then the rules are changed in this way.

The Queensland branch of the Australian Society of Accountants stated that four people could go along to a meeting of a building society and change the rules affecting all the depositors or all the borrowers. It is just too easy. They can change the rules so that the directors cannot be changed; they can change the rules so that a man cannot be removed from office.

I reserve further comments on the Bill till the second reading.

Mr. ALISON (Maryborough) (5.34 p.m.): Before getting down to the nitty-gritty of the Bill, I think I should deal with some of the comments of the honourable member for Archerfield. The honourable member made quite a number, but none was specific. That is fairly typical of what we have come to expect from him over the last few weeks and, indeed, since the end of last year—smear after smear, implication after implication. We have heard the honourable member read out in this Chamber typewritten questions. On most occasions he did not know what he was asking, and he did not do anything to assist the industry.

Today we have copped it again—smear after smear, talk about dubious deals and references to permanent building societies selling to another building society and so on. What he says in this Chamber is not backed up. I wonder who is putting this up to the honourable member, and why. We have copped another bucketful this evening. Some of it has hit the fan, and now he has egg and some other substance all over his face.

I should like to deal briefly with some of the comments of the Leader of the Opposition.

Mr. K. J. Hooper interjected.

The CHAIRMAN: Order! I ask the honourable member for Archerfield to cease his constant interjections.

Mr. ALISON: It is quite obvious that the Leader of the Opposition has not reached first base in understanding what permanent building societies are all about and how they operate. The way permanent building societies have been in the news over the last few months, I should have thought that a person holding such a responsible position would understand the industry much better than he does. He made much of the comments of my colleague the honourable member for Ashgrove, who gave a good account of why and how interest rates move up and down. I am afraid that what he said just did not get through to the honourable gentleman. I suggest that the honourable member for Ashgrove try to get the message through to the Leader of the Opposition later on.

Let us be practical about the industry. I am sure I heard the Leader of the Opposition blame this State Government for putting up the interest rates of permanent building societies. As far as it goes, that bland statement is correct. Cabinet is putting up the interest rates both ways—the interest rate on deposits and the interest rate on loans. But it does not stop there. Why are we putting up these interest rates? We are putting the depositors' rates up to 9½ per cent to give the industry a chance to get funds back into their coffers. Why do we have to put it up to 9½ per cent? Because of the bankrupt socialist policies this country had been under for three years

up to December. Who brought in inflation? Certainly not this State Government. Who brought in high interest rates? Certainly not this Government. It all came from the bankrupt socialist policies of Mr. Whitlam. Thank God he is out of office now!

If we had not had Mr. Whitlam in power for the last three years, interest rates for depositors would probably still be about 7 to 7½ per cent, and possibly interest rates for borrowers would be in the vicinity of 9½ to 10 per cent. Let us just get the record straight. Don't let honourable members opposite blame the State Government for bringing inflation into Australia. That would be the greatest load of rubbish I have heard this session.

The Leader of the Opposition makes much out of the old lady syndrome. She is going to have to find another dollar a week, and the family man will have to find more money when the interest rate goes up to 11¾ per cent! Much was made of that by the Leader of the Opposition, no doubt for political purposes. Everyone in the Chamber regrets that the rate has to go up. But what does the Leader of the Opposition want? Surely to goodness he can get it through his head that the depositors' rate has to go up to 9½ per cent so that building societies can compete on the money market and get money back into the societies, to say nothing about the restoration of confidence. If the building societies are going to pay 9½ per cent, surely to God the Leader of the Opposition can understand that they cannot continue to operate on the present rate for borrowers leaving a margin of about ¾ or 1 per cent.

Isn't it in the interests of the State as a whole and permanent building societies in particular, and especially the building industry, that there should be a healthy, viable permanent building society industry, an industry which, up to a month or two ago, was contributing about 50 per cent of the finance required for houses in this State? That is what we should be wondering about. We should be working our brains to get the permanent building societies back on to a viable footing and restore confidence in the industry. That is what is happening here this evening.

I congratulate the Minister and the Treasurer on the work they have done together with their officers in helping to solve this very vexed problem. It has many sides to it and many things have to be considered. The problem that we have had up to the present in the permanent building society industry had all the earmarks of a major financial catastrophe. However, it was handled dexterously and quickly by people who knew what they were doing and got to the crux of the matter. Up till a couple of months ago the permanent building society industry was an $800,000,000 industry; now it is a $650,000,000 industry.

Mr. Lee: It is more.

Mr. ALISON: As the Minister has said, it is more than that.

For obvious reasons the depositors, both in the suspended societies and in those whose doors are still open, are very concerned. The borrowers, too, are very worried. I have received many telephone calls from people in my electorate and elsewhere who ask if there is any chance that they will be expected to pay out their mortgage. Naturally a family man is gravely concerned at the possibility of having to find $10,000, $15,000 or even $20,000 in the event of his mortgage being called up. The concern is aggravated if the mortgage is held by a society that has been suspended.

We have not heard a good deal in this debate about the building industry. It got a hell of a kick in the guts from the Whitlam Government, and the present situation has not helped it at all. If the permanent building societies are put back on their feet, the building industry will be able to work again for the benefit not only of the workers engaged in it but also of those who want to build homes in Queensland.

I congratulate the Minister and Treasurer on having brought forward this measure. I certainly concur with it.

There are two reasons for the trouble that has arisen in the permanent building society industry, and they have been outlined by the Treasurer. He referred firstly to the administration of some building societies, to the fact that it was a bit loose and also to the possibility of the Act not being tight enough. He adverted also to the possible lack of supervision of the control and administration of permanent building societies. This Bill goes a long way towards correcting the defects.

The other reason for the problems that have arisen is the misunderstanding of the permanent building society industry not only in this Chamber—particularly on the part of the Leader of the Opposition and the honourable member for Archerfield—but also outside it. As a result, the permanent building societies have been expected to operate on too fine a margin. I still have doubts that lifting the interest rates as we have will make the industry across the board a viable proposition. However, I am quite confident that the Treasurer and the Minister will keep an eye on developments and will take whatever action is considered necessary. I know they will bear in mind the state of the money market at the particular time.

I have made the point that the permanent building society industry is probably the most misunderstood major industry in this State and, for that matter, in Australia. We have heard some ridiculous comments. The practice of lending long and borrowing short is always thrown up, and certainly they engage in it.

Mr. Greenwood: So do banks.

Mr. ALISON: Of course they do. What would happen to any bank, no matter which one, if everyone with a credit balance went in and demanded his cash on the spot? In other words, if there were a run on the banks —as has occurred in Australia—they would be in trouble, too. This point must be made. There is nothing dirty or wrong with the permanent building society industry simply because it is in trouble at the present time. The problem arises from a whole series of circumstances. As I have said, the banks could find themselves in the same sort of trouble. In saying that, I am not trying to put the fear of God into Queenslanders. I certainly would not expect to see them rush off to the banks tomorrow morning and demand their money. I am merely making the point that to a lesser extent the banks lend long and borrow short. In other words, they have money on call in credit accounts. If something happened and all of a sudden for some reason or other depositors began to lose confidence in a bank, it would be in trouble, too.

We are the only State in Australia, apart from New South Wales, which has restrictions on interest rates. New South Wales, I understand, still pegs the interest rate to depositors. We are continuing to peg interest rates to depositors and on borrowers' loans. I request the Minister and the Treasurer to look at this in the future. I understand that the industry has asked that the top interest rate be allowed to float up and down with the money market. That would give the industry some flexibility and would compensate for the margin being too fine. After all, I challenge anybody in the Chamber to list any other industry that is expected to operate on 2 per cent. I certainly do not know of one, and I do not think anybody else does.

Mr. Lee: Only contractors do that.

Mr. ALISON: I thank the Minister. However, I ask him to bear in mind what I have said with a view to lifting the restrictions on the borrowers' rate and allowing that to float up and down with the money market.

The role of the permanent building societies has been a major one and they have to a major extent contributed to the development of the State of Queensland. It is a very important industry—a very necessary one—and has played an honourable role in this State's development, particularly in the provision of housing. My colleague the honourable member for Ashgrove referred to some figures. It is interesting to note, as I think he said, that in the quarter ending December, 50.9 per cent of the total home loans in Queensland were financed by the permanent building society industry. That is big money—very big money.

It is interesting to look at the figures for the month of November. In that month the permanent building societies supplied loans for housing to the extent of $37,000,000, out of a total lending for the month of $64,000,000. The savings banks provided only $15,000,000. A perusal of those figures, taken from the Commonwealth Statistician's publication, will show how important this industry is to the State, to its building industry and its people. It is our duty and our responsibility to get this industry back on its feet and to bolster the confidence of Queenslanders in the industry.

I mentioned earlier that the association has requested that the rate for depositors should be 9½ per cent. I am sure it would not be too difficult for honourable members—except for the honourable member for Archerfield and the Leader of the Opposition—to understand that it has to be 9½ per cent. After all, the Commonwealth special bond rate at the present time is 9.2 per cent. That is not the only factor in the money market, although the Federal Government certainly uses Commonwealth bonds as a fiscal measure. The rate is in line with interest rates in the money market generally, whether we are talking about finance companies, banks or any other financial institution. I believe it is reasonable that the rate for deposits should be lifted to 9½ per cent. and I am very pleased to hear that the Government is doing that.

Next, we have to restore confidence in the industry so that investors will look at the rate, see that it is comparable with the rate obtaining in the money market generally wherever they deposit their funds, and then put money back into the permanent building societies. The association of permanent building societies, I understand, would like to see controls on the borrowers' rate lifted. Again I urge that that matter be considered.

Banks do not impress me too much with some of their financing, if I might call it that. As I understand it, savings banks across the board will lend up to $15,000. I thought I heard the honourable member for Ashgrove say that they will lend up to $10,000, so I stand to be corrected. I thought it was $15,000 on, shall I call it, the lower rate of interest. If an applicant wants more, he is directed to the trading bank counter where he can arrange bridging finance or a personal loan at a much higher rate of interest.

It would be interesting to do an exercise on interest rates being paid by borrowers, taking into account that permanent building societies will lend up to 90 per cent of the value of the property whereas savings banks, virtually across the board, have this limit of what I thought was $15,000.

These days, that would not go very far in purchasing a modern home. It is no good saying that savings banks charge only, according to my figures, 10¼ per cent, 10½ per cent, 10½ per cent and 10½ per cent; it seems that most of them charge 10½ per cent. I think that we were told before that the average permanent building society loan on

a home is in excess of $20,000. We must consider what it would cost a borrower from a trading bank where he could obtain only $10,000 or $15,000 at 10½ per cent and the remainder at a higher rate of interest. I am not trying to rubbish the banks. I am trying to get things back into perspective.

The permanent building society is expected to operate on a margin of 2 per cent. It has done a tremendous job in operating on that margin. Certainly some of the societies, particularly the smaller ones, have run into trouble largely because of the restrictive 2 per cent margin. This is a great pity. As I see it, the banks and the finance companies have a minimum margin of something like 6 per cent and it could be in excess of that if it were worked out on an industry basis.

It is interesting to note some of the finance company rates charged on home loans. One charges 18 per cent over a 15-year period and another charges 15 to 16 per cent. I do not say that this is bad. The finance companies pay a higher rate on longer terms —certainly longer than on call—and have to make their margin as well.

I urge the Minister and the Treasurer to try to achieve more liaison with the industry. I am not restricting this to permanent building societies. Any Minister charged with the welfare or administration of an industry should have continual liaison with that industry. I do not say that a Minister should slavishly follow what an industry requires; he has a duty also to the Government and to the people of Queensland. He should liaise with and listen to the industry and consider the wishes of the industry. In this way we will achieve the best legislation and the best control over industry.

Mr. Lee: I have certainly done that.

Mr. ALISON: I am very pleased to hear that. Perhaps the Minister should use the Contingency Fund committee. I do not understand the role of the committee and I do not know whether the Minister has allowed for its use as a liaison committee.

I support the Treasurer's statement and say to the people of Queensland that, with this legislation and the lifting of the interest rates, they can put their faith and their money back into permanent building societies. I hope that the Treasurer's call goes right across the State, so that this very important industry can be put back into a viable position.

Mr. AIKENS (Townsville South) (5.55 p.m.): I do not propose to adopt an asymmatical approach to this measure as unfortunately has been done by many of the previous speakers. We should get right to the very gravamen of the whole case and deal with the facts as we all know them and as some honourable members are afraid to speak them. The fact remains that the present Government—the Minister for Works and Housing and the Treasurer in particular—had in the last few weeks to clean up an ungodly mess. Whether they have done it as well as it could have been done is problematical and will for some time be a matter of conjecture and controversy. I do not know if the Government can be held responsible for the present position, because it has to be remembered that over the last 10 to 15 years there has been a proliferation of housing societies. They sprouted up with wild abandon, just as S.P. joints appeared when the Labor Government was in power. Many housing societies were well balanced and well founded but many were completely worthless. I asked many questions about building societies over the years as it seemed to me that the Government was either unable or unwilling to do anything about them. Then the crash came and many of them went to the wall.

We are now, of course, debating this Bill that appears to me to be like a trial for murder in the Supreme Court—the only thing that is forgotten is the victim. All those in court speak on matters that may influence others and which it may be necessary to deal with, but the corpse is forgotten. The corpse in this case which has so far been forgotten, although I will admit that it was touched upon by the Leader of the Opposition, is in effect the unfortunate kids who over the years have borrowed money from housing societies to put a roof over their heads. Who cares a tinker's cuss about the kids today? Nearly every word that has been spoken in this debate so far has been tender solicitude and concern for the housing societies and the lenders. I have not heard anyone mention the unfortunate young borrowers. They will cop it in the neck, as they always do.

Let us look at what some members have tried to do. The honourable member for Archerfield, in a most scintillating moment of honesty, stood up on one occasion and attacked certain building societies and suggested that they were run by crooks. When he did that, what happened to him? He received a philippic from the great A.L.P. god Jack Egerton who threatened to withdraw his endorsement for the coming State election and who said that he should not have exposed the weaknesses in the housing society system. Fortunately for him the Leader of the Opposition stuck by him. That, of course, would not matter two hoots in hell if Jack Egerton took them on because he could wipe them both out if he felt like doing so.

Many other members touched on this subject. I have asked many questions about it. One of the biggest rackets connected with housing societies is the Bowkett rip-off. Let it not be forgotten that the Trade Union Building Society was one of the prime dabblers in the Bowkett racket. I have with me a letter written by an unfortunate young battler. It is remarkable how Egerton and

his fellows do not think about the battler when they are touching him. As long as they are reefing money off the battler for the Trade Union Building Society or some other subsidiary of the trade union movement, the battler does not matter.

I have a letter here from the Minister for Works and Housing dated 7 November 1975. In fact I have dozens of them; I picked this one at random.

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

Mr. AIKENS: When we adjourned for a very luscious meal, I was talking about that frightful racket known as the Bowkett system, which we inherited from Great Britain, just as we inherited our judicial and legal system. I had a case—among many cases—of a chap named Dostal of 22 Knupp Street, Townsville. He was a real good worker and a very strong member of the A.L.P. This is rather ironic, or should I say it is poetic justice. He went along to the Trade Union Building Society in Townsville and they talked him into the Bowkett system. As was mentioned by the Leader of the Opposition, he did not have a magnifying glass or a microscope with him and so he could not read the small print, and after he had paid into it for some time—I think about $900 went down the drain—he and his wife thought that they would like the money for something else and they applied to have the money refunded to them, or this is what they thought would happen. Jack Egerton and his crowd knew better than that, of course. So they came to me and I wrote to the Minister for Works and Housing about it. He told me what was in the small print, and this is what is in that small print—

> "Members are obliged to save for a minimum term of ten years. Your money is not refundable at all within the first twelve months of joining.
>
> "A Trade Union Building Society 10 Year Savings Plan carries surrender values after 3 years regular savings have been made.
>
> "I agree to abide by the rules of the society as registered in accordance with the Building Societies Act 1886–1971."

The Minister said further—

> "Rule 74 states the conditions on which a Savings Plan can be terminated and the refund to Mr. G. Dostal was in accordance with this Rule."

I do not know how much he got back. He put in $900 and I think he got 25c in the dollar or it could have been a little bit more than that. But he bemoaned his fate. He bemoaned the fact that he had trusted the A.L.P., trusted the Trade Union Building Society, and he fell in the soup just as he would have fallen in the soup if he had trusted his money to any other building society.

The trouble with building societies is that all sorts of people get in on the racket. They all get on the band wagon. Some of the sleaziest and most peculiar characters I have ever seen walking about Queensland are prominent members of building societies—directors, secretaries and what-have-you. Some of the building societies, particularly a couple we have in North Queensland, were very reputable and very responsible but they just could not keep pace with the riff-raff. Most of the trouble was caused by the cupidity of mankind.

I was at a big passing-out parade for the military not long ago and seated alongside me was a very eminent Roman Catholic churchman. He said to me, "Tom, you have quite a lot of experience with people. What do you think is the prime vice from which people suffer?" I said, "Cupidity." And so it is. People would come to me with only a few hundred dollars to invest and they would ask me if they should put it in one of these building societies to get 10 per cent or 10.5 per cent interest, whatever it happened to be. I told them that the basic rule for lending money was that the higher the interest the bigger the risk. I said, "You're stark raving mad if you go past the Commonwealth Savings Bonds, the special bonds issued by the Commonwealth Government." What little money I have to invest is invested in Commonwealth Special Bonds. I might not be getting the high interest that some of these fly-by-night organisations are offering, but at least it is safe; it is secure, and the only time I can go broke is when the Commonwealth Government goes broke. But one cannot tell quite a lot of people that. They take your advice, they thank you for it, and then they go up to the street corner, or to the pub, and meet some smart alec and the next thing you know they have invested their money in some other instrumentality and it goes down the drain.

The Bill merely makes a burnt offering of the borrowers—let us be honest about it, Mr. Hewitt—and I am beginning to wonder whether there are sufficient safeguards in the Bill to stop a similar financial crash occurring again. I know that the Minister for Works and Housing and the Treasurer have done all they possibly can to safeguard against that; but where a door is left open, there are always quite a few smart alecs who will rush through it.

The borrowers—the young people who want to borrow money to build a home, put a roof over their head and provide for the security of their family—are going to pay for the crash that has occurred recently. They are going to pay because they will be paying increased interest on the money that they borrow. Do not let us kid ourselves, Mr. Hewitt. The Government is not going to give anything to it; the directors of the building societies are not going to give anything to it; none of the riff-raff are going to give anything to it. Some of them have already slipped over the border. Some of them might be in gaol; they should be, anyway. The only

people who are going to carry the financial burden of the financial chaos that occurred recently are the unfortunate borrowers, whether they borrow in the future, or whether they have borrowed in the past. Their interest rate is going to increase from 11½ per cent to 11¾ per cent. The honourable member for Ashgrove gave a very airy wave of his hand and said something about, "What's an extra half a per cent or an extra 1 per cent?" It's a hell of a lot to a worker.

Mr. Greenwood: It is the same as the rate last September.

Mr. AIKENS: It does not matter whether it is more or less. The fact is that it has gone up.

Mr. K. J. Hooper: Do you realise that the honourable member for Ashgrove is the mouthpiece in Brisbane for white-collar criminals?

The CHAIRMAN: Order! I will give the honourable member for Ashgrove the protection of the chair without his taking a point of order. The honourable member will withdraw that statement.

Mr. K. J. Hooper: I withdraw it, Mr. Hewitt.

Mr. AIKENS: The honourable member for Ashgrove appears to be an excellent fellow personally; but, after all is said and done, he is a member of the legal profession, and that should make him suspect in the mind of every person who has the interests of the ordinary people at heart.

I do not know how much more young people borrowing money are going to pay. Perhaps someone can work it out for me. Suppose a young couple borrow $19,000 to build a home and the interest rate goes up by 1 per cent or half a per cent. Just imagine how much more those unfortunate kids have to pay for the money. They have to pay not to pull the Government out of the mess—although it might have had something to do with getting into the mess—but to pull the big men in the building societies out of the mess that they created themselves.

If possible I want to know what guarantee we, as legislators in Queensland, have that something similar will not happen again. What does the Treasurer intend doing to prevent the smart boys getting into the building society racket as they got into it before? What is he going to do to clean out the smart boys who are still in it who are working the Bowkett system and various other things? Unless he does that—unless he cleans the Augean stables—in a few months or a couple of years' time we will be in just as big a pickle as ever.

There is another aspect on which I wish to comment. I am sure that members of the legal profession will be only too happy to pick up a few dollars for representing individuals of this type. I asked a question in this Chamber today and I was somewhat surprised by the reply given by the Minister for Works and Housing. Usually I get a dozen cases—maybe a score—and I pick out one test case. This is the case of a very nice young couple who live not very far from where I live in Hermit Park. They borrowed $18,000 to build a home up the river, in the Kirwin area, and a big building firm in Townsville, Planet Homes—I do not suppose one could get any firm that is allegedly more reputable than Planet Homes—contracted to build the home. It has even erected the stumps. The land, of course, belonged to the young couple. Then, when the Tasman Building Society, from which they had borrowed the money, collapsed, Planet Homes said, "Well, as the money has cut out, we will have to stop building." The stumps are still there. The job is well under way. When the Treasurer made the statement that everything would be hunky-dory after next week-end, and that everything in the garden would be lovely after the passage of the Bill, they went along to Planet Homes. I am not particularly picking on Planet Homes because what they are doing all the other go-getters will do. They said to Planet Homes, "As soon as we get the money again from Tasman we assume that you will go on with building our home." A couple of legal vultures are listening to me, so let them work this out. They were told, "Not on your life. When the Tasman Building Society was suspended our contract with you was automatically terminated. Consequently, if you get the money again from the Tasman Building Society you will have to renegotiate a contract with us to continue the building of the home we have started. You will have to find an extra $2,500 plus an estimated $900 in legal and other fees to compensate us for time lost."

Mr. Jensen: The Minister would give you the worst answer you ever got.

Mr. AIKENS: I have a high regard for the Minister. When all is said and done he has not yet become involved in the intricacies of the legal fraternity. He has not even been steeped in the morass of our legal system.

Mr. Jensen: He is too weak in the head.

Mr. AIKENS: I am not going to indulge in any personalities. I know he swings a lovely left hook. If the honourable member keeps going he is likely to pin one on him, and there won't be very much of him left.

The CHAIRMAN: Order! The honourable member will come back to the Bill.

Mr. AIKENS: He would need a stubby and a packet of sandwiches for the journey back.

When I asked the Minister would he stand behind these people, and would he give them the legal, financial and other assistance necessary to help them to fight Planet Homes, all he said was that they should go and see a solicitor. They will be up for $900 or $1,000 before they get inside the solicitor's door. If possible I will get them on to the State's legal aid department, but even then they would take a risk. That is the sort of rip-off that is going on.

All the Bill does is place upon the shoulders of unfortunate kids who have borrowed money or propose to borrow money an extra intolerable financial burden. It is a rotten thing to do. The Government should have faced up to its responsibility and said, "We created this mess. We let the building societies go completely haywire. We let them borrow wherever they liked and we let them lend wherever they liked. We let them put expensive and extravagant advertisements in the newspapers. We let them set up palatial offices." We had all sorts of sleazy-looking individuals driving around in flash motor-cars, As a matter of fact the honourable member for Surfers Paradise driving around in his big motor-car looked like a gipsy in comparison with what I saw the other day. The building societies have had a wonderful time. Hands have been dipped into the money given to the building societies by young people. Now the societies are stony-broke and the only cry that is being raised is "Save the building societies!" What about saving the kids? Never mind about the building societies; they are big enough, fat enough and affluent enough to look after themselves. Let us look after the kids. Let us look after the young people who have borrowed money and who propose to borrow money in order to put a roof over their head.

To give the Committee an idea of the sort of mushroom company that has shot up I will cite the case of a man named McKerihan who came to see me with his wife. I wrote a letter to the Minister for Works and Housing. It reads like a Hollywood scenario. McKerihan went with his wife into the office of the Australian Permanent Building Society in Sturt Street, Townsville, to rent a house. The lady in charge, Mrs. Taylor, talked him into borrowing some money to buy his own home. She wanted to sell him the land and she took $420 deposit from him for the purchase of the land. He never saw the land. When he wanted to sight it he was met with a variety of excuses from her.

(Time expired.)

Mr. LOWES (Brisbane) (7.30 p.m.): The previous speaker, in his usual rhetorical fashion, said, "Save the building societies." To that, I say, "Amen." I have never seen a building society—one of those legal fictions. We see their names up on buildings, but they are only the addresses of the building societies.

What is a building society? It is a corporate body—that is, it has been incorporated—consisting of something like 500,000 investors and approximately 50,000 borrowers. Those 50,000 borrowers represent approximately 200,000 to 250,000 people who live in homes provided by finance from building societies.

In addition to the investor and borrowers there is, quite importantly, the building industry. A great deal of concern has been expressed about the building industry and the fate suffered by it over the last few years.

I do not wish to make a political speech; I believe that the financial health of building societies in Queensland transcends by far the importance of party politics. For that reason I should like to stick closely to the facts as they exist on this day.

Over the past few weeks we have heard frequent reference in this Chamber to the use of building societies by wage-earners. True it is that wage-earners are using building societies, as they have for some years, as banks. They do this because building societies have provided an attractive form of investment. These 500,000 investors are the people for whom we feel some concern. The number of families represented by them is innumerable.

Over the past few months problems have arisen in the administration of building societies, and last year, in an endeavour to remedy the problems that then existed, this Government legislated, quite properly, to correct those problems. However, now, some four months later, there is further need to legislate, and that is exactly what the Government is doing. It is correcting an error.

The Minister and the Treasurer have come forward today with some measures that deserve the full support of all honourable members. The first measure is an improvement in the investment rate, that is, the rate that the man in the street believes and understands he will get when he puts his money into a building society.

Today we have heard various titles given to the persons who receive the money over the counter. But whether they are known as tellers, cashiers, or anything else does not matter one whit. The fact is that the money goes into the building society and the person who deposits it believes he is investing it at 9½ per cent interest, that is, the rate that today the Treasurer has indicated is the proper rate for building societies to pay. And what an attractive rate it is! Compare it with the rate of 3¾ per cent offered by savings banks.

I do not want to speak politically on this. I wish to refer merely to the facts as they exist with the building societies and with the outside financial world. It has been recognised that there is a risk attached to people putting their money into building societies. The Treasurer, when addressing the Chamber on 16 March last, said that building societies are not Government-guaranteed. He drew attention to that fact. There had been—and it was quite widespread—a belief that building societies were in fact Government-guaranteed.

By the setting up of this Contingency Fund, we have taken steps here today to ensure that building societies are, if not Government-guaranteed, at least equally good. This industry will be just as good an investment as banks. In saying that, I do not intend to belittle in the slightest the security of any person who invests his money in a bank, whether it be a savings bank or a trading bank. Whenever he puts his money in a bank, he knows that his investment is secured by the wealth of that bank. Now he knows that when putting his money into building societies he has not only the wealth of the building society, secured by the loans made by that building society (which in turn are insured), but also the Contingency Fund which will be set up by this legislation to ensure that his money is secure.

Mr. JENSEN: I rise to a point of order. The honourable member is misleading the Chamber. The person who puts his money in a building society is not——

The CHAIRMAN: Order! The honourable member for Bundaberg has been in this place long enough to know the nature of points of order. His statement is completely out of order.

Mr. LOWES: So much for the investor, the person in the street. There are many of them—500,000-odd. There is the small investor, the superannuitant, the pensioner and many others who live in the metropolitan area. Many of them live in the electorate of Brisbane. These people are now in a secure position.

I turn now to the borrowers—those people, generally young people, who wish to buy what is probably their first home; newly marrieds looking around to buy their own home. The Leader of the Opposition said this afternoon that the rate of interest of 11¼ per cent is iniquitous. I would have to agree with him; it is an iniquitous rate of interest. But how did it come about? To discover the answer all we have to do is to look back a short period—some three years—to 1972, when the borrowing rate was approximately 7 per cent. By the end of 1975 that rate had risen to 11 per cent.

It cannot be expected that people will lend money at a rate in the vicinity of 4, 5 or 6 per cent when the bank rate is about 9, 10, or 11 per cent; so it is not surprising that building societies found that, in order to attract any investment at all from the public, they had to make their rate to the public something like 9 or 9½ per cent. That was not of their own volition. It has not been their desire to continually increase the rate of interest year after year so as to enhance their profits. Rather has it been to keep abreast of the rates of interest that have been inflicted upon the public by the bank rate, which in turn is decided by the central Treasury.

I reiterate that the increase in interest rates happened during the 1972-75 period. Again I point out, although not wishing to be political, that it coincides with the term of office of the Whitlam Government. So here we are faced with a reality of finance. Finance being what it is, we have to pay a high rate to encourage investors, and we are allowing what is regarded, as the honourable member for Maryborough said, a minimal operating rate of 2 per cent—a rate which he as an accountant realises is the absolute minimum. It is not a matter of what the building societies want to inflict upon the community; it is the rate of interest that is the going rate in the financial world as it exists in Australia today.

The building industry has suffered sorely over the past several years. It is to be hoped that the attractiveness that has been added to the building societies, which will lend so much of their money to finance new homes, will act also as a fillip to the building industry. The most humane offer that I have heard today—and not one reference has been made to it by any Opposition member—was that of the Treasurer, who said he had recommended that $20,000,000, which could be this State's entitlement from the Commonwealth Savings Bank, be made available to the building industry. This has gone by without any reference to it at all. The Opposition does not wish to recognise that this amount is being injected into the building industry. It will have a tremendous effect and will add to the health of the building industry, which has been so sorely affected over the past several years.

It is always some comfort to be able to say, "Didn't I say so?" or, "Didn't I tell you?" On 16 March this year, during the debate on the motion for the adjournment of the House, I voiced my opinion to investors in building societies throughout Queensland that their money was safe and secure. It was a great joy to me today to hear the Treasurer say words to the effect that not one person with money invested in building societies in this State will lose one cent. That is the significance of the statement made today by the Treasurer. Let us not forget that. I congratulate him and the Minister and I support the Bill.

Mr. WRIGHT (Rockhampton) (7.43 p.m.): This is the second time in the past couple of weeks that the honourable member for

Brisbane has spoken in a building society debate. I am starting to question his motive for the tack that he has taken in those cases, because he is certainly flying flags. I do not mind his flying flags for building societies; this is his right and I intend to do some of it.

He has continued to put forward this view about building societies and banks and has used the parallelism or drawn an analogy to show that they are the same. The Treasurer spoke against this the other day in this Chamber. If we are to overcome the problems that people face today and the fear they have about building societies, let us start with the truth. The truth is certainly not being told when honourable members say that societies are as safe as banks.

People are not going to read the speech of the honourable member for Brisbane. They will not try to dig out the explanation. They will simply take the phrase, "They are as safe as banks." They will conjure up in their minds that the societies are guaranteed in some way and that they have the same backing as banks. It is time we started to realise that people do not read the fine print in these matters and that often they take what members of Parliament say as gospel. It is a pity that the honourable member for Brisbane has again spoken in this manner.

I welcome the legislation very sincerely. This recent threat on the building societies is the most serious for many years and, while it will soon be over, it is still there because there are fears that have not been allayed. I am confident that the legislation that is now being presented will overcome those problems. I hope that people will start to realise what is happening in this Assembly today. It is important that we get the real facts out to the people and make them understand that it is now a safe investment; not as safe as the banks or anything like that, but that it is a safe investment.

I have been concerned for some time at the delay or procrastination that has taken place in that there have been no explanatory announcements made by either the Minister for Works and Housing or the Treasurer. Promises were made that a statement would be forthcoming. In fact, there was an item in the Press only last Thursday or Friday that such an announcement would be made at the week-end. Members have received phone call after phone call from people who have been endeavouring to find out what was happening. Most of us, I think, have simply said, "There is legislation coming down. We can tell you no more than that."

Mr. Greenwood: Do the banks insure all their loans?

Mr. WRIGHT: If the honourable member wants us to talk about banks, we can look immediately at the inadequate role that they are playing in the community today. They give depositors 4¼ per cent on their money and they restrict the building industry by lending the paltry amount of about one-third of the sum required.

Mr. Lowes: You would nationalise them.

Mr. WRIGHT: I would certainly compete with them. I do not think the Commonwealth Bank is doing the right thing in the competition fight. I think it is time we had a good look at the banks and did something about making sure that more funds were made available for housing. The banks are certainly not carrying out their role at the present time.

I return to the point that I was making. There has been a wall of silence for two weeks and unfortunately because of it we have had rumour built on rumour and all manner of talk about amalgamations, serious deficits in some of the suspended societies, suggestions of intervention by administrators, and even fears of other suspensions. There has been a rush on other societies. The only ones who gained from the unfortunate situation were the banks because it has been a bonanza for them.

The honourable member for Brisbane said that he did not want to play politics. Whenever he says that I shudder with fear because I know immediately that he will be flying the anti-Labor flag. Let us go back to the core of the problem—the inaction, and perhaps we might even say the apathy, of the Government, because the legislation presented in December last year made it possible to act with greater speed than it has acted. If the Government had listened to the honourable member for Archerfield when he raised these problems some time ago, it might have been possible to avoid the rush and the other problems that arose. Indeed, one might even suggest that this legislation could be known as the Kevin Hooper Act because of the part that he played in bringing it about.

There has also been inadequacy in supervision. How could we expect one registrar to carry out these duties? My point has been well established by the Minister's statement that there are to be six inspectors. Some societies have employed inefficient management techniques and there have also been mismanagement and alleged defalcations. There have been snide tactics, which I propose to refer to later in my speech.

If Government members want to start talking about politics, let us consider what really caused the drain on building society funds. It was the sudden announcement of the 10.25 per cent bonds by the Liberals in Canberra. This precipitated a rush on building societies as money was sucked out and put into the bonds. And they wonder why some societies had liquidity problems! Much of the blame can be levelled squarely at the Fraser Liberal Government. No warning was given of this bond issue. It was announced suddenly overnight and the building societies lost millions of dollars.

But I give credit where it is due. The Government is now awake to the problems and action is being taken to re-establish confidence in building societies. I give full credit to the Minister for Works and Housing and the Treasurer. They could have acted sooner but at least action is being taken now. The increase in the rate of interest to 9.5 per cent must attract funds, although I agree with the Leader of the Opposition that the interest rate of 11.75 per cent to borrowers must place an extra financial burden on young people paying off their homes. This matter was also raised by the honourable member for Townsville South.

Mr. Jensen: It's disgraceful.

Mr. WRIGHT: It is disgraceful, but it has to be realised that societies can no longer continue to work on such small margins. At least they will now have a 2.25 per cent margin, which is in the interests of investors at least.

It is said that no-one will lose. This was the point made by the honourable member for Brisbane. I am involved in three of the suspended societies so it pleases me personally that all investors will get their money back. But while investors may not lose, many borrowers have lost. Many borrowers have lost because contracts that they had entered into could not be fulfilled. The building industry also has lost and it continues to face a crisis, and while the Treasurer has indicated here today that $20,000,000 will be made available to help the building industry, this will only help in the long term and will not overcome the crisis.

It is time we took some measures to improve the building industry. As it is, it is wrong that people should depend almost solely on building societies for housing finance, and the Government has to look at other measures for making available finance to those young people who wish to build homes. I am pleased with the safeguards that the Government has now accepted, including the appointment of the six inspectors. The knowledge that we have the power to make random checks must overcome some of the problems. The restriction of the amount to be lent to $50,000 is also supported by me and, I am sure, other members of the Opposition. This has to be brought about because, as the honourable member for Archerfield said, we had some societies lending in the vicinity of $100,000. I believe that was the figure mentioned.

The greater financial backing for a new society is to be increased something like ten times from $200,000 to $2,000,000 and that certainly is warranted.

The Contingency Fund is to be applauded, and particularly the financing mechanism of a 0.25 per cent levy placed on the total funds of the society. When the Minister spoke, I thought he said the figure was 25 per cent and I was going to build my speech around that figure, but I spoke to him during the dinner recess and this misapprehension was corrected.

I also support the idea of ensuring that 90 per cent of the funds go towards housing. This is, after all, what the building societies have been set up for and it is certainly not the role being played by other groups such as banks. But we do need better standards of administration and I am hoping that the penalties now suggested by this legislation of something like a fine of $5,000 and two years' imprisonment will be at least a deterrent. I am not sure that it will deter all the crims because they see big money to be made in some of these things, but it must at least act as a deterrent to some.

The Minister has also come to grips with the problem of the conflict of interest of directors when they are involved with different societies. He clearly stated in his speech that if there is conflict of interest, then that person might have to vacate his position. I must applaud this move.

The Minister also spoke about the new controls and I believe they will bring about the confidence that is required. Unfortunately, he still has not gone far enough in the area of administration.

Mr. Moore: You are having two bob each way.

Mr. WRIGHT: No, I'm not. Surely it is the role of the Opposition to consider the legislation that is brought down here and see if we can improve it. The honourable member for Windsor sits back there and never says a word other than to interject and criticise. I believe the Minister has done the right thing here, but that does not mean it cannot still be improved.

In a previous speech I put forward the suggestion that we set up a building societies commission. I wrote to the Treasurer about it and I was pleased that he wrote back. While he said that the measures he was introducing would, he believed, overcome the problem he did say there were features in the suggestions I put forward that had real interest for him and he intended to keep them in mind when he was preparing this legislation. I am pleased to note that he did take cognisance of some of these ideas and has embodied them in the legislation.

Mr. Lowes interjected.

Mr. WRIGHT: I am not taking credit because, as I said in a speech some weeks ago, the ideas came from a study carried out in Western Australia. They are not mine and I am not trying to take credit, like the honourable member for Brisbane, for everything that sneezes in his electorate. I am prepared to give credit where it is due and this suggestion came from the Western Australian study, where the question was looked at very carefully. Those engaged in the study interviewed the then Minister for Works and

Housing, the Honourable M. A. Hodges. They also spoke to other persons involved in building societies in Queensland and they came down with a number of recommendations.

The first and foremost was that a building societies commission be established, because regardless of the increased number of inspectors the task is a huge one for one registrar, and if we were to have a societies commission we would establish further confidence in the community because the people would know there is some type of supervisory mechanism to keep a constant and full-time control over the societies. The suggestions put forward in Western Australia were that it should be a nine-man committee, including the Registrar of Building Societies, three members from the societies—there was also a condition that these persons had to have expertise in management—a person from the Commonwealth Institute of Valuers, someone from the housing industry, someone representing the building unions, someone representing the State Housing Commission, and someone representing the Treasury. Surely putting this up is not criticising the legislation that is before us now, it is simply a worth-while extension of that legislation. I believe that it is worth looking into. There is no chance of moving amendments, and I do not intend to do so, but I would ask that the Minister give serious consideration to this because, after all, our sole object here tonight is to tighten up the controls on the building societies and also increase public confidence.

There was one point that I missed when the Minister was speaking—whether or not there was an increase in the minimum liquidity ratio from 7½ per cent to 10 per cent. I did not catch it at the time, and I looked through some notes that were given to me by another honourable member. However, I still do not know whether it was mentioned.

It has been suggested to me by one of the building societies in Rockhampton that a figure of 7½ per cent is ridiculous. It is 10 per cent in New South Wales, and in other States suggestions that it should be at least 15 per cent are being considered. The reputable societies—those that do not get into trouble—carry something like 25 to 30 per cent. Let us not go as high as that as a maximum, Mr. Hewitt, but I am told that is what the Rockhampton Permanent Building Society—commonly known as "The Rock"—carries.

Mr. Moore: What a load of codswallop that is!

Mr. WRIGHT: Well, the honourable member should speak to Mr. Gerald Byrne. I am quite happy to use his name, because it was at the opening of a war museum in Rockhampton last Saturday that he raised the matter with me and spoke about it. Let the honourable member for Windsor write to him, and I am sure he will verify what I am saying.

Mr. Moore: I'll bet he won't.

Mr. WRIGHT: The honourable member does not believe anything.

Further controls are needed, and these may be embodied in the legislation that is to come before honourable members. Only a week ago a young fellow came to me who was previously involved in what was formerly the Australian Permanent Building Society. He had $35,000 invested in that society. A man by the name of Ronald C. Hopkins, the sales manager for the Australian Permanent Building Society—at least, that is what his card says; I have it here—approached him and said, "We know you have $35,000 in the Australian Permanent. There is a far better investment, and I'm going to suggest to you that you put your money into the Australian Co-operative Development Society Ltd." The young fellow asked him what the difference was. He said, "There is no real difference, except that you will get 12½ per cent but your money is there for 12 months. Now, what is wrong with that? You don't need your money now, do you?" The young fellow said, "No, I don't. Are you sure it's tied up?" Hopkins said, "Look we are in the same office."

Mr. K. J. Hooper: Peter Knowles?

Mr. WRIGHT: No. This man's name was Hopkins. Anyway, he convinced the young man that there was really no difference between the Australian Permanent Building Society and the Australian Co-operative Development Society Ltd. He convinced him that he should withdraw $35,000 from the Australian Permanet Building Society and re-invest it in the Australian Co-operative Development Society Ltd. The young man believed that he had the same safeguards as he had with the society originally. He thought he was gaining. He was going to get 12½ per cent, and the condition was that he leave it there for a fixed term of 12 months.

The question I raise, Mr. Hewitt, is this: how did Hopkins have access to the financial statements or accounts of the Australian Permanent Building Society if he in fact belonged to a different organisation? He represented himself as being both. I am told that that happened not only to the man who approached me but also to dozens and dozens of other people.

As honourable members now know, the Australian Co-operative Development Society Ltd. is in liquidation and the young man stands to lose every cent.

Mr. Moore: When did this happen?

Mr. WRIGHT: It happened only about eight months ago.

Mr. Moore: Why didn't you do something between then and now?

Mr. WRIGHT: Because there was no problem at that time. The Australian Co-operative Development Society Ltd. had not gone into liquidation. The society had not been terminated by the Government. Therefore, there was no real problem. I might say, Mr. Hewitt, that once the Australian Permanent Building Society was placed in the hands of a liquidator, the young man still thought he was safe. However, when a meeting of shareholders was held, he was suddenly told, "I am very sorry; there is no money left." He asked what happened to his $35,000. Naturally, there was just a wall of silence.

I do not know exactly how that happened, but I do know that the man who persuaded him to invest his money in the Australian Co-operative Development Society Ltd. had access to the statements of the building society. There must be some control over people having access to those figures, because there will be instances in which directors of building societies are tied up with development societies similar to the one I have mentioned.

The honourable member for Mackay referred to the rackets that took millions of dollars from people in Central Queensland and on the Darling Downs, promoting schemes for resort land. The case to which I have referred is somewhat similar, and I believe that there are questions that need to be answered. I ask the Minister to give the Committee an undertaking that things such as that will no longer be allowed.

There must also be greater control over advertising, and that has not been mentioned by the Minister today.

Finally, I ask that the law be clearly explained to the ordinary investor. I agree completely with the honourable member for Townsville South when he talks about the rackets in the Bowkett scheme. People are told, "Don't you worry, you can put your money in for 10 years. You can have it back if you really want it. There is no worry there. We pay you no interest at this point, but you can borrow at a later date at a very low interest rate." Something arises and a person wants to get his money back, but he can get only 75 per cent of it—if he is lucky. Apparently under the law he does not have to get that percentage if the directors do not agree.

The law needs to be clearly explained. Let us copy the Minister for Justice, who puts out booklets covering all sorts of legislation. Let us put out a booklet on building societies. Let us follow up this Bill and other building society legislation that has been passed in the last 2½ years and explain clearly to investors what the relevant law really states. Let us make it incumbent on all societies that the Government booklet be displayed. In that way we would be able to have the control we all desire here tonight.

Mr. DOUMANY (Kurilpa) (8.1 p.m.): I support the Bill. I regard it as one of the most important pieces of legislation introduced in this Chamber—certainly during this session. There is no question that confidence in the building society industry must be restored, and without doubt the Bill will go a long way towards achieving that objective. There can be no doubt that we have had at risk over the last few weeks a very great industry, and certain key products of that industry. The most important product of the industry is home-ownership. Let us not move away from the nub of the issue, which is that the permanent building societies have contributed more than any other source of finance to the development of home-ownership in our community. That has been a hallmark of distinction for that financial group.

I have here an article that appeared in the "Real Estate Journal" of January/February 1974 under the heading "Building Societies—Some of the Facts". It stated—

> "The 1960s were years of rapid growth for the permanent societies. It is not possible to isolate the figures for the permanent societies before 1962-63, but in that year they earned slightly more than $47m. By 1969-70 their annual level of lending had risen to $359m.—an average annual increase of 34 per cent. In 1970-71 they approved loans valued at $419m. and in 1971-72 the value of the loans approved reached $667m."

I will verify it with further statistics, but there can be no question that the building societies' contribution has been a bulwark in the development of home-ownership in Queensland and Australia.

Over the three years to December last, we had the Federal Labor Government in Canberra hacking away at home-ownership. It did not want home-ownership because with it comes an anti-Labor feeling, a spirit of independence and the security that makes for voters of discernment who are concerned about their own welfare and do not want to be promised pie in the sky by the A.L.P. The permanent building societies certainly contributed the greatest amount to the development of home-ownership, which in the last three years has been buffeted by the disastrous housing policies of the Whitlam Government. About two-thirds of the funding of homes in this State has come from the permanent building societies.

We have heard from the honourable member for Archerfield nothing but stories about the bad apples in the big barrel. It takes only one bad apple to spoil the rest. What we want to know, of course, is how the bad apple gets there in the first place. From one quarter we have heard constant slander, constant vituperation and constant attack against the building societies. A bad apple has been created by suggestion—and I might say that the honourable member for Archerfield has been most suggestive.

Let us return to the facts. The Australian Bureau of Statistics has published a summary on building societies. The page devoted to Queensland shows that in 1969-70 the number of borrowers stood at 19,363. This figure rose in 1973-74 to 44,655. Over the same period the corresponding loans rose from approximately $39,000,000 to $220,000,000. Most of that growth occurred before the Whitlam inflation. Building societies made a contribution of that magnitude to home-ownership in our great State, but besides being that it is a contribution to the stability of our society and the attractiveness of this State both to people and to industry. Housing is the most important single facility and asset in our community. Without it everything else is baseless.

Tonight we heard the most spurious comments by the Leader of the Opposition. I must rebut them. He adopted a "two bob each way" approach. On the one hand he shed giant crocodile tears over the increase in the rate that borrowers must pay; on the other hand he launched a vigorous attack on the Government for having delayed taking action about the lending rate to attract funds. He also levelled a vigorous attack on the Lynch bonds. Apparently he understands supply and demand and he would realise the importance of maintaining interest rates in line with the current market forces.

He has conveniently forgotten, however, as have all the speakers from the Opposition, the thousands of young people who currently live or languish in flats throughout our city—in my electorate and in others—because there is no money available for them to borrow. Some of them are being tempted into that "Shylock" money that is being offered by the finance companies at interest rates not of 12 per cent or even 13 per cent but in some instances as high as 16 or 17 per cent. That is not the type of loan that we want to put on the backs of our young couples.

When a young couple want a house, they will go almost to any lengths to get it. They want the independence and security of their own home. With great wisdom the Minister and the Treasurer have taken this decision having discussed with the industry the current situation. The most important measure emanating from those discussions is the upward move in interest rates, as provided for in this legislation.

Another thing that has been forgotten is the importance of the little people who put money into building societies. For sure, a lot of crocodile tears have been shed about them, too. It has been said that they are only treating the account like a little savings bank account; but surely the Leader of the Opposition and his colleagues understand that when the deposits of small investors are aggregated, just as is done with the banking system——

Mr. Moore: The combined treasury of the people.

Mr. DOUMANY: The combined treasury is just as effective as if the amount were deposited by a smaller number of larger depositors. It is just as useful in the turnround of funds. It is just as important to attract it and it is just as important to hold it. So I do not deprecate the little investor as a contributor to the industry. He is not just using it as a convenience.

Mr. K. J. Hooper: I tried to ask you a simple question, but you wouldn't let me ask it.

Mr. DOUMANY: I tried to ask a question of the honourable member's leader, too, and he did not want to listen; so there will be a quid pro quo.

We have heard all these apparent contradictions from the Opposition in this debate. On the one hand they praise the Minister and the Treasurer for what they have done. On the other hand, they assert that we are culpable as a Government.

Mr. K. J. Hooper: And you are, too.

Mr. DOUMANY: No-one has been more culpable than the honourable member for Archerfield, with all the stirring he put into the pot. He has known how delicate and sensitive this subject is, but day after day he put his big finger in the pie and dabbled in it.

Mr. Gibbs: And what about the Trade Union Building Society?

Mr. DOUMANY: We will remember the comments that came from the Trades Hall —and particularly from Mr. Egerton. They did not take too kindly to the constant niggling on this question by the honourable member for Archerfield, and they were not very pleased at all when their own building society was involved.

Let us just hark back to the special role of the permanent building societies. Why are they so important in contributing to home-ownership? Why is it that some 50,000 mortgages are now held by them for home buyers in this State? It is because the permanent building societies tackle a number of problems. First there is the deposit gap. A building society lends an adequate proportion of the valuation of the property. Secondly, it works on the basis of mortgage insurance, so its lending is safeguarded. The sum of the loan and the term of the loan are adequate. Finally, the societies are flexible in their approach to borrowers.

One very important provision in the legislation before us today is that which will ensure that at least 90 per cent of the funds of building societies will be made available to individuals desiring loans of less than $50,000 for the erection or purchase of dwelling-houses. Outside the provisions for stricter control, which I thoroughly endorse, and outside the changes in the interest rates, this is one of the most important provisions in the Bill. It is one that will benefit the

ordinary couple that is desirous of buying a home. I believe that that is as a result of the consciousness and the awareness of the purpose of this industry by our Minister and the Treasurer.

I do not believe that there is any cause for weeping and gnashing of teeth. I do not believe that this problem is one that will fail to respond to the careful management and responsible thinking on which this legislation is based. Nor do I believe that it will fail to respond to the good will and determination of the building society industry to work with our Government to achieve a recovery and to restore confidence in the public of Queensland.

The reality of interest rates has to be accepted by all of us in this Chamber and outside of it. Interest rates are a function of the rate of inflation at a time such as this in our economy. We cannot artificially press interest rates down in the face of rising inflation; nor can we avoid aberrations of the sort that we have suffered over the past few months as the Federal Government has taken a responsible line in tackling the enormous problems that it inherited in our economy. There has been no alternative to doing something. During the short-term period of adjustment there will be difficulties and there will be a need for vigilance. I am confident that both our Minister and our Treasurer will exercise that vigilance, as will the industry in this State.

Inflation will not go on for ever and when, as the policies in Canberra will achieve, it starts to move down, interest rates will move down and so will the interest rates that impinge on the building society industry. As they move down, so will the burden lighten on those who borrow.

Most important of all there is hope for those who at the moment have money invested with the societies over which there has been some cloud because, as the legislation provides, they will be assured of a return on a dollar-for-dollar basis.

I am certain that we will do our best to minimise the burden on those who have already borrowed. Even more importantly we will do our best to ensure that as many as possible of those who are waiting patiently and with great frustration for their first home will have the opportunity to borrow at a reasonable rate of interest and own their own home. That is a very worth-while objective indeed. I commend the legislation.

Mr. JENSEN (Bundaberg) (8.18 p.m.): I am pleased to take part in this debate. I raised this matter as early as 1971, but I do not intend to reiterate what I said then. The honourable member for Kurilpa mentioned that the most important principle of the legislation is that 90 per cent of the money will go into home-building. I understood that when the legislation went through Parliament a few years ago 95 per cent had to go into home-building and the remaining 5 per cent could be used for buildings and advertising. I do not know how it has been changed. However, I do not want to continue on that point.

The cardinal feature of this Bill is the creation of the Contingency Fund. It is being set up for one purpose—to protect the people. It will give the investors more confidence and make them more secure. It will give some confidence, but not full confidence. Investment in building societies is still not gilt-edged. It is no good saying that because the Treasurer has set up a Contingency Fund the investment is gilt-edged.

Let us consider Commonwealth loans. The other day I asked the Premier if the 10.5 per cent Commonwealth bond issue caused some of the trouble for the building societies. He would not answer. They are gilt-edged loans, whereas building society deposits are not gilt-edged investments. If a person places his money in the Commonwealth Savings Bank or any other savings bank, he gets 4.25 to 5 per cent interest, and that money is deposited not as a term loan but on a daily basis. The banks give interest not on a daily basis but on a monthly basis.

Under this Bill depositors with building societies will receive from today 9.5 per cent interest. This is better than the interest paid on Commonwealth bonds, which are gilt-edged securities, of 9.2 per cent. I honestly believe that if the Government made building societies gilt-edged investments, or near enough to it, they would attract funds if they offered only 2 per cent over the bank rate of interest. That would be sufficient. I cannot see why it should be necessary to offer double that margin over bank interest for an investment that is not gilt-edged. Many people would invest in loans at only 2 per cent over savings bank interest if they were gilt-edged investments and the money could be drawn at any time. Why should this Assembly pass this legislation to provide an interest rate of 9.5 per cent? The only ones to be hurt are the borrowers. I do not mind lending my money at any time at all if the investment is gilt-edged and the interest is 2 per cent over bank interest.

The Commonwealth loan interest rate is now only 9.2 per cent. It was 10.5 per cent, then it was 9.5 per cent. This is what caused some of the trouble for building societies. The Treasurer knows this full well. He said the other day that if anybody has over $50,000 to invest he should know where to put it. If any mug put $130,000 in a building society he certainly would not know how to invest money, because better interest can always be obtained on a term loan. When there are Commonwealth gilt-edged loans at certain interest rates, why should there be building society loans at those rates?

I was very interested to read in "The Courier-Mail" that building societies may be taken over by the State Government Insurance Office. That was a very interesting article. After making a speech on this subject

in 1971 I issued a warning to the State. It will be found in "Hansard". On 7 September 1972 I directed this question to the then Minister for Works—

> "Will he give consideration to the establishment of a State-controlled building society similar to the permanent building societies but with lower interest rates, in order to give the people a gilt-edged investment, and not the so-called pass-book security in home building, such as is given by the State Electricity Commission for power generation and electricity reticulation throughout the State?"

The Minister answered—

> "No. With the provisions for liquidity protection which this Government has stipulated in the Building Societies Act 1886–1971 and with the mortgage insurance protection which such societies obtain from the Housing Loans Insurance Corporation or other similar established insurer there is no question of the stability of funds deposited with permanent building societies. I see no reason why persons desiring to invest in a building society would give preference to a society paying a lower rate of interest than they can obtain from existing societies."

Those were the words of the then Minister for Works in 1972 when I asked that a State-controlled building society be set up. The Department of Works said that existing building societies were secure.

I have brought this matter up in this Parliament since 1971. I told the Minister I took out my money in 1971 because he would not control interest rates and that if he did control interest rates I would put my money back in. He gave me some confidence then, but his standing has been desroyed because he did not give real security. I asked a question about the S.G.I.O. and now today the Minister is talking about the S.G.I.O. taking it over. The "Telegraph" tonight refers to the S.G.I.O. taking over the suspended building societies because it could give the required security. It is astounding when we look back on these things. It is all in "Hansard". When I spoke on the Bill in 1972 I said—

> "An important step is being taken by four building societies in their plan to merge. In this way, over-all advertising and other expenses will be reduced. Too many building societies were entering the field, with each trying to outdo the other."

The Minister still allowed them to come in. I said further—

> "It is time they realised that they cannot all win."

A few days ago the honourable member for Maryborough asked the Minister to stop this control of interest rates. He wanted the big societies to take over the small ones. I said in 1972 that we had to watch this. It is all there for honourable members to read. If the Minister for Police wants to go and read what I said about him and his building societies——

Mr. Hodges: You agreed with those mergers then.

Mr. JENSEN: I agreed with them, but then the Minister allowed other small companies to come in. They are the ones which have gone broke. They did not operate according to the Act. I might just have time to finish quoting what I said in 1972. I said—

> "My confidence has been partly restored, provided a watch is kept on the matters outlined by the honourable member for Baroona and provided the Government does not allow building societies to be used in a crooked way by big business firms."

In 1971 I spoke about syndications and the syndications were closed down. I also mentioned building societies. I know the honourable member for Landsborough took me apart. I said—

> "I raised it last year and the honourable member for Landsborough tried to cut me up over it."

The present Minister for Works and Housing interjected and said—

> "He did a good job, too."

I said—

> "Not at all, because the Government took note of what I said and has now introduced this Bill to stop some of the crooked things that went on in building societies and also went on in the syndications. The honourable member for Yeronga, like many other big businessmen, was probably in those syndications that robbed the people."

I was the one who brought them up and the honourable member for Yeronga is now the Minister in charge of building societies. He is the man I attacked over syndication. It is here for anybody to read and honourable members had better read it because it is no good saying this only came up in the last six months. I brought it up in 1971 and 1972. I also said—

> "After the Commonwealth Trading Bank allowed the Metropolitan Permanent Building Society to use its facilities to accept investments, the funds of that society leapt by 50 per cent. People gained confidence in the society because the bank accepted deposits on its behalf. When I noted what the bank was doing I wondered if the banks generally intended to move in on building societies as they did with the finance companies, and eventually take them over."

I said at that time that the banks took over the finance companies because those companies could act outside the Banking Act. The banks knew that and took them over. I thought at that time that the banks might

take over the building societies and make them a bit more secure. It is all here in "Hansard". I said—

> "The Bill has not gone far enough, but it has partly restored my confidence. The Government could reduce the interest rate under the State Housing Act. This would provide the people with a better guarantee. Even the honourable member for Kurilpa said, at the introductory stage, that he did not agree with the advertising of passbook security.
>
> "Every society engages in this type of advertising. It is absolutely wrong because, although it applies at the moment, it would go by the board if there were a slump in the building industry. That type of advertising is unfair to the community. It was pleasing to hear the honourable member for Kurilpa raise this matter. I raised it last year . . ."

Mr. Hodges: We had four Commonwealth Treasurers that year.

Mr. JENSEN: This had nothing to do with Commonwealth Treasurers. It was a State Act. The honourable gentleman did the right thing after I raised the matter in 1971, but I said that he did not go far enough. I asked him to bring the S.G.I.O. into this field and give people some security. An additional 2 per cent on bank interest would have been enough. If it had been gilt-edged security, people would have invested. Instead, they went and tried to grab everything they could. Now they are in trouble and the Treasurer has to jump in and help them. If they want to be little capitalists, as they were in the syndications, and want 13 per cent and 14 per cent interest, let them take the risk.

It was people like that who got into a mess, and today we are trying to help them. It was no good my warning them. The newspapers would not print a damn thing. They never do print warnings against big business. I asked in this Chamber that they print a warning but they would not print it—because they are controlled by big business.

Today, five years after I raised the matter, a Contingency Fund is being established to assist people who are in trouble. I agree that we should assist them, but I do not agree that they should be paid 9½ per cent interest on an investment that is not gilt-edged. The societies would still take money at 6 per cent or 7 per cent and lend it at 9 per cent to the small people who are buying houses. Why should they have a higher rate of interest than Commonwealth bonds, which are a gilt-edged investment? Why should their interest be calculated on a daily basis? We must be going haywire in this State, Mr. Hewitt, when we are providing for an investment that is not gilt-edged a rate of interest higher than that available on Commonwealth bonds. Why should we do that in this Chamber? Let the people invest in something gilt-edged that carries a rate of interest a little better than that paid by savings banks, with interest calculated monthly. I think everybody would agree with that.

Why are we protecting building societies? We are doing it, Mr. Hewitt, to protect the building industry and home-ownership. However, I do not think it is necessary to go as far as we are going with interest rates. I cannot understand the Treasurer increasing interest rates when the interest rate on Commonwealth loans has been reduced from 9.5 per cent to 9.2 per cent. Commonwealth loans are for a fixed period of from two to seven years, and interest is not calculated on a daily basis. People use building societies as they use a savings bank. I just cannot understand why it is necessary to have such a high interest rate when it is not for a term loan.

I took my money out of a building society a few months ago, when it was paying 8¾ per cent, and deposited it in the Commonwealth Bank at 9¼ per cent for two years. It is safer there.

Government Members interjected.

Mr. JENSEN: The honourable member for Maryborough spoke on behalf of the Liberal Party. He was a director of one of the societies in Maryborough but was told to get out. He did not want interest rates pegged. In fact, in this Chamber recently he asked that the rates not be pegged and that the big societies be allowed to take over the little ones. That was his attitude.

Mr. K. J. Hooper: Did the Treasurer instruct Mr. Alison to get off the board?

Mr. JENSEN: I am not sure whether he instructed him to do so, but he would have done so if he had any sense, and I believe that the Treasurer has sense. The Treasurer would have said to him, "Get off the board or you won't have any chance of getting into Cabinet."

I raised in this Chamber the matter of a big advertisement that appeared in the newspaper—I think there is a question in "Hansard" if honourable members care to look—showing all the directors of the Metropolitan Permanent Building Society, I think it was. One of those directors was the Honourable Fred Campbell. When I asked the Premier how Fred Campbell could be a director of that building society, seeing that the Premier had said that none of his Cabinet Ministers could be the director of any company without giving notice of it, the Premier said that he had resigned the previous week. I suppose the Treasurer said to the honourable member for Maryborough, "If you want to be a director of a building society don't try to get into Cabinet, because you won't get there." I think the Treasurer did the right thing.

It is very important that we do the right thing by the people who invest, but particularly do we have to do the right thing by people who are borrowing. They are the ones who want to buy homes and have to pay 11½ per cent interest. Do the small investors who have been squealing to the Treasurer and Minister for Works and Housing about losing their money care about other people who have to borrow money? No; all they wanted was a nice fat interest rate. They do not care two hoots about people who have to pay 11½ per cent interest. I ask that the Treasurer look at the matter factually. He is supposed to know all about the economy. Why has he got to have a 9½ per cent interest rate for something that is not gilt-edged? It is about time the Treasurer got back to facts and looked after the people who are borrowing money rather than those who are lending money. The latter are the little capitalists. They have a few bob and want to make something out of somebody else. The little capitalist will take everything he can get, but as soon as he gets into trouble he squeals. The syndicates were the same. Poor pensioners lost all their money until I brought that matter up in the Chamber. Some people grab everything and then squeal to the Government for protection. This Bill gives them more protection than they deserve by providing an interest rate of 9½ per cent. The Treasurer knows it.

(Time expired.)

Mr. FRAWLEY (Murrumba) (8.38 p.m.): I have been in this Chamber for four years. After listening to the honourable member for Bundaberg tonight, all I can say is, "Thank God I was not here in 1971 and had to sit and listen to the speech the honourable member evidently made on that occasion." As I would have had to listen to the sort of rubbish he spouted tonight, I am glad I did not enter Parliament until 1972.

The Treasurer and the Minister for Works and Housing are to be commended for the introduction of the Bill in an endeavour to protect the savings of investors in building societies. The run on building societies was directly attributable to the attacks on certain building societies made in this Chamber last year by the honourable member for Archerfield. He is the one who has taken the bread from the widows. He has caused all these problems. Because of what he did in this Chamber, people cannot get their money. The attacks by the honourable member for Archerfield have been carefully designed to protect a criminal who has 27 convictions —a mate of the honourable member for Archerfield who has misappropriated close on $1,000,000 of building societies' funds. His name is Dudley Clarence Cartright, alias Donald Cross, alias somebody else. He has thieved money. He has spent money on racehorse studs.

Mr. Jensen: Give us his name and I will check it up later.

Mr. FRAWLEY: His name is David Gray of 18 Hanover Street, MacGregor, alias Dudley Clarence Cartright, alias Donald Cross. He thieved close on $1,000,000. He is the one who has been informing the honourable member for Archerfield. In an endeavour to get the heat off himself, he has been getting the honourable member for Archerfield to make allegations in this Chamber. This is a typical example of the A.L.P. protecting criminals.

By this man's own admission he has served two separate four-year terms in prison and has had 27 convictions. He has been in gaol for so long that he is even on the list for long service leave from the prison. The member for Archerfield has backed him up on numerous occasions, in an attempt to take the heat off other people. Mr. Gray has been the ghost-writer for the member for Archerfield.

Mr. K. J. HOOPER: I rise to a point of order. As I was entering the Chamber I heard the name David Gray mentioned. I do not know the gentleman. The statement by the honourable member for Murrumba is offensive and untrue, and I ask that it be withdrawn.

The CHAIRMAN: Order! I ask the honourable member for Murrumba to accept the denial of the honourable member for Archerfield.

Mr. FRAWLEY: I accept the denial, even though I have a letter here about this matter.

Mr. Houston: Table it.

Mr. FRAWLEY: I will table it all right, but I will read it first.

The A.L.P. tried to make out that it has a policy of defending the underdog. How can that be believed when we know that the A.L.P. in this House supports a hardened criminal? The A.L.P. has retarded the process of restoration of these building societies. The member for Archerfield and the A.L.P. have been accessories to the crimes committed by this criminal, who has thieved money from building societies. The A.L.P. has co-operated with him, and it has acted against the public interest. Even the books cannot be found so that a prosecution can be launched against him. They have disappeared, and he is boasting about it.

Mr. Jensen: What society was he in— Australian Permanent?

Mr. FRAWLEY: As a matter of fact, it was Australian Permanent. At one time Jack Egerton was a director of Australian Permanent, but he got out of it. He is now a director of the Trade Union Building Society.

Mr. K. J. Hooper interjected.

Mr. FRAWLEY: The member for Archerfield tried to put this over to protect this criminal. He has rubbished all these other people to try to protect him. If he had any guts or moral conviction he would realise the harm he has done in this Chamber. The member for Archerfield is shielding this fellow Gray, and it is shocking to think that a member of the A.L.P. would do so in this Chamber. It is a lowering of the moral fibre of the alternative Government for the member to protect a criminal by putting in other people. The member for Archerfield must accept the whole of the blame for the problems confronting building societies today.

The member for Archerfield has castigated even the Queensland Permanent Building Society. I remember quite some time ago that he tried to cast aspersions on the society's staff. I just happen to know many people in the Redcliffe branch of the society. I have had dealings with them because I have some money in Queensland Permanent. And I have shown my faith in it by leaving my money there.

Mr. K. J. Hooper: You're a Christian.

Mr. FRAWLEY: I am, and I am very pleased to hear the member for Archerfield say that.

The Queensland Permanent Building Society is the second-largest building society in this State. It is shocking to think that the member for Archerfield has caused some of the runs upon it. It has given a great service to depositors, and it is a society in which people can have a great deal of confidence. It has never been in any trouble. During the past run on building societies I had occasion to stand outside the Redcliffe branch of Queensland Permanent and witness the length of the queue of people who were waiting to withdraw their money. The staff were courteous at all times and did not try to persuade anyone to leave his money in the society. They just kept paying out. Are those the actions of a crooked society? Of course not.

Mr. Alison: I think somebody put him up to it.

Mr. FRAWLEY: Of course he was put up to it. He was paid to do a job. He is in danger of losing his endorsement for having cast doubts on the Trade Union Building Society. Jack Egerton could not even pay the monthly grocery bill; there was not enough money in that society. He had to raise a loan. It is shocking to think that the society could not even pay its debts as a result of the doubts cast on it by the member for Archerfield. I am surprised to think that a member of Parliament would do such a thing. I felt compelled to rise tonight to correct the great wrong that has been done to the Queensland Permanent Building Society and other societies.

Admittedly some building societies have done the wrong thing, and it may be that the controls imposed upon them in the past have not been firm enough. But controls have been introduced now to really straighten up the building societies and the Minister and the Treasurer are protecting the investors. Maybe it is something we should have done earlier, but at least we are doing it. It is better to do it now than never, and this Bill will make building societies in Queensland the most reliable in the whole of Australia.

The member for Rockhampton, as usual, sat on the fence. First, he said that it was good legislation. Then he cast aspersions on both the Minister and the Treasurer. I have already said that it was the member for Archerfield who caused the whole problem for the building societies.

The member for Bundaberg, of course, spoke absolute rubbish. He told us last year he had done a great deal of money on investments. He said that for a fact. That is in "Hansard". He got up here tonight and quoted from "Hansard" what he said back in 1971 and later. In 1975 he told us that he lost money in shares——

Mr. JENSEN: I rise to a point of order. I have never done a great deal of money on any shares or any gambling—even the races.

The CHAIRMAN: Order! Does the honourable member ask for a withdrawal?

Mr. JENSEN: I don't want him to withdraw it. I just don't want the Committee misled.

The CHAIRMAN: Order! For the benefit of members generally, I am getting a little tired of points of order that develop into speeches. Points of order must be made as succinctly and as quickly as possible. I understand that the member for Bundaberg asks that the honourable member for Murrumba accept his denial.

Mr. FRAWLEY: What was it he denied?

The CHAIRMAN: Order! The honourable gentleman will oblige the Committee by accepting the denial.

Mr. FRAWLEY: Whatever it was, I withdraw, but in all sincerity I must say that I accompanied the member for Bundaberg to the trots one night and he backed all the losers and I backed a 10 to 1 winner in the last race and got all my money back. He was with me. I saw him lose money.

The CHAIRMAN: Order! The honourable member will come back to the Bill.

Mr. JENSEN: I rise to a point of order. $5 is not a lot of money. I lost $5.

The CHAIRMAN: Order! I call the member for Murrumba.

Mr. FRAWLEY: He never backed a winner at the dogs the night before, either.

I will not waste the time of the Committee —I have never done that since I have been here. I have said what I wanted to say. The Minister has done the right thing, and so has the Treasurer. They are to be commended. They have done this in the face of great opposition. Labor members have got up here and, even though they pretended that they agreed with this, attempted to cast doubts on the Minister and the Treasurer. I commend them for their actions in introducing this Bill.

Mr. HOUSTON (Bulimba) (8.48 p.m.): This legislation, I am sure, will be welcomed by all people associated with the building societies, whether they be investors—depositors, shall we say—or borrowers. However, I do not say that they will be completely satisfied with it. They will be satisfied under the circumstances as they presently exist, because at least it should bring some stability for those who want to deposit and invest and for those who have borrowed money.

The history of building societies in Queensland goes back a very long time. The first building society Bill in this State was introduced in 1886. However, it did not really become a major contributor for the building of homes in Queensland until after an amendment to the Act by the present Government in, I think it was, 1958 or 1959. I well remember the debate on that occasion, when there became evident a complete change of State Government policy. Honourable members may recall that in those days we had the Menzies Liberal Government in the Federal field. Up until that time home-building was carried out in Queensland—prior to the war—by the Housing Commission under various names. After the war the Housing Commission was still to the fore, but then the Federal Government came in to a greater extent, and home-building in Queensland was done mainly through Government sources or the banks.

In both cases certain financial arrangements were made. Basically both the Housing Commission and the banks—but particularly the Housing Commission—gave a fixed rate of interest, which in those days was about 1¼ per cent or 2 per cent. There were other fringe benefits, one of which was that anyone on normal wages who built through the Housing Commission was granted free life insurance so that the family had security. This was great and everyone accepted it. I imagine that many people in my age-group took advantage of that scheme to build their first home. Our parents built under the old Workers' Dwelling scheme which was again a very good scheme which assisted many people on ordinary incomes—I refer to people like tradesmen—to build their homes.

In 1958 the Bill changed the emphasis. I can well remember Government members arguing that it would provide many more houses. They said that very little extra interest would have to be paid. The record shows that from that time the Federal and State Government contribution towards home-building in this State virtually dropped right away compared with the increase in population and the demand for homes. The State Government, through the Queensland Housing Commission, is building pathetically few homes for our people.

Mr. Lee: Because of the Whitlam Government.

Mr. HOUSTON: The Minister is saying that prior to 1972 the Government was building tens of thousands of homes. What a lot of nonsense! The Government's performance prior to 1972 was nothing to be proud of at all. It was relying on the building societies to build the homes. That was Government policy and that is what the Government did. And it was getting away with it because at that time the interest rates charged by the Housing Commission and the building societies did not differ greatly, and there was no great public outcry.

At that time, if people contracted through building societies for a loan at 5½, 6, or even 7 per cent, the repayments remained the same year after year and they could plan their lives knowing full well that there was a fair amount of consistency in their outgoings.

Over later years the situation has changed. Again I can remember saying in debate that, while we had stability in our economy, the building society industry was working all right. But the idea of having to buy money at high interest rates in competition with other financial institutions made the whole thing unstable.

Government members can say what they like about the honourable member for Archerfield but he warned the Government years ago, and months ago, about the problems in the building societies. In answer to the questions asked of him, the Minister brushed the matter aside. Naturally the honourable member came back with more and more evidence. It has been proven that the societies had financial problems. This brought about the uncertainty.

The big thing that brought about the final crunch was Treasurer Lynch's bond escapade. I think every person who knows anything about finance says that this was a silly mov . He said that he was coming out with some kind of package deal. I do not want to rehash all that has been said on this matter but the Federal Government did pull money out of the building societies. It might not have intended to do so but it was badly advised. Naturally, the people want to get as good a deal as they can, particularly those who have money on retirement, such as superannuation. They took their money out of the building societies

and put it into the Lynch bonds. Very quickly the Federal Government had to make a change.

Originally two companies were in trouble and the Government decided to have a further look and found another five. We heard tonight that another one was in financial trouble. This process did make many people jumpy about the security of their money. And why wouldn't they be? Anybody who had his money invested would want to protect it. I do not question the wisdom of the Government in finally saying that it would hold things and see what happened. But the Government panicked. It should have allowed small amounts of money to be withdrawn at that stage. In about one week's time it will allow $500 to be withdrawn. I have no fight with that, but it would have made a great difference to many people if $100 a week had been allowed to be withdrawn over the last two or three weeks.

Mr. Lee: There is an Act to follow and we cannot breach Acts.

Mr. HOUSTON: The Government can do many things. This Parliament has been called together in special sessions to do things of far less importance than what I have suggested. I recall a special session of Parliament to pass a Bill to tell the Senate that it could not do something or other. The Minister should not be ridiculous in saying what a Government can do. The Government can do, and should have done, what I have suggested. That would have saved a lot of worry for many people.

The action that the Government has now taken will, I hope and trust, stabilise the situation in the future. As other members have said, let us get away from the idea that building societies are in effect banks. In fact, the more building societies act as banks the more vulnerable they become to financial trouble. There is no way an organisation can remain sound if it takes money on deposit and is required to pay out large sums at short notice. That simply cannot be done, irrespective of any rules and regulations that may be framed. If a run on funds is large, it will bring financial problems. We have to encourage people to put their money into building societies where the rate of interest is good, but they must not expect to have it returned in large sums overnight.

I think that one of the reasons for the problems that have been encountered is that more provision has not been made for investment by way of debentures in building societies. I think that investment in debentures should be strongly encouraged. At a time when interest rates are falling and people are looking for investment opportunities, if it is possible to tell borrowers that there will be no increase in interest rates over the period of repayment of the loan that will provide better security for them. The rate of 11.75 per cent now being charged is very different from the Housing Commission rate of, from memory, 5.5 per cent.

Mr. Lee: 7.5 per cent.

Mr. HOUSTON: That is right. There are, however, many other advantages, such as insurance, in obtaining a house through the Housing Commission. I cannot understand why anyone who wants a reasonably good house, without going to the absolute extreme, and who has the necessary finance to obtain a home through a building society, does not obtain it through the Housing Commission. I believe that anyone in that position would be far better off obtaining a home through the Housing Commission.

Mr. Alison: There are restrictions.

Mr. HOUSTON: But they could be changed. They are matters of Government decision. We are talking now about principles. The important thing is to give people homes without requiring them to pay interest at rates that virtually kill them.

Mr. Alison: I wish you had said that to Whitlam last year.

Mr. HOUSTON: It is a lot of nonsense to suggest that all of these things happened only over the last three years. On the second reading of the Bill the Opposition will produce some facts and figures to prove what I am saying. The point is that for years people have been encouraged to acquire houses other than through the Housing Commission. I would like to see a rush of demand on the Housing Commission to let the Government know that there are people who want to obtain houses in this way. There is a tremendous difference between obtaining a house through the Housing Commission and obtaining one through a building society.

Let us now consider what is to happen in the future with the eight building societies referred to. The Treasurer said that within 24 hours he expects to hear something about them. What worries me about this type of legislation is that the cost of these measures has to be borne by the poor fellow who borrows the money. We say to him, "Your interest rate is to increase by 0.25 per cent so that we can start a Contingency Fund for the protection of those who lent the money by means of which you obtained your house." The borrower is not being protected. The one who is being protected is the person who made his money available for others to obtain houses.

In principle, I suppose it is not a bad idea to protect those who make finance available. But what about the borrower who is caught in this situation because of the mismanagement, wrong management, or whatever it was, of these societies? According to the Government eight societies require some assistance. It need not have been mismanagement which brought this situation about. It could have been many factors. Then we are

saying to the borrower, "You have to pay more to set up the security for the future." Of course, again the borrower is being hit. It is all very well to say that the borrower will get an extension of time, but an extension of time will put people in an age-group where they should not still have to worry about paying off their own homes; they should be at the stage of their lives where they are looking for other comforts.

If the other companies move to take over the suspended societies, they will have to get the money from somewhere to stand as guarantors for the money that is going to be paid out. I think the Treasurer said it was $50,000,000 or $58,000,000. I suggest to the Treasurer that if they do come up within 24 hours and say, "We are taking them over.", he should have a very good look to see where they are getting the money from to provide the guarantees that will be required. I think that is an essential feature——

Mr. Alison: They might be getting it from Iraq.

Mr. HOUSTON: That is another debate, because some people go direct to Iraq and other people go to a Swiss bank containing deposits from Iraq, so whichever way we look at it, it is still the same money. Liberal Party members want money, but they say, "Please don't tell me where it comes from. I don't want to know where it comes from; all I want to do is to get it." One of the interesting questions I would like to ask in the Federal Parliament is, "If our campaign cost us $250,000, yours would have cost twice as much as that. Where did your money come from?"

Mr. Alison: From our supporters.

Mr. HOUSTON: The Liberal Party hasn't got many supporters. Have a look at the council elections. The Liberal Party vote dropped from about 40 per cent——

Government Members interjected.

The CHAIRMAN: Order!

Mr. HOUSTON: I do not want to be side-tracked. I think I have made my point to the Treasurer. I am concerned about what will happen if the S.G.I.O. comes into the matter. If the S.G.I.O. becomes a principal or a major partner—and the Treasurer has not said anything—how exactly is it going to operate?

Sir Gordon Chalk: It will be separate from the S.G.I.O. in operation.

Mr. HOUSTON: Yes, it will still be separate, so I take it that any funds which come into the building societies will not be Government guaranteed.

Sir Gordon Chalk: They will be secured by the mortgages that we would take over.

Mr. HOUSTON: That brings up a very ticklish point for me as an investor as to what security an investor with the S.G.I.O. has, that is, the person who takes out an insurance policy with the S.G.I.O.? How secure is his investment? We know that the S.G.I.O. has made some poor decisions on investments. We saw that the other day with the collapse of Alfred Grant. If they are run properly, the building societies are paying taxation. If the S.G.I.O. takes over, will it pay tax to the Federal Government or will receipts come into Consolidated Revenue?

Sir Gordon Chalk: We will be trading the same as any other building society.

Mr. HOUSTON: It is said that the S.G.I.O. trades in the same way as any other insurance company—and in reality it does——

Sir Gordon Chalk: They pay tax to the State at the same rate as they pay to the Commonwealth.

Mr. HOUSTON: I quite agree. The Treasurer is dead right. The point is, if the S.G.I.O. takes over the building societies, will the same arrangement apply? Will it pay the same rate of tax to the State as it would to the Commonwealth? If this is to be the case, in my view that would be an added reason why I would support the entry of the S.G.I.O. provided, as I said earlier, that the Treasurer gives an assurance that the equity of those associated with the S.G.I.O. in the insurance field is guaranteed.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (9.5 p.m.), in reply: I thank all honourable members who have contributed to the debate and I shall deal with their contributions more or less in the order in which they spoke.

First, I thank the Treasurer for explaining the financial side of the Bill to the Committee, and I also thank him, the Under Treasurer, and Mr. Bob McDowall, the draftsman, for burning the midnight oil.

As the Treasurer said, this is not an S.G.I.O. take-over. Like him, I should like to see societies take over the building societies involved here and keep the matter within the industry. No doubt the Treasurer will keep his promise to appoint six additional inspectors to the Office of the Registrar of Building Societies in the near future.

One of the matters not mentioned by Opposition members—perhaps they conveniently forgot to mention it—was that the Treasurer had made arrangements with the Commonwealth Bank to put $20,000,000 into housing. It is a pity that honourable members opposite do not give a little credit where it is due.

Mr. Wright: Is it going to be on the same basis? Will one-third deposit be required? That is not going to help.

Mr. LEE: At the moment, no finality has been reached; but the Treasurer is at least on the right track in asking the Commonwealth Bank for the money.

I should like to deal now with the comments of the honourable member for Archerfield. As usual, I do not agree with what he said. He does not always seem to have the facts, and that is one of his main problems.

He spoke about the charter of the trade union bank. I do not want to begin pointing the finger, but I could point it up towards the hill. The honourable member was very quick to criticise the Queensland Permanent Building Society, but he could well look up towards the top of the hill. I say to him that the Queensland Permanent Building Society has played a very important part in the negotiations designed to try to hold the industry together, and I think it is a damn poor show for the honourable member, under the protection of parliamentary privilege, to abuse and accuse every director of that society. He called them criminals and con men, and that was a disgusting thing to do under privilege. I say again that it is a pity he did not point the finger at the top of the hill.

I noted that the honourable member said he hoped that something would be done about false and misleading statements. It is a pity that he did not stop making false and misleading statements himself. Under the new section in the Bill, he could well be fined $5,000 or imprisoned for two years. It would be a pity if that did not happen to the honourable member because the false statements that he made certainly did not do justice to Queensland building societies.

The honourable member for Archerfield also said that he hoped assets would not be revalued and slipped across into profits.

Mr. K. J. Hooper: With respect, you have got bats in the belfry.

The CHAIRMAN: Order!

Mr. LEE: I say to the honourable member that that cannot happen under the provisions of the Bill. The amount can only be put into the reserve account if an actual sale is made. Therefore, a situation will not arise in which profits are manipulated instead of being put into a trust account.

The honourable member for Ashgrove demonstrated a complete understanding of the Australian financial situation. He gave a very good reason for the increase in the interest rates. It was a pleasure to hear somebody debate the Bill with such credibility. He was rightly concerned that societies providing a particularly good service for Queensland home owners were viable until Opposition members started to attack them. I thank the honourable member for his contribution.

I turn now to the Leader of the Opposition. I have explained that the Queensland legislation will be the best in Australia. The honourable gentleman had better accept that, because it is true. People will be coming up from the South to invest in Queensland building societies.

The advertising has been explained. We have pointed out how the Whitlam Government started the increase in interest rates. The honourable gentleman cannot deny that. Queensland is the only State that has control at both ends. He cannot say that we have lifted the lid off the top and let interest rates go. He was quick to attack us about the half per cent at the bottom end. We could be like some other States where rates are from 12 to 13 per cent, even as high as 14 per cent on some special loans. Does he want that sort of thing? He spoke about 25 per cent and the $500 withdrawals. That does not apply to societies other than those under suspension. People might think that that applies to all societies. I make it very clear that it applies only to societies presently under suspension. In all the other societies it will be trading as usual.

The Leader of the Opposition spoke about the change of rules. I think he said that the meeting was held at 10 a.m. on a Tuesday when nobody could attend. First of all I point out that there is a requirement of 21 days' notice. Every member has an opportunity to give a proxy. A person does not have to leave work to attend. No rule can be changed without the approval of the registrar. There is a double protection. The registrar has refused to change many rules. Quite seriously I believe that the rules afford reasonable protection. If they do not provide the necessary protection, I am sure the Bill takes care of the matter.

Had the honourable member for Maryborough not spoken, I could have spent another 10 minutes dealing with the contribution of the honourable member for Archerfield. He dealt with him very nicely and right to the point.

Mr. Alison: I will do it again.

Mr. LEE: No doubt he will do it again, and just as well. He indicated how low the honourable member for Archerfield would stoop to get publicity. We were very quick to notice how when he was asking questions Jack Egerton suddenly appeared on TV. We have never seen anyone pull up as quickly as the honourable member for Archerfield. He ceased forthwith.

The honourable member for Maryborough placed the blame on the Whitlam Government. That is where inflation started, and no-one can deny it. The honourable member wants to put confidence back into the industry for the benefit of all Queenslanders. If that is not a sensible and a reasonable statement, I don't know what is.

The honourable member for Townsville South paid credit to the Treasurer and myself for burning midnight oil. I thank him for that. I can assure him we certainly did burn

the midnight oil. Like the honourable member for Maryborough, he highlighted the fact that the Trades Hall dictates to A.L.P. members. He pulled the honourable member for Archerfield into gear almost with one word. The honourable member for Archerfield ceased forthwith because suddenly out of the blue he found out that one of his little kindred societies, the Trade Union Building Society, was in trouble. Up to that point neither he nor the directors had any idea of the trouble it was in. As the old saying goes, people who live in glass houses should not throw stones.

The honourable member for Townsville South referred to the Bowkett system. He should be pleased to know that we have put these three societies into one basket, where they will be under an administrator. We will work it out over the 10 years or so. He said that too many societies were able to start up in business, and he referred to the "smart boys". Let me quote from the Bill.

Mr. Houston: Which clause?

Mr. LEE: This isn't in a clause. This is a substantial part of the Bill. Evidently the honourable member did not listen. The amount required to establish a building society is increased from $500,000 to $2,000,000. That requires a fair effort on the part of anyone who wants to start up a building society. Of the $2,000,000 the sum of $500,000 cannot be redrawn or repaid in 10 years. Not less than $500,000 of the $2,000,000 has to be lodged by a prescribed corporation prepared to underwrite the society. That is making it a lot harder for new societies to be established. I am sure that even the Opposition will agree that that is so.

The honourable member for Brisbane said that building societies were Government-guaranteed. I want to make it very clear that that is not so. They will be guaranteed through the Contingency Fund. Other than that slip of the tongue, the member's contribution was a very fine one indeed.

The honourable member for Rockhampton supports most of the amendments and paid credit where it was due. I assure him that the registrar is capable of looking after the implementation of these amendments. He is a most capable person, and he will have six additional inspectors. I am sure the honourable member will be pleased by the amendments.

The honourable member for Kurilpa, my very good neighbour, made a fine contribution. I agree with him that it is one of the most important Bills that have been before the Parliament in this session.

Opposition Members interjected.

Mr. LEE: Honourable members opposite want to knock it—all except the honourable member for Rockhampton; he did not, and I give credit where it is due.

The honourable member for Kurilpa was concerned about home owners and the building industry, as we all should be. As Minister for Housing, I am very concerned about the building industry and home owners. What the Whitlam Government did to home-ownership was nobody's business. In fact, in the Whitlam era home-ownership was just a dirty word. They wanted nobody owning a home. They did not mind if people rented accommodation; but the moment anyone said, "Let them own it.", they had visions of everybody being little capitalists. "Home-ownership" became the four-letter word in the A.L.P. language. The speech by the honourable member for Kurilpa made the contribution of the A.L.P. look very poor. He shot them to pieces on every point. I am very pleased and thankful that I have him as a neighbour representing an adjoining electorate.

Mr. K. J. Hooper: Somebody had to prop you up apart from the Treasurer.

Mr. LEE: I will not give the honourable member for Archerfield the same compliment of being my neighbour, but I will go this far: he does not cross from one area to another.

The honourable member for Bundaberg said that we have reduced the amount to 90 per cent for home loans. As usual, he could not follow what has been said.

Mr. Alison: I'll explain it to you later, Lou.

Mr. LEE: No. I might give it to him now, so that he will have a better night. One hundred per cent of all moneys lent by building societies must be directly or indirectly for residential purposes. Has he understood that much?

Mr. Jensen: That's correct.

Mr. LEE: I will go a little further. The 90 per cent in the Bill is for direct home loans to individuals—loans below $50,000—and not to companies for large-scale speculative developments. I suggest that tomorrow morning the honourable member gets a pull of this speech and goes back to his room and reads it quietly in an endeavour to get it into his thick skull.

I thank the honourable member for Murrumba and the honourable member for Bulimba for their contributions. I did not take any notes of their speeches, although I listened to them carefully. I did not want to keep the Committee late.

Mr. Houston: You nodded your head. That's all right.

Mr. LEE: I believe a lot of tedious repetition was starting to creep into the debate. However, one thing I want to say clearly tonight so that I might put the record straight relates to a person named Sinclair. Mr. Sinclair, who is a director of Tasman, has been misleading everybody about this

matter. It has come to my notice tonight that on television news reports he has claimed that the suspension of the Tasman Permanent Building Society and Bowkett was not necessary. The audit report which he referred to includes as one of its conclusions the following sentence dealing with the suspension of the society—

> "We are of the opinion that the action taken by the Honourable the Treasurer in invoking section 26C of the Act on 17 March 1976 was proper and prudent and in the interests of the society and its members generally."

That ought to shut Mr. Sinclair up once and for all. If he keeps going he will finish up being fined $5,000 and/or sentenced to gaol for two years. Possibly he deserves it if he keeps on making misleading and false statements as he has done.

It may be worthy of note to honourable members that Mr. Sinclair, who was also a director of the Australian Permanent Building Society and Bowkett now in liquidation, stated to two deputy registrars from the Office of the Corporate Affairs Commissioner that the society also had no financial difficulties and was a viable organisation. That is his statement. Just over 24 hours later that society had to be placed in liquidation. That is the type of man that he is, yet he will get up on A.B.C. news or on any other channel and make these statements. The honourable member for Mt. Isa has a most damaging letter which he will probably raise during question time tomorrow. It has been sent up from Mr. Sinclair. The action taken in the case of Tasman was well considered and justified despite Mr. Sinclair's comments, and the auditors' report obviously recognises that fact.

I feel that I have covered the speeches of all honourable members fairly.

Motion (Mr. Lee) agreed to.

Resolution reported.

FIRST READING

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

PORT OF BRISBANE AUTHORITY BILL

INITIATION IN COMMITTEE

(Mr. Row, Hinchinbrook, in the chair)

Hon. R. E. CAMM (Whitsunday—Minister for Mines and Energy) (9.29 p.m.): I move—

> "That a Bill be introduced to provide for the constitution of a Port of Brisbane Authority and its powers and functions; to provide for vesting in the authority of assets and assumption by the authority of liabilities and obligations, the establishment of a Compensation Reference Tribunal and for related purposes."

It is my intention simply to introduce this Bill this evening and to give a very comprehensive introductory speech so that it can be recorded and later studied by members. I intend to move to have the Bill printed and to let it lie on the table until the next session of this Parliament. This will enable honourable members to study my introductory speech, which will outline the purposes of the Bill. They will also have an opportunity to study the Bill itself. Consequently the Bill will have to be introduced again in the next session.

The rapid advances made in cargo-handling technology and ship construction during the last decade has required port authorities throughout the world to examine closely the capacity of their ports and facilities, their management techniques and their commercial role. The advent of large bulk carriers and fast container ships is the crux of this need for reappraisal.

Being a river port with limited channel widths and utilising tides for navigation of ships, and therefore subject to physical constraint, Brisbane had a greater need than most ports to undertake an objective study of its future role in world trade. Consequently, in 1972 my Government decided that the Department of Harbours and Marine should critically and objectively review the situation in Brisbane, with particular reference to future trade throughout the port, the capacity of existing wharves and equipment to handle this trade, the types of ships trading with Australia, the cost of new facilities at alternative locations, the effects of any new port operations on the environment and the adequacy of the existing commercial management of the port.

The resulting strategic plan for the port of Brisbane was completed in February 1974. In order to obtain a fuller appreciation of the impact of the conclusions arrived at in the report, Cabinet appointed an interdepartmental committee of heads of departments to review this report and to consult with all private interests in the port. The interdepartmental committee made available some 50 copies of the strategic plan to organisations interested in the operations of the port and received or heard the comments and criticisms of their study group on the plan.

The committee reported back to Cabinet early in 1975 their view that the conclusions and recommendations contained in the strategic plan could be accepted as a reasonable basis for future action. In addition, the committee recommended that consultants be engaged to prepare a master plan for future development of the whole port; and that legislation be introduced to constitute a commercially orientated port authority to be responsible for the implementation of the recommendations of the master plan and for the future management of the port. These recommendations were accepted by Cabinet.

The strategic plan prepared by my department was tabled in this House in February 1975. Those members who have studied it will know that the strategic plan amongst other things proposed the setting up of a port authority for Brisbane more or less on the same lines as set down in this Bill. As I mentioned, some 50 copies of the strategic plan were made available to organisations interested in the operations of the port and whilst the plan drew criticism from some organisations, I can say that there has been not one objection to the proposal to set up a Brisbane port authority.

In this context I feel it appropriate to quote from a letter recently received by my colleague the Minister for Tourism and Marine Services (Honourable T. G. Newbery) from a leading wharf operator in the port. It reads—

"We would like to reiterate to you that the wharfowners in Brisbane do not object to the concept of a port authority for Brisbane, rather is it that they would wish to actively participate in such an authority to ensure that the good relations that have existed over 100 years between private enterprise wharfowners and the Government continues into the new era.

"We would submit to you that the authority should compose all the best expertise available with the hard core of the authority comprising officers of the Government in the Department of Harbours and Marine, together with senior persons from the wharfowners of Brisbane.

"The combination of the expertise offered by these two basic groups, supplemented by those who have not been actively involved in the port to date, such as a trade union representative, and a representative of exporters and/or importers, that is, the Wheat Board, the fertilizer industry or manufacturing industry could well be an ideal combination.

"The net result of such an authority commission must surely be to then have the best technical expertise available coupled with sound commercial knowledge.

"We believe that, particularly in the formative years of the authority, it will be of prime importance that guidelines be established for a commercially viable activity at Fisherman Islands and it is for this reason that we stress, what is in our opinion, the great need for the commercial acumen, available from private enterprise representatives, to be freely available on the port authority commission.

"We fear that if a strongly commercial oriented body is not established then it could be found that the new wharf facility at the mouth of the river could develop as an expensive entity and therefore a financial encumbrance on the Government.

"We further suggest that the chairman of the authority should be a direct Government appointment and not by election from amongst the proposed commissioners of the authority.

"We would respectfully suggest that the competence and all round commercial knowledge of the chairman would be vital to the success of the authority, and the suggested method of appointment would ensure that free enterprise policies promulgated by the Government would be fostered by the commission.

"I would assure you that on behalf of all wharfowners in Brisbane that we will give every support to the port authority on the basis that the precepts of private enterprise and port efficiency are protected in the authority concept."

The master plan study has been completed and the consultant's report has recently been received. I should mention that the consultants conferred with 155 interested organisations or persons during their study.

It is my intention in the near future to submit the report to Cabinet for its consideration, and it would be my wish that it will be referred to the Brisbane Port Authority, the establishment of which is the prime purpose of this Bill, for consideration by it and as and where necessary implementation subject to procedures set down in this Bill and the Harbours Act, which procedures include the approval at Government or ministerial level of capital works financed by Government-guaranteed loans, leases by the authority of harbour land and the leasing or licensing of its wharves, cranes, equipment and the like.

I think it may be helpful to the Committee if I were to quote some of the principal conclusions of the consultants following their 12-month study in so far as they relate to the purpose of this Bill. They are—

"The Port of Brisbane must expand its facilities to meet increasing trade; total tonnage handled (including bulk commodities) is expected to treble by 1990.

"After careful evaluation of the potential for improving the scattered existing facilities, it is concluded that the expansion of the port could best be achieved by constructing entirely new installations at Fisherman Islands.

"The increased trade through the port will create fewer environmental problems if development takes place at Fisherman Islands than if the additional traffic is handled by development of the existing port area, or elsewhere on the north bank of the river.

"If Brisbane is not to stagnate it must be but a matter of time before it also will have to undertake developments at the river mouth, whether or not investment has already been made upstream.

"Nearly every river port in the world which aims to keep abreast of the changing demands of trade patterns has moved or is moving to deeper water downriver.

"For this expansion to take place efficiently, making the best use of resources, it is essential that a port authority should be established without delay.

"The authority must have wide powers to control development, manage operations and market the port's new facilities.

"The earliest possible start should be made, with construction initially of one berth to accommodate cellular container ships and ro-ro vessels."

Honourable members will note that the consultants have firmly advised the setting up of a port authority as a prerequisite to embarking upon a major redevelopment of the Port of Brisbane. They have advised the earliest possible start on new development and the establishment of a port authority, without delay. I should point out that not only is it highly desirable that the port authority be formed now so that it may properly supervise the urgently needed development at Fisherman Islands but, in so far as this Bill seeks the approval of Parliament to the partial closure of the Boat Passage so as to provide road and rail access to the new port site none of the urgently needed development can commence until this Bill becomes law.

Members can be assured that environmental issues have received full consideration initially in the strategic plan for the Port of Brisbane to the extent of the study involved and later in much more detail in the master plan by expert consultants in this field.

The favourable conclusions reached on the environmental impact study of the establishment of new port facilities on the Fisherman Islands are gratifying to me and will ensure that the peaceful living of residents in the vicinity of the port will be preserved. In co-operation with the Main Roads Department and the Brisbane City Council, future planning of access corridors will take cognisance of this important issue.

A further instance of good environmental planning to which I will refer later is the proposed crossing of the Boat Passage incorporating a bridge to allow continued usage by most of the small boat owners enjoying the recreational grounds of Moreton Bay.

It is with the last recommendation of the interdepartmental committee—the constitution of a port authority for Brisbane—that I now wish to deal.

The primary purpose of this Bill is to establish a public corporation outside the regular framework of Government and the Public Service, in order that it may bring the best techniques of private management to the operation of a self-supporting public enterprise of extreme importance to the productivity of the region it serves. I believe it would be counter-productive for this legislation to enunciate policies the authority must follow, and the Bill makes no attempt to do this.

The authority will be a responsible body with an awareness of the Government's concern with the success of its policies and of the need that Government be involved before undertaking the large investment necessary for the future of the port and for the benefit of the large community it serves.

The Bill allows the port authority to appoint committees not only from among its members but from the community at large, to receive objective and expert advice on matters of importance. Such committees will, I expect, deal with, among other matters, future planning, industrial policies, environmental considerations and the promotion of trade.

Of particular interest—and I will refer to this later in more detail—is the fact that the Bill provides for the constitution, when necessary, of a Compensation Reference Tribunal appointed by the Governor in Council to adjudicate on any claim against the port authority for loss or damage by reason of the port authority ceasing to keep any part of the Brisbane River port dredged to a particular depth. This tribunal, constituted by a District Court judge and assisted, if necessary, by one or more expert assessors, will hear and determine any claim that the port authority and the claimant have been unable to resolve by negotiation. This democratic process is being set up to make it clear that any legitimate claims that the present port operators may have against any decision of the port authority to reduce the depths of water in the port that may deny them their business opportunities may be dealt with expeditiously by a special tribunal set up for that purpose.

In order to assist the Committee in an appreciation of the contents of the Bill, I would now like to deal with its more important provisions.

Firstly, I would like to point out that the Bill provides for powers and functions of the authority more or less in line with those provided under the Harbours Act for harbour boards in Queensland. The main difference is in the constitution of the authority. Harbour boards comprise representatives nominated by local government—usually seven or eight in number—with two Government nominees. This structure recognises that harbour boards serve definable districts made up of local authorities.

The Port of Brisbane handles trade from and to all parts of the state and northern New South Wales, and the local government district system is consequently not appropriate. It is therefore proposed that the Brisbane Port Authority be more commercially orientated, with all commissioners appointed by the Governor in Council. The composition is similar to, although not the same as, that prevailing at the ports of Melbourne and Fremantle.

The port authority will be bound by various provisions contained in the Harbours Act for the control and administration of harbour boards and, accordingly, the port authority will require the approval of the Minister administering the Harbours Act to the leasing of any of its harbour lands or the leasing or licensing for a period of more than one year of any of the authority's wharves, cranes, warehouses and the like. In the same manner, the approval of the Governor in Council will be required before the port authority may sell any of its land.

The powers of the Governor in Council under the Harbours Act to suspend or rescind any resolution, notice, direction, requirement or order of the harbour board or to prohibit the expenditure of any moneys from the harbour fund or any other fund upon any work which he deems unnecessary or unreasonable under the circumstances will also apply in respect of the port authority.

The port authority will be a corporate body fully geared to operate as effectively as any major and efficient private enterprise with a commercial style of management directed to improving the commerce of the State and the city of Brisbane in particular. It will be engaged in commercial activities needing adequate powers for dealing in land, entering into agreements, and managing the finances of a large commercial organisation.

The Bill provides that the authority shall be composed of seven commissioners comprising two ex officio members and five other members. The two ex officio members will be the Director, Department of Harbours and Marine, who would represent the Government, bringing to the authority a wide experience in maritime matters and an appreciation of Government policy and the general manager of the port authority.

In other ports throughout the world the policy adopted by private enterprise of appointing executive members has proved successful because of the executive's intimate knowledge of the affairs of the authority. The Bill provides that the general manager of the Port of Brisbane Division of the Department of Harbours and Marine shall be the first general manager of the authority. This commissioner will have a similar position as a managing director in private companies. The other members of the authority will be—

* Three persons, ordinarily resident in Queensland, being persons of ability, experience and integrity. No particular expertise has been specified in order to give the Minister the widest possible field in nominating the persons most suitable.

* One person nominated by the south-eastern district Local Government Association from the elected members of the Brisbane City Council and the contiguous local authorities, which are the councils of the cities of Ipswich and Redcliffe, and of the shires of Albert, Beaudesert, Esk, Moreton, Pine Rivers and Redland. Apart from members nominated by Government, all other harbour boards in Queensland comprise representatives of city, town and shire councils within the area of influence of the port.

* One person drawn from the field of organised labour in Brisbane. The promotion and establishment of good labour relations between management and employees is basic to profitability. The knowledge of the inherent difficulties in this delicate area is only acquired from direct personal experience. Such a person would contribute towards a better understanding by the port authority of union attitudes, and more importantly the role of the authority in its commercial operations would be better communicated to the work-force. This arrangement exists in Melbourne and Fremantle and is working well.

The procedure to be adopted in seeking nominations for membership of the authority requires the Minister to call for three nominations from each association of persons which in his opinion might properly be represented on the authority, from the district Local Government Association and from each association of persons that, in the Minister's opinion, represent organised labour within Brisbane. The Minister may also receive other nominations, and appointments to membership are then made by the Governor in Council on the recommendation of the Minister. All persons nominated to the Minister for such appointment are required to declare the extent of their business interest that stands to be benefited directly by the operations of the port. It should be noted that in the circumstances that the Minister is not satisfied with each of the nominees submitted on a particular panel of names, he may submit his own nominee. This selection mechanism for the commissioners can be regarded as democratic, while, at the same time, providing that the final selection from the various panels is made by the Governor in Council on the recommendation of the Minister.

The Bill provides that the chairman and deputy chairman shall be appointed from the commissioners by the Governor in Council. At the end of the term of appointment during which a commissioner attains the age of 70 years, the Bill provides that he shall retire from office unless the Governor in Council at his sole discretion decides he may continue.

The Governor in Council may remove from office a commissioner, other than a commissioner ex offico, if—

(a) he is made bankrupt;

(b) he becomes incapable of discharging his duties;

(c) he is incompetent or unfit to hold office; or

(d) he becomes a servant of the port authority.

The grounds for removal from office are normal and self-explanatory.

The Bill provides that the general manager or any other person who was an officer of the Public Service prior to the appointed day shall, on appointment to the port authority, cease to be such an officer, but whilst he remains in the employment of the port authority shall retain all entitlements of long service leave and superannuation benefits.

I shall point out later that officers of the Public Service may but will not be obliged to transfer to the employment of the port authority.

All commissioners, other than the general manager, shall be paid fees and allowances as approved by the Governor in Council from time to time. All commissioners shall be paid expenses incurred in the discharge of their duties as approved by the port authority.

The Bill gives to the port authority all the powers and authorities of a harbour board conferred by the Harbours Act as well as additional powers imposed by this Bill, including the power to form committees of persons not members of the authority to inquire into and advise on matters of concern to the authority.

Under the Harbours Act, all harbour boards in Queensland may establish and carry on the business of a stevedore.

Brisbane is the largest general-cargo port in Queensland and the third largest in Australia.

A very large investment in new port facilities, which would be beyond the capacity of any private operator in Brisbane, can be envisaged for the port authority, for which a reasonable return must be obtained. It is essential, therefore, that the authority by contract or by joining with the private company set the guide-lines for efficient operation in the best interests of the community and not necessarily in the interests of profitability in each port operation at all times.

The awareness that healthy competition is essential for productive operations and will encourage ship owners to make greater usage of the port and its facilities also demands, and the Bill so provides, that the port authority have power to engage either directly or indirectly in stevedoring, particularly in cases where, owing to the limited size of the operation, healthy competition is not possible, or in the initial stages of a new development, when profitability may be low. In this context, it should be remembered the port authority will have resources to cross-subsidise operations during the early stages of consolidating its position, which may not be available to purely private operators. It is also in this context essential that the port authority be established with strong commercial expertise upon whom reliance can be placed to make commercial policy decisions and management arrangements in the best interests of the port and its community.

Road and rail access to the Fisherman Islands can only be provided by a crossing of the Boat Passage. A full-length causeway is by far the least expensive form of construction.

Objections have been raised, mainly by the boating fraternity, to complete closure of the Boat Passage on the grounds that the passage is a haven and passage-way for small boats in bad weather. The Moreton Bay Trailer Boat Club, with 884 members, can be regarded as having a view which represents the attitude of all small-boat owners. This club has advised the Department of Harbours and Marine that a bridge opening with a 3 metre clearance above high water would satisfy the need for a haven and passage in bad weather. The Bill provides for the partial closure of the Boat Passage with this clearance dimension. Larger boats, launches and deep-keel yachts would not have trouble using the river entrance in bad weather, and could safely navigate along the channel seaward of the Fisherman Islands. I should point out that the causeway with a bridged opening with 3 metre clearance proposed is estimated to cost $4,125,000 compared with cost of a similar causeway with no navigable opening of $2,326,000.

The Bill gives to the port authority the power to employ its own staff. Until such time as the authority can make the necessary arrangements, it is essential it be given staff experienced in port authority matters. Such staff is available in the Department of Harbours and Marine, and it is proposed they may be assigned by the director of the department to perform these duties at the cost of the port authority. It is desirable that the port authority, when constituted, proceed to engage its own staff as early as possible. The assigned officers of the Department of Harbours and Marine will be given the opportunity of remaining within the Public Service and being transferred to other duties or of transferring to the staff of the port authority and retaining their accrued benefits.

The Bill provides that the port authority may delegate any of its powers, functions and duties, and the chairman will have similar powers of delegation to the general manager.

The financial provisions contained in the Bill, including the raising of loans, are virtually a repetition of the corresponding provisions contained in the Harbours Act applicable to all harbour boards in Queensland, but with some minor modifications.

As the port authority will be managing and controlling the Cairncross Dock, a Graving Dock Fund is to be established wherein the financial transactions of the dockyard will be recorded.

The provisions contained in the Bill dealing with the conduct of authority meetings are of the normal type and follow similar provisions contained in the Harbours Act in respect of meetings of a harbour board. As in the case of members of a harbour board, any commissioner of the port authority who has a pecuniary interest, direct or indirect, in any contract or matter being considered at a meeting of the authority must disclose the fact and shall not participate in any deliberations, and the port authority may, by resolution, exclude any such commissioner from the meeting where the matter is being discussed.

The Corporation of the Treasurer of Queensland is at present the statutory authority under the Harbours Act controlling the port of Brisbane and it is not intended to change the boundaries of the port upon the formation of the Port of Brisbane Authority.

The Bill contains provisions relating to the transfer of assets and liabilities presently belonging to the corporation in relation to the port of Brisbane, from the corporation to the port authority. However, the transfer of ownership of the dredger "Sir Thomas Hiley" may not be desirable in the interests of all Queensland ports. The dredger was purchased in 1971 from funds made available from the port of Brisbane account in the Harbour Dues Trust Fund at a cost of approximately $5,500,000. Allowing for inflation and depreciation, its present-day value is of the order of $8,000,000. Both these figures have been determined after allowance for Commonwealth shipbuilding subsidy.

The dredger was acquired to provide a maintenance dredging service to all Queensland ports, with usage in the port of Brisbane being estimated at six months per year.

Since delivery in March 1971, it has provided a service to the ports of Weipa, Cairns, Mourilyan, Townsville and Gladstone, as well as Brisbane. Because of this workload, it has been able to operate 24 hours per day, seven days a week, all through the year, except when undergoing refit at Cairncross Dock. Such a high utilisation has benefited all harbour boards by a comparatively lower cost than can be obtained by the use of contract dredgers.

Before any decision is taken on future ownership, the Bill provides that the port authority, the corporation and the Crown enter into negotiations concerning the ownership and future use of the dredger in order to ensure that the dredger will be available in the future to service northern ports as well as Brisbane. The Bill provides that the Governor in Council will determine the matter.

I will now refer to the provisions of the Bill dealing with the Port of Brisbane Compensation Reference Tribunal. With the ultimate construction of new port facilities on the Fisherman Islands, the port authority may well find it financially desirable to reduce dredging in the Brisbane River consistent with the demands for flood mitigation. Certain of the wharf owners in the Hamilton reach, in particular, are either tenants of the Crown or the corporation in respect to their land leases. If the port authority allowed the river channels up to the Hamilton reach to silt up or if dredging was reduced with consequent lesser channel depths, the port authority might be liable to pay compensation to such wharf owners, and the Bill provides the mechanism for determining any claims that may be made. A reference tribunal will, when required, be constituted by a District Court judge, either alone or with specially skilled assessors, to hear and determine any claim which has not been satisfactorily settled by prior negotiations.

The final provision contained in the Bill requires the port authority to report through the Minister to Parliament on its operations throughout each year.

Honourable members will note that the purpose of this Bill is to provide for the port of Brisbane the type of management that is generally accepted throughout the world—a management that is responsible to the Government and the community for the efficient operation and expansion of a port of such vital importance to the city of Brisbane and its hinterland and indeed the whole of Queensland and Northern New South Wales. To meet the needs of larger shipping expected to commence calling at Brisbane early in 1978, the earliest possible start should be made to construct suitable berthage at Fisherman Islands. This is the advice of the consultants' master plan. I believe it would be most inappropriate for the Government to make decisions concerning this development in advance of the formation of or without the advice of the port authority.

Furthermore I must repeat that until this Bill becomes law no work can commence on providing road access to the new port site and consequently no work can commence on the urgently needed berthage.

I commend the motion to the Committee.

Mr. BURNS (Lytton—Leader of the Opposition) (10.1 p.m.): The Opposition welcomes this Bill. We are pleased to agree to the suggestion that the Bill lie on the table and will be available to members of the public and to members of Parliament to review it from now until the August session of Parliament, when it will be reintroduced and debated. This Bill is very important not only to the people of Brisbane but also to people throughout the State because it will service the area north to Bundaberg, west to Charleville and Quilpie and south as far as Coffs Harbour.

Many thousands of people, not only the residents of the area concerned, are worried about the environmental impact of the port, the transport going to and from the port, the roads, the railway lines and the other development that will come. We stress the need for town-planning of harbour industries growing up near the port. This Bill also affects the people who work in the port, such as seamen, transport operators, waterside workers and businessmen. They must all be given an opportunity to study this Bill.

I hope that the standing over of the Bill will not delay the development of the port. It is of tremendous importance to the people of Queensland. We welcome it. We will study it. We hope to obtain sufficient copies to distribute it widely. Then we will debate it when it is reintroduced in the August session.

Hon. R. E. CAMM (Whitsunday—Minister for Mines and Energy) (10.3 p.m.), in reply: I thank the Leader of the Opposition for his acceptance of the Bill. I sincerely hope that the delay occasioned by leaving this Bill on the table so that people can study it will not result in any major hold-up in the constitution of the port authority and the major development work that must take place.

Motion (Mr. Camm) agreed to.

Resolution reported.

FIRST READING

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

COMMITTEE OF PRIVILEGES

Mr. AHERN (Landsborough) (10.5 p.m.): I move—

"(1) That this House do appoint a Select Committee of Privileges;

"(2) That the committee consist of Messrs. W. D. Hewitt, Houston, Porter, Powell, Warner and the Mover;

"(3) That four members be a quorum at any meeting of the Committee;

"(4) That the committee have and exercise such powers, duties and responsibilities as may, from time to time, generally or in any particular case, be determined by the House;

"(5) That, in the exercise of the aforesaid powers, duties and responsibilities, the Committee have authority and power to send for persons, papers, and records unless otherwise determined by the House in any particular case save however that a Minister of the Crown or an officer of the Public Service shall not be obliged to provide information, oral or written, which has been—

(a) certified by a Crown Law Officer to be information which, if it were sought in a court, would be a proper matter in respect of which to claim Crown privilege; or

(b) certified by the responsible Minister, with the approval of the Ministers of the Crown in Cabinet assembled, to be information such that its disclosure would be against the public interest;

"(6) That the committee have leave to sit during any adjournment of the House notwithstanding that such adjournment exceeds seven days;

"(7) That the committee may sit during the sitting of the House;

"(8) That the committee, so far as is practicable and as it may do, function in a manner similar to that of a Committee of Privilege of the British House of Commons for the time being unless otherwise determined by the House in any particular case;

"(9) That the committee, in addition to sitting from time to time on or in relation to matters of privilege, may meet from time to time to discuss privilege generally, including acts or omissions constituting instances of breach of privilege, whether in Queensland or elsewhere, and to inform itself with respect to privilege in such manner as it thinks fit; and, without limiting the generality of the foregoing, may invite from and discuss with such persons or bodies as it thinks fit, submissions and views on or in relation to matters of privilege;

"(10) That the foregoing provisions of this motion, so far as they may be inconsistent with the Standing Orders, have effect notwithstanding anything contained in the Standing Orders."

This is for me a most important and adventuresome day in the life of our Parliament when we raise our minds above normal day-to-day discussions to consider the time-honoured tradition of the privileges of the House—the privileges that relate to our parliamentary institution in Queensland in 1976.

This proposal arose out of discussions that took place many times in this Parliament and in meetings of the joint Government parties and it led to the Premier's asking the present Chairman of Committees (Mr. Hewitt) and me to go to the States of New South Wales and Victoria last year to discuss the operations of Subordinate Legislation and Privileges Committees in those places. This we did and we reported to the Premier's Department. This led to the establishment of a Committee of Subordinate Legislation.

Further to this, a working party was appointed to consider the matter of a Parliamentary Privileges Committee. A working party was appointed which was constituted by our distinguished Clerk (Mr. Cyril George), Mr. Hewitt, myself, Parliamentary Counsel (Mr. Jack O'Connor) and an officer from the Crown Law Department (Mr. Dinny

Galligan). This has resulted in the substance of the motion before the House this evening.

There are various opinions about the origin of parliamentary privilege. Without any doubt at all it seems that parliamentary privilege itself began in the history of mediaeval England when the unitary mediaeval Parliament was recognised as the High Court of Parliament, which might make and unmake laws and which alone might interpret that law and customs of its own which formed the basis of its privilege. However, when the House of Commons became recognised as a separate House there was great uncertainty as to what privileges it inherited from the unitary Parliament. At the end of the 14th Century the Commons recorded its protest that its members were not sharers in the judgments of Parliament, including legislation, but were only petitioners. This, of course, created a considerable amount of concern.

At about the same time there existed an ambivalent relationship between the Commons and the Royal Sergeants at Arms. These sergeants played at that time an important part in the administration of the nation. They drew their authority directly from the King. Their emblems of authority were their maces stamped with the Royal Arms. I am delighted that this wonderful old tradition will soon return to this place. These sergeants had power with their emblems of authority to arrest without warrant and, armed with this power, they "collected loans and taxes, impressed men and ships, served on local commissions and in all sorts of ways interfered with the course of local administration and justice." Any person or corporation which was fortunate enough to be assigned the services of a Royal Sergeant could protect its privileges and punish those who infringed them without recourse to the courts.

Until the early part of the 15th Century the Commons did not enjoy this facility. Indeed in the latter part of the 14th Century the Commons themselves protested on several occasions to the King about the arbitrary behaviour of the Royal Sergeants. But adopting what was perhaps an early example of political pragmatism the Commons sought for, and in the year 1415 themselves obtained, the services of a Royal Sergeant. In that year the King decreed that Nicholas Maudit should "during his life attend upon all his Parliaments . . . as Sergeant at Arms for the Commons coming thereto." That was the start of a great parliamentary tradition.

Now the Commons had the weapon which could enable them to develop their penal powers. History records that in these early days the situation developed to a point that, when the sheriffs of the King at the time decided to impound a member of Parliament, in an historic first use of parliamentary privilege the Commons exercised their power to release its member from internment. Since those very early days in medieaval England parliamentary privilege has developed considerably and there have been various stages in that development. Up until quite recently it was still unlawful to report the official proceedings of the House of Commons, although that law seemed to be broken every day.

In a contemporary sense, what our committee will have to consider is what constitutes parliamentary privilege in this Parliament today. As I see it, one of the first things we will have to do is to consider the terminology of matters of privilege generally. It seems that in a contemporary context we should be talking about the rights and immunities of members of Parliament, contempt of the House and the penal jurisdiction of the House—these are clear terms—and to ask ourselves which of these are appropriate to our situation today. Clearly there are many matters raised in this place and many other places on the pretext of privilege that have nothing to do with the question of privilege, and today we must consider what rights and immunities we should have, what contempts exist and what penal jurisdiction we should retain for this Parliament in this federation as part of the British Commonwealth. It seems that at the present time our privileges are set down in our statutes, in our Criminal Code, in our Constitution Act and in our Standing Orders.

There are those who say that we enjoy the privileges of the House of Commons, but clearly this is not true and this is one point which our committee will have to consider. It could well be that we should embrace a statute bringing upon ourselves the privileges of the United Kingdom Parliament. Also, in a sense, by virtue of the constitution of this committee, we will be providing machinery for dealing with matters referred to us by the House from time to time after a decision has been made that a prima facie case of breach of privilege actually exists.

The committee will report to Parliament, which may or may not respond to its recommendations. I want to say also that I hope that our committee will be slow and reluctant to recommend any harsh use of the penal powers of Parliament on matters referred to it. Indeed, a study of the literature would clearly indicate that this is something that we must not overuse. These rights and immunities must certainly exist, but we must be slow and reluctant to use any penal powers associated with these rights.

There are those who have said in the newspapers that this move was designed to build a shroud of secrecy around the reporting of the proceedings of Parliament. Can I say that to cloak any institution, worst of all the Parliament, in a shroud of secrecy would be the worst possible thing we could do, and any institution that chooses to do this desiccates within that shroud, and nothing is further from the truth in relation to the constitution of this committee or the thoughts initially behind its inception. In fact, I would hope that we would use the

experience that has been obtained elsewhere and that after such inquiries as are presently appropriate the newspapers and the media generally would find themselves in a much freer situation than that in which they find themselves now.

I intend to recommend to the committee that it ask the public, the media, interested parties, M.L.As, bush-lawyers, and so on, to make submissions and to appear to talk frankly about the difficult question of what might constitute parliamentary privilege in the Queensland Parliament today. I think it would be a very useful exercise to ask initially those who are interested and concerned about the matter—perhaps the Bar Association could also be invited to present submissions to the committee—to come and discuss with the individual members of the committee what ought, in a general context, to constitute the rights and immunities of members of Parliament. Members of the committee would then have had some general discussions with those with whom the committee could be having more detailed discussions of particular cases at a later date.

The motion is quite similar to motions that are appropriate in other Parliaments in the British Commonwealth, and a great deal of trouble has been taken with it. The only considerable difference is the general item under section 9 that gives to the committee a brief to look at the matter generally from time to time.

I want the committee first to consider the matter generally before any particular circumstances arise. I think it would be quite wrong for it to begin considering privilege generally only when a particular matter came before it. Before any particular matters come before them, members of the committee should have had an opportunity to sit down and talk about the matter generally and examine what they think are appropriate privileges to be enjoyed by the Parliament.

I am quite delighted to be the one moving this motion. It represents a great deal of effort by many people over a long period. I am sure it will enhance our institution and upgrade it in the eyes of the public, and it will also assist to clarify the law relating to privilege generally.

The task of the committee will be difficult, exacting and stimulating, but I must confess that I am looking forward to it very much.

Mr. W. D. HEWITT (Chatsworth) (10.18 p.m.): It is with a good deal of pleasure that I second the motion. The honourable member for Landsborough has referred already to the association that he and I have enjoyed in looking at matters of parliamentary reform. Last year it was our pleasure to travel to Sydney and Melbourne to look at the structure of subordinate legislation committees and also the workings of privileges committees, and it is with a great deal of satisfaction that he and I recognise the fact that a Subordinate Legislation Committee is now functioning in Queensland and that we are now formalising the formation of a Privileges Committee in this Parliament.

The Premier paid me the compliment of asking me to chair the working committee that made recommendations from which flowed the motion before the House tonight. But I also see that as very much a joint effort between the honourable member for Landsborough and myself. The honourable member has always been prominent in attitudes of parliamentary reform, and in associating myself with his motion I again compliment him on his personal effort in this very important field.

The honourable member has given the House the privilege of hearing some of the historical background to the evolution of parliamentary privilege, and it is not necessary for me to cover that ground again; but I would like to tell the House that the recognition of privilege remains one of the first functions of a new Speaker at the beginning of each new Parliament in the Commons. We are told by "May" that at the commencement of every Parliament it has been the custom for the Speaker—

> "In the name, and on behalf of the Commons, to lay claim by humble petition to their ancient and undoubted rights and privileges; particularly to freedom of speech in debate, freedom from arrest, freedom of access to Her Majesty whenever occasion shall require; and that the most favourable construction should be placed upon all their proceedings."

The Lord Chancellor replies by informing the Speaker that—

> "Her Majesty most readily confirms all the rights and privileges which have ever been granted to or conferred upon the Commons by Her Majesty or any of her royal predecessors."

"May" then goes on to tell us that in the time of Henry IV privilege was conferred upon the Speaker alone, and that it was an evolutionary process that allowed these privileges to be enjoyed also by the members of the House of Commons.

We therefore appoint a committee tonight to protect privilege that parliamentarians have now enjoyed for over 400 years. It is timely to look at those privileges and ask ourselves why we need to be clothed with them, and why there needs to be a watchdog committee to protect them. Undoubtedly the greatest privilege that we in this House and all Houses of Parliament enjoy is absolute freedom of speech. Honourable members will know that in this House we are totally immune from the laws of the land as far as slander is concerned.

Mr. Moore interjected.

Mr. W. D. HEWITT: For the benefit of the honourable member for Windsor I would say that that is one of our most cherished privileges, and no one would want to take it away. It is unfortunate that on occasions

that privilege is abused and because of that there are those who sometimes refer to Parliament as "Cowards' Castle". Because that privilege is sometimes abused and the freedom of expression taken too far, and because sometimes it is used wantonly, there are those who say that that privilege should be restricted; but it would be a sorry day if any such restriction were imposed upon the Parliament. The Parliament is the forum of free men elected by democratic process, and if there is anything that a member feels should be said for the good of the State and for the welfare of the people he should be able to make that statement totally in an uninhibited fashion. If on occasions that privilege is abused, that is to be regretted, but it in no way dilutes this great right we enjoy, and indeed which we must continue to enjoy.

There are great sensitivities in privilege. There are courtesies that are expected and demanded. I was interested to read a recent "Hansard" from the Senate wherein my very good friend Senator Bonner felt constrained to say some harsh words about the honourable member for Townsville South.

An Honourable Member: And the honourable member for Flinders.

Mr. W. D. HEWITT: And the honourable member for Flinders, yes.

The President of the Senate extended protection to the honourable member for Townsville South. The attitude in the Senate is that any member of Parliament in any House is entitled to certain courtesies and he should not be spoken about in harsh terms. I think that is a proper courtesy and one that maybe we ought to observe a little more.

The privilege of Parliament that is most brought under attack is the question of threat or coercion against members in the execution of their parliamentary responsibilities. While case histories on these matters are rather extensive, Parliament has on very few occasions found it necessary to flex its own muscles. I should imagine the last time it happened in Australia was the Fitzpatrick-Morgan case, when two men were brought before the Bar of the House in Canberra.

Nevertheless, it is important that members enjoy this protection in the execution of their parliamentary responsibilities. If in fact threat or intimidation is brought to bear against them in the expectation that they will vote in a certain fashion, they should enjoy the protection of the House and if necessary those who exert that intimidation or threat should be called to the Parliament to answer for their action.

My colleague the honourable member for Landsborough has made reference to one of our responsibilities—that of building up a case history. There is good sense in this. There is a good deal of uncertainty as to the exact parameters of privilege—how far it extends and how precisely it can be defined. In fact, all the authorities hesitate to enter into a precise definition of "privilege". They prefer to leave it substantially undefined.

Our embryo committee should not be faced with an exact situation before it has to pass judgment. It is far wiser for it to enter into some deliberations, to study some case histories and to talk to people who are interested in this subject, and in the process of doing all that to furnish our own minds with aspects and attitudes towards privilege. It is for that reason that that precise portion is inserted into the motion, and I should hope that every member would see the good sense in it.

This committee stands in clear contradistinction to the Subordinate Legislation Committee, which undoubtedly is the work-horse committee of this Parliament. We place a heavy responsibility upon it to vet all Orders in Council and regulations that are tabled in this Parliament, and we depend heavily upon its recommendations. All of us earnestly hope that this new committee will be called upon seldom to work; we hope it will not be overworked; indeed, we hope that it will never be called together in anger. If it is called together in anger, obviously that means privilege has been abused and some course of action has to be determined.

One should say that, while we set out to protect the privilege of members, they should understand that under some circumstances recourse can be enjoyed against those members who have abused privilege. I should hope that it would occur very seldom; nevertheless that would be one of the functions of the committee.

Tonight we take another significant step forward. In recent years this Parliament has supported a number of parliamentary reforms, and the Parliament is better because of them. I do not believe that any Parliament should function without having a Privilege Committee at its disposal.

Tonight we take a useful step forward, and in personal terms it is a great honour to be invited to be one of the initial members of the committee. I am sure I speak for all my colleagues when I say we will do our best to serve on this committee with distinction.

Mr. HOUSTON (Bulimba) (10.28 p.m.): Naturally I support this motion. I am pleased that my name was submitted to the Premier in response to a request from him to the parties to select a member for nomination. I realise that by passing this motion the House will accept the named persons as members of the committee. I also understand, of course, that the House is the master of its own resolutions and that at any time it can change a resolution or the personnel named in a resolution.

In supporting the principle inherent in this motion, I express disappointment at some of its aspects. At the outset might I say

I believe that the great thing about the British system, the Westminster system, is the right of members to say what they feel they should say, without fear of outside influence and without fear of having to appear in court—not that they will necessarily be convicted if they do appear in court. The right of a member to express himself fully on any matter that concerns the people of our State and our nation is a most important privilege. I believe it is the system that keeps our democracy to the fore among systems of government throughout the world.

My understanding of a parliamentary democracy is that there is a Government of the day and an Opposition. In our system the Government of the day is a party or combination of parties that wins the greatest number of seats in a general election—or, if by-elections are required, holds the majority of seats after any by-election.

Many matters affect the election of a Parliament, it is true—boundaries and the system of voting, to mention just two—but when democracy operates through Parliament it does so on the basic principle of Government and Opposition. Sometimes, as has been the case in this State since 1957, the Government is formed not by one political party alone, but by two parties working in coalition under an agreement made prior to an election. I have no fight with that principle at all. That is part and parcel of the principle of democracy.

In the operation of this Parliament, Queensland recognises three major political parties. While that is so, I will be disappointed with the constitution of this committee. Of the names given as its members, three are from the National Party, two from the Liberal Party and one from the Australian Labor Party. If this is in reality a Privileges Committee designed to look after the privileges of all members of Parliament, not just the privileges of members of the Government, I believe there should be two representatives from each party. That to me would be the most democratic way to handle the situation.

I believe that the ideal would be three members from the Government and three from the Opposition. Surely any rule of this Parliament affects the individual member, whether he be in Government or in Opposition. However, I accept that where there is a coalition of two parties that are different in some respects—and that is only to be understood—a representation of two from each party could be defended—that is, four from the Government and two from the Opposition.

I accept the motion, because I believe that getting the committee under way is the important thing—and we are supporting it only because we believe in the principle. I certainly do not believe in the way in which it has been presented to the House. The representation is lopsided. Consider the concept of it. Surely one of the things we are talking about is the privilege of all members of Parliament.

Another factor comes into it, unfortunately, that should have had a bearing when the Government decided to propose this motion. There is a tremendous difference between being in the House as a member of the Government and being in the House as a member of the Opposition. It may not be thought that there is much difference, but there is. This is no reflection on you, Mr. Speaker, or on the Chairman of Committees. A member of the Government in the performance of his duties on behalf of his constituents has a far greater opportunity to question Ministers, a far greater opportunity to converse with Ministers and a far greater opportunity to present a case on behalf of his constituents than has a member of the Opposition. Purely through the fact of being together in caucus or party meetings—call it what you like—friendships and natural understandings develop among Ministers and party members. That is quite a normal situation. Opposition members do get to know Ministers but they do not sit in the party room and at no stage are they a party to any decision-making.

Mr. Byrne: You could always join our party.

Mr. HOUSTON: I certainly do not want to go backwards. I am looking to the future and the Labor Party of the future will be sitting on that side of the Chamber. I would never agree, when we are on that side of the Chamber and the committee is reconstituted as I hope it will be reconstituted, to the committee being constituted as it is now proposed. I can remember the days when the then Country Party was a very weak and minor party in this Parliament. But we do not want to go back; we want to look forward. This is a step forward although I do not agree with the relationship between the two sides.

Mr. Katter: You are older than I thought.

Mr. HOUSTON: Sometimes grey hair deceives people. I notice the honourable member's greying hair but I know that it is dyed.

This is a very important Committee. I was very interested in the history outlined by the honourable member for Landsborough. I am sure that all honourable members thank him for the research that he carried out.

He mentioned that some sections of the news media referred to our cloaking ourselves in a shroud of secrecy. I am not sure of the exact words he used, but the suggestion was that we did not want parliamentary proceedings to be reported. I am sure that I speak for most members in expressing regret that more parliamentary speeches are not reported. One of the weaknesses in

our democracy is the lack of reporting of parliamentary proceedings. The news media could play a better and greater part in the functioning of Parliament.

How often do we find that after many hours of research, sometimes into the late hours of the night, a member makes a very important speech and later that day or on the following day his important speech is not reported but what is reported instead is some smart-alec statement, some abuse that was thrown in the heat of the moment or something that was said in a lighter vein.

Mr. Lester: They report all of your speeches.

Mr. HOUSTON: I know that the honourable member repeats my speeches in his area and tells people what great speeches I make. I have had the privilege of people referring it back to me.

The news media should report the sittings of Parliament and I hope that they do in the future because members of the public are entitled to know not only the contents of a Bill but the views of the Government members who support it and the views of the Opposition. I am not speaking now on party-political lines.

I am happy with the personnel who have been selected and will be quite happy to serve with them. Privilege should be above party politics. We should not have a committee that will operate on party-political lines. I do not think that the honourable member for Landsborough meant to imply that, but from the composition of the committee, that inference can be drawn. If that is the case, it will break down the first time it has to operate.

Mr. Wright interjected.

Mr. HOUSTON: It is nice to think that it takes five Government members to one Opposition member.

The quorum will be four. I hope that, unless some urgent matter has to be taken care of suddenly, a meeting will not be held without a representative of each party. I hope that the committee does not meet at a time when the point of view of the Opposition cannot be expressed. Members of the Liberal and Labor parties could not, of course, meet on their own because they would not form a quorum. However, I have no quarrel with four members constituting a quorum. I think the honourable member for Landsborough will agree that, although the Government members nominated are experienced politicians, they have had no experience in Opposition, whilst I have had no experience in Government.

Mr. Lindsay: I'll write you a letter about it.

Mr. HOUSTON: Sometimes I wonder which side the honourable member for Everton is on. However, that is a matter of choice for him. If it is found at a meeting of the committee that one political party is not represented, I think consideration should be given to not dealing with important matters of privilege. I make that comment now.

I trust that the committee will be able to do the job that Parliament wants it to do. I have expressed my views and I hope that the amendments that I have suggested can be brought about at some future time. I am prepared to have the committee constituted and to let the matter proceed from there.

Motion (Mr. Ahern) agreed to.

The House adjourned at 10.42 p.m.