

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 31 AUGUST 1976**

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## TUESDAY, 31 AUGUST 1976

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

### LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 2)

Assent reported by Mr. Speaker.

### PAPERS

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

Report of the Director, Department of Children's Services, for the year 1975-76.

The following papers were laid on the table:—

Proclamations under—

Chicken Meat Industry Committee Act 1976.

The Sugar Acquisition Act of 1915.

Sewerage, Water Supply and Gasfitting Acts Amendment Act 1974.

Orders in Council under—

Harbours Act 1955-1976.

Agricultural Chemicals Distribution Control Act 1966-1972.

The City of Brisbane Market Acts, 1960 to 1967.

The Commissions of Inquiry Acts, 1950 to 1954.

Meat Industry Act 1965-1973.

Milk Supply Act 1952-1972.

Regulation of Sugar Cane Prices Act 1962-1972.

Sugar Experiment Stations Act 1900-1973.

Wheat Pool Act 1920-1972.

City of Brisbane Act 1924-1974.

Grammar Schools Act 1975 and the Local Bodies' Loans Guarantee Act 1923-1975.

Regulations under—

Dairy Produce Act 1920-1974.

The Fruit Marketing Organisation Acts, 1923 to 1964.

Meat Industry Act 1965-1973.

Poultry Industry Act 1946-1975.

Primary Producers' Organisation and Marketing Act 1926-1973.

Regulation of Sugar Cane Prices Act 1962-1972.

Stock Act 1915-1976.

Wine Industry Act 1974.

Traffic Act 1949-1975.

State Transport Act 1960-1972.

Main Roads Act 1920-1975.

Local Government Act 1936-1976.

Clean Air Act 1963-1976.

Clean Waters Act 1971-1976.

By-laws under—

Harbours Act 1955-1976.

The City of Brisbane Market Acts, 1960 to 1967.

Nos. 1069 and 1070 under the Railways Act 1914-1972.

Rules under the City of Brisbane Act 1924-1974.

Ordinances under the City of Brisbane Act 1924-1974.

Report of the Financial Accounts of the Queensland Coal Board for the year 1975-76.

### MINISTERIAL STATEMENT

NAMING OF NEW PIONEER RIVER BRIDGE,  
MACKAY

**Hon. R. J. HINZE** (South Coast—Minister for Local Government and Main Roads) (11.7 a.m.): The honourable member for Mackay once again is astray with his facts in his comments in the Mackay "Daily Mercury" this morning on proposals to name the proposed new Pioneer River bridge at Mackay the Ron Camm Bridge. It's another example of the honourable member going off half-cocked, and he is fast consolidating his reputation as a stirrer—and a negative one at that—in this House. His memory on this particular issue certainly is short, and in any event he hasn't done his homework.

The honourable member refers to the proposed bridge being named the Rocleigh Bridge. He admits he can't recall any decisions being made by either the Mackay City Council or the Pioneer Shire Council in support of the proposed name Ron Camm Bridge, and he questions Mr. Camm's contribution to the Queensland road scene as one of the State's longest-serving Roads Ministers.

Well, as usual, the honourable member is way off beam on all counts. Firstly, there has been no decision to call the new bridge the Rocleigh Bridge, as the honourable member suggests, so the question of renaming it doesn't arise, as the honourable member also suggests. On the question of naming

the bridge the Ron Camm Bridge after my ministerial colleague and member for Whitsunday, the decision of both councils, supporting the idea, should be well known to the honourable member for Mackay. I'm sure there's no confusion or doubt over it in anyone else's mind.

As far back as January last year, the Mackay "Daily Mercury" featured a story headlined "May be Ron Camm Bridge", in which the Pioneer Shire Council's formal decision in favour of this name was reported. A similar decision subsequently was reached by the Mackay City Council on 28 January last year and reported on, and the council's letter to me, indicating its support, was received on 3 February 1975.

As to the honourable member's doubting Mr. Camm's entitlement to have this bridge named after him—well, I would think almost everyone, except the honourable member and his fellow knockers, would recognise and appreciate the magnificent job that the Minister did in his near-record term as Queensland's Main Roads Minister before I became Minister.

**Government Members:** Hear, hear!

**Mr. HINZE:** A few more "Hear, hears!"

I'm sure that the people of the Mackay region fully understand and appreciate the splendid job that the Minister has done both as member for the area and as a Minister over the years. The honourable member for Mackay is breaking his neck to get back into the A.L.P. You can bet your shirt that when the honourable member for Bundaberg is tossed out of the party he will not be crawling back. Queensland saw unprecedented road development and improvements during Mr. Camm's term of office and it's nothing less than petty political sour grapes on the part of the honourable member for Mackay to try to tarnish the Minister's magnificent reputation and record, for cheap electoral mileage. I am sure that most members would be appalled, as I am, at the honourable member's unwarranted and petty attempts to block fully justified recognition of Mr. Camm's record of service by naming this bridge after him.

I repeat that both councils involved—the Mackay City Council and the Pioneer Shire Council—strongly support this idea, and the honourable member should do his homework a little better before he goes off half-cocked like this in future. He does himself, this

Government and this Parliament no credit by attempting to rubbish an outstanding fellow Parliamentarian and Minister as he has.

## PETITIONS

### AMENDMENT OF LIQUOR ACT

**Mr. GYGAR** (Stafford) presented a petition from 117 electors of Queensland praying that the Parliament of Queensland will amend the Liquor Act so as to allow golf and bowls clubs to sell take-away bottled liquor to their members.

Petition read and received.

[Similar petitions were presented by Mr. K. W. Hooper (13 signatories), Mr. Lamond (3) (754 signatories), Mr. Hales (205 signatories), Mr. Byrne (443 signatories), Mr. Brown (142 signatories), Mr. Porter (2) (500 signatories), Mr. Wright (278 signatories) and Mr. Prest (87 signatories), and these petitions were read and received.]

## FORM OF PETITIONS

**Mr. SPEAKER:** Order! I have to advise the House that petitions presented by the honourable members for Murrumba, Hinchinbrook and Toowong are not in accordance with the requirements for petitions, as set out in the Standing Orders, and therefore I rule them out of order.

## QUESTIONS UPON NOTICE

### 1. INQUIRIES INTO COMPANY ADMINISTRATION

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

(1) Did the former Attorney-General and now Deputy Premier, Mr. Knox, issue a Press statement on 3 October 1974 entitled "Sweeping Changes in Company Law Administration"?

(2) Did the Press report indicate that the creation of the Investigation and Prosecution Branch and the Legal Branch would facilitate speedy and effective investigation of suspected company mismanagement, fraud or breaches of the Act administered by the office?

(3) How many investigations were carried out by the Commissioner for Corporate Affairs under all the Acts he administers during (a) 30 June 1974 to 25 August 1976 and (b) 30 June 1971 to 30 June 1974?

(4) In each of these periods how many prosecutions were (a) recommended by the Commissioner for Corporate Affairs, (b) actually instituted and (c) successful?

(5) Under what section or regulation of the Acts administered by the Commissioner for Corporate Affairs was each

prosecution recommended or instituted in each of the above categories for each of the two periods?

(6) How many companies were wound up before the Queensland Supreme Court during (a) 30 June 1974 to 25 August 1976 and (b) 30 June 1971 to 30 June 1974?

Answers:—

(1 and 2) I believe a statement was made on that date.

(3 to 5) I table the information requested by the honourable member—Schedules “A”, “B” and “C” respectively—and ask, that it be incorporated in “Hansard”.

SCHEDULE “A”

Investigations carried out by the Commissioner for Corporate Affairs under all Acts administered.

Act	Period		Total
	30-6-71—30-6-74	Period* 1-7-74—25-8-76	
Companies Act 1961-1975 .. .. .	170	271	441
Building Societies Act 1886-1976 .. .. .	83	312	395
Securities Industry Act 1975 .. .. .	Nil	Nil	Nil
Marketable Securities Act 1970-1971 .. .. .	Nil	Nil	Nil
Auctioneers and Agents Act 1971-1975 .. .. .	511	567	1,078
Co-operative and Other Societies Act 1967-1974 .. .. .	Nil	16	16
Business Names Act 1962-1971 .. .. .	71	65	136
Pyramid Selling Schemes (Elimination) Act 1973 .. .. .	Nil	10	10
Friendly Societies Act 1913-1974 .. .. .	2	7	9
Contractors' Trust Accounts Act 1974 .. .. .	N/A	2 (Investigations carried out by Justice Department)	2
Invasion of Privacy Act 1971 .. .. .	27	34	61
Co-operative Housing Societies Act 1958-1974 .. .. .	Nil	1	1
Money Lenders Act 1916-1973 .. .. .	43	20	63
Hire Purchase Act 1959 .. .. .	52	68	120
Cash Orders Regulation Acts 1946-1959 .. .. .	Nil	Nil	Nil
Bills of Sale and Other Instruments Act 1955-1971 .. .. .	Nil	Nil	Nil
State Securities Registration Act 1925-1971 .. .. .	Nil	Nil	Nil
Liens on Crops of Sugar Cane Act 1931-1971 .. .. .	Nil	Nil	Nil
Voting Rights (Public Companies) Regulation Act 1975 .. .. .	N/A	Nil	Nil
Administration of Commercial Laws Act 1962-1971 .. .. .	N/A	N/A	..

\* The figures in this column do not include matters on which an investigation has not been completed.

SCHEDULE "B"  
Prosecution Details

Act	(a) Prosecutions Recommended by Commissioner		(b) Actual Instituted		(c) Successful Prosecutions	
	Period (1) 30-6-71-30-6-74	Period (2) 1-7-74-25-8-76	Period (1) 30-6-71-30-6-74	Period (2) 1-7-74-25-8-76	Period (1) 30-6-71-30-6-74	Period (2) 1-7-74-25-8-76
Companies Act 1961-1975 .. .. .	19	51	10	45	8	14 (27 pending— adjourned)
Building Societies Act 1886-1976 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Securities Industry Act 1975 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Marketable Securities Act 1970-1971 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Auctioneers and Agents Act 1971-1975 .. .. .	39	124	23	115	15	66
Co-operative and Other Societies Act 1967-1974	Nil	25	Nil	25	Nil	6
Business Names Act 1971-1975 .. .. .	6	9	5	7	4	6
Pyramid Selling Schemes (Elimination) Act 1973	Nil	Nil	Nil	Nil	Nil	Nil
Friendly Societies Act 1913-1974 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Contractors' Trust Accounts Act 1974 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Invasion of Privacy Act 1971 .. .. .	4	1	4	1 (pending)	4	Nil
Co-operative Housing Societies Act 1958-1974	Nil	Nil	Nil	Nil	Nil	Nil
Money Lenders Act 1916-1973 .. .. .	2	Nil	Nil	Nil	Nil	Nil
Hire Purchase Act 1959 .. .. .	1	1	1	Nil	1	Nil
Cash Orders Regulation Acts 1946-1959 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Bills of Sale and Other Instruments Act 1955-1971	Nil	Nil	Nil	Nil	Nil	Nil
State Securities Registration Act 1925-1971 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
Liens on Crops of Sugar Cane Act 1931-1971	Nil	Nil	Nil	Nil	Nil	Nil
Voting Rights (Public Companies) Regulation Act 1975 .. .. .	N/A	Nil	N/A	Nil	N/A	Nil
Administration of Commercial Laws Act 1962-1971 .. .. .	N/A	N/A	N/A	N/A	N/A	N/A

SCHEDULE " C "

Section/Regulation under which Prosecution Action Recommended or Instituted

Act	Period 30-6-71-30-6-74			Period 1-7-74-25-8-76		
	Section/Reg.	Recommended	Instituted	Section/Reg.	Recommended	Instituted
Companies Act 1961-1975 .. .. .	S. 48 .. .. .	1	1	S. 54 .. .. .	2	2
	S. 113 .. .. .	1	1	S. 67 .. .. .	1	Nil
	S. 134 .. .. .	1	Nil	S. 112 .. .. .	1	1
	S. 136 .. .. .	1	1	S. 113 .. .. .	1	1
	S. 149 .. .. .	1	Nil	S. 114 .. .. .	2	2
	S. 158 .. .. .	1	Nil	S. 129 .. .. .	1	Nil
	S. 164 .. .. .	1	1	S. 134 .. .. .	4	4
	S. 234 .. .. .	3	1	S. 136 .. .. .	6	6
	S. 346 .. .. .	1	1	S. 158 .. .. .	7	7
	S. 374B .. .. .	1	Nil	S. 162 .. .. .	12	12
	S. 374C .. .. .	1	Nil	S. 165 .. .. .	1	1
	S. 375 .. .. .	2	Nil	S. 180J .. .. .	1	Nil
	S. 377 .. .. .	4	4	S. 195 .. .. .	1	1
				S. 234 .. .. .	8	6
				S. 343E .. .. .	1	1
			S. 374B .. .. .	1	1	
			S. 374H .. .. .	1	Nil	
Building Societies Act 1886-1976 .. .. .		Nil			Nil	Nil
Securities Industry Act 1975 .. .. .		Nil			Nil	Nil
Marketable Securities Act 1970-1971 .. .. .		Nil			Nil	Nil
Auctioneers and Agents Act 1971-1975 .. .. .	S. 14 .. .. .	8	5	S. 14 .. .. .	28	26
	S. 17 .. .. .	1	0	S. 22 .. .. .	1	0
	S. 19 .. .. .	1	0	S. 26 .. .. .	9	9
	S. 24 .. .. .	1	0	S. 52 .. .. .	1	1
	S. 26 .. .. .	3	3	S. 62 .. .. .	4	4
	S. 62 .. .. .	4	4	S. 65 .. .. .	2	0
	S. 67 .. .. .	1	1	S. 66 .. .. .	1	0
	S. 71 .. .. .	1	1	S. 67 .. .. .	23	23
	S. 72 .. .. .	1	1	S. 71 .. .. .	23	22
	S. 77 .. .. .	3	1	S. 72 .. .. .	1	1
	S. 81 .. .. .	2	2	S. 77 .. .. .	1	1
	S. 83 .. .. .	4	2	S. 81 .. .. .	1	0

## SCHEDULE "C"—continued

## Section/Regulation under which Prosecution Action Recommended or Instituted—continued

Act	Period 30-6-71—30-6-74			Period 1-7-74—25-8-76		
	Section/Reg.	Recommended	Instituted	Section/Reg.	Recommended	Instituted
Auctioneers and Agents Act 1971-1975— <i>continued</i>	S. 84 .. ..	1	0	S. 83 .. ..	9	8
	S. 129 .. ..	1	0	S. 130 .. ..	5	5
	S. 130 .. ..	1	1	Reg. 25 .. ..	4	4
	Reg. 25 .. ..	1	0	Reg. 26 .. ..	1	1
	Reg. 27 .. ..	1	0	Reg. 27 .. ..	5	5
	Reg. 29 .. ..	1	0	Reg. 47 .. ..	1	1
	Reg. 63 .. ..	1	0	Reg. 64 .. ..	1	1
	Reg. 64 .. ..	2	2	Reg. 66 .. ..	1	1
Co-operative and Other Societies Act 1967-1974	.. ..	Nil	Nil	Reg. 67 .. ..	2	2
Business Names Act 1971-1975 .. .. .	S. 5 .. ..	5	5	S. 56 .. ..	25	25
Pyramid Selling Schemes (Elimination) Act 1973	S. 17 .. ..	1	Nil	S. 5 .. ..	8	6
Friendly Societies Act 1913-1974 .. ..	Nil	Nil	Nil	S. 17 .. ..	1	1
Contractors' Trust Accounts Act 1974 .. ..	Nil	Nil	Nil	Nil	Nil	Nil
Invasion of Privacy Act 1971 .. .. .	Nil	Nil	Nil	Nil	Nil	Nil
	S. 8 .. ..	1	1	S. 48 .. ..	1	(Pending)
	S. 29 .. ..	2	2			
	S. 25 .. ..	1	1			
Co-operative Housing Societies Act 1958-1974 ..	.. ..	Nil	Nil	.. ..	Nil	Nil
Money Lenders Act 1916-1973 .. .. .	S. 6 (4) (aaa) ..	1	Nil	.. ..	..	..
	S. 14 (1) (iii) ..	1	Nil			
	Reg. 18 .. ..	1	1			
Hire Purchase Act of 1959 .. .. .	S. 38 .. ..	1	1	S. 15 (1) (c) ..	1	Nil
Cash Orders Regulation Acts 1946-1959 .. ..	.. ..	Nil	Nil	.. ..	Nil	Nil
Bills of Sale and Other Instruments Act 1955-1971	.. ..	Nil	Nil	.. ..	Nil	Nil
State Securities Registration Act 1925-1971 .. ..	.. ..	Nil	Nil	.. ..	Nil	Nil
Liens on Crops of Sugar Cane Act 1931-1971 .. ..	.. ..	Nil	Nil	.. ..	Nil	Nil
Voting Rights (Public Companies) Regulation Act 1975 .. ..	.. ..	Nil	Nil	.. ..	Nil	Nil
Administration of Commercial Laws Act 1962-1971 .. .. .	N/A	..	..	N/A	..	..

RECOMMENDATIONS NOT INSTITUTED

Act	Period	Section	Reason*	
Companies Act 1961-1975 ..	30-6-71 to 30-6-74	S. 134 .. ..	Insufficient evidence	
		S. 149 .. ..	Insufficient evidence	
		S. 158 .. ..	Insufficient evidence	
		S. 234 .. ..	Additional evidence to be obtained	
		S. 234 .. ..	Insufficient evidence	
		S. 374 (b) .. ..	Insufficient evidence	
		S. 374 (c) .. ..	Insufficient evidence	
		S. 375 (2) .. ..	Insufficient evidence	
		S. 375 (2) .. ..	Insufficient evidence	
		30-6-74 to 25-8-76	S. 67 .. ..	Insufficient evidence
			S. 129 .. ..	Insufficient evidence
			S. 180j .. ..	Insufficient evidence
			S. 234 .. ..	Documents lodged. No further action required
			S. 234 .. ..	Insufficient evidence
S. 374H .. ..	Insufficient evidence			
Auctioneers and Agents Act 1971-1975	30-6-71 to 30-6-74	S. 14 .. ..	Insufficient evidence	
		S. 14 .. ..	Insufficient evidence	
		S. 14 .. ..	Insufficient evidence	
		S. 17 .. ..	Insufficient evidence	
		S. 19 .. ..	Insufficient evidence	
		S. 24 .. ..	Insufficient evidence	
		S. 77 .. ..	Insufficient evidence	
		S. 77 .. ..	Defendants unable to be located	
		S. 83 .. ..	Insufficient evidence	
		S. 83 .. ..	Insufficient evidence	
		S. 84 .. ..	Insufficient evidence	
		S. 129 .. ..	Insufficient evidence	
		Reg. 25 .. ..	Insufficient evidence	
		Reg. 27 .. ..	Insufficient evidence	
		Reg. 29 .. ..	Insufficient evidence	
		Reg. 63 .. ..	Insufficient evidence	
		30-6-74 to 25-8-76	S. 14 .. ..	Breach corrected. No further action required
			S. 14 .. ..	Insufficient evidence
S. 22 .. ..	Insufficient evidence			
S. 65 .. ..	Insufficient evidence			
S. 65 .. ..	Insufficient evidence			
S. 66 .. ..	Insufficient evidence			
S. 67 .. ..	Company wound-up under Companies Act			
S. 81 .. ..	Insufficient evidence			
S. 83 .. ..	Insufficient evidence			
Business Names Act 1962-1971	30-6-71 to 30-6-74	S. 17 .. ..	Insufficient evidence	
	30-6-74 to 25-8-76	S. 5 .. ..	Insufficient evidence	
		S. 5 .. ..	Insufficient evidence	
	Money Lenders Act 1916-1973	30-6-71 to 30-6-74	S. 6 (4) (aa) .. ..	Insufficient evidence
S. 14 (1) (iii) and Reg. 18			Insufficient evidence	
Hire Purchase Act of 1959 ..	30-6-74 to 25-8-76	S. 15 (1) (c) ..	Insufficient evidence	

\* Advice on evidence was obtained in each of the above instances from the Solicitor-General's Office.

(6) (a) 361. (b) 179.



## 2. MEDIBANK IN QUEENSLAND

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

(1) With reference to the Fraser Government's new Medibank scheme or what has been so well described as the "Medi-muddle", is it now correct that under Fraser's proposals the Queensland free hospital scheme will become a misnomer as, except for those persons in receipt of a weekly income of less than \$50 or a family in receipt of less than \$82, all Queenslanders will now be forced to pay the 2½ per cent levy if they desire to use the public hospitals or obtain standard hospital care?

(2) What protest has he made to the Fraser Government against this extra, unfair tax burden on Queenslanders to pay for a medical service which they already pay for through their contributions to State revenue?

(3) What cutback has the Fraser Government made in the revenue made available to Queensland for health care?

(4) How will the fiscal cutback affect the quality of medi-care available through (a) State hospitals, (b) State dental clinics and (c) community health centres?

*Answers:—*

(1) I can assure the honourable member that the free hospital system that has operated in Queensland since 1946 will continue. By that I mean that hospitals will make no charge for patients who elect to be admitted to the public wards of our public hospitals or elect to attend the outpatient or casualty departments of our public hospitals system. The honourable member would be aware that the levy referred to in his question was initiated by the Commonwealth Government.

I would also remind the honourable member that the levy principle imposed by the present Commonwealth Government was introduced by the Whitlam Government as part of the Medibank programme, but the legislation to impose it was not passed by the Federal Government at that time.

(2 to 4) The levels of financial assistance provided by the Commonwealth Government to this State towards the funding of the School Dental Service Programme, the Community Health Services Programme, and the Hospitals Capital Development Programme, are certainly not as high as this State requested or would wish.

I can assure the honourable member that as soon as I became aware of Commonwealth intentions to impose cuts in levels of financial assistance in health areas I communicated with the Honourable the Premier, pointing out the areas involved and asking him to make strong representations to the Commonwealth Government to review its allocations in these particular

health fields. The Honourable the Premier has taken up these representations with the Right Honourable the Prime Minister.

I can assure the honourable member and all members of this House that it is the intention of my department to continue to provide the highest levels of health care in this State consistent with the resources available to it both in manpower and finance.

## 3. ALLEGED CABINET INTERFERENCE WITH POLICE FORCE FUNCTIONING

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

(1) With reference to the Cabinet decision to instruct the then Police Minister, Mr. Hodges, to prevent the Police Commissioner, Mr. Whitrod, from carrying out his intended inquiry into an incident in which a senior police officer allegedly struck a young woman during a recent university student protest march, which State Ministers were not present when the Cabinet decision was made?

(2) On what legal grounds did Cabinet have the right to prevent the Police Commissioner from carrying out his duties as he saw them?

(3) Is it normal practice for Cabinet to interfere with the functions of the Police Commissioner or the Police Department?

*Answer:—*

(1 to 3) As the honourable member is well aware, Cabinet discussions are confidential but I can assure him the decision made on the occasion in question was in full accord with Government policy. The honourable member may rest assured that I and Cabinet fully support the police in their action to uphold the law and I can say that their sense of responsibility was in direct contrast to that of the student leaders who, three days before on radio news services, were quoted as saying "they needed a permit but were not going to apply for one."

It is quite evident to me that under the administration of the party to which the honourable member belongs, demonstrators, the black-banners, the militant union standover merchants, the thugs and the drug users would have free rein. We have only to look at New South Wales, where the Labor Premier has attacked the Governor-General and not the demonstrators and where he is threatening to transfer police for enforcing the laws against drug abuse. That's what we could expect here if Labor had its way.

## 4. STATE EMERGENCY SERVICE

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

(1) Will he detail to the House the new look of the State Emergency Service as introduced by this Government?

(2) Will he give details of staffing and expenditure involved in this service?

Answer:—

(1 and 2) From its inception in 1961 until November 1973, the then Queensland Civil Defence Organization trained with a view to coping with nuclear war and took no major part in natural or incident disaster operations other than operations in Townsville during cyclone "Althea" in 1971. In November 1973 a tornado caused considerable damage in the Brisbane area and the then Civil Defence Organization was activated to assist in disaster relief. The Brisbane January 1974 floods saw a much larger involvement over a considerable period. In June 1974 the State Emergency Service was formed and absorbed the former Civil Defence Organization. It was orientated towards today's counter-disaster needs as well as the future. A revitalised approach to the State Emergency Service continued from that time culminating in the State Counter-Disaster Organization Act 1975, which was an Act to provide for the establishment of a State Emergency Service and a State Counter-Disaster Organization and their powers, authorities, functions and duties.

The concept of the State Emergency Service is one of self-help and mutual assistance within each community supported by the three levels of government and involves the preparation, in advance, of measures that will protect the community when disaster strikes, with its main purpose—prevention of loss of life and personal suffering. The role of the State Emergency Service is to be responsible for the training, education, organisation and co-ordination of the community to cope with disaster. This role is carried out in the following way:—

- (a) Community counter-disaster training;
- (b) Community counter-disaster education and information programmes;
- (c) Industrial and commercial counter-disaster advisory and planning programmes;
- (d) Preplanning of community resources for use in cyclones, floods, etc.; and
- (e) Co-ordination of State Emergency Service members, community volunteers and community voluntary organisations in counter-disaster operations.

The Commonwealth and local governments are actively supporting our concept

and it has been said that our State Emergency Service serves as a model that could well be followed by other States. The ready acceptance of the concepts and objectives of the State Emergency Service by the communities of Queensland were clearly demonstrated in the 1976 cyclones, wind storms, floods, etc., involving in total to this date 17 major counter-disaster operations. Some examples of this support this year involved:—

- Cyclone "David"—Capricornia Coast, Yeppoon, Rockhampton;
- Toowoomba hail storm disaster;
- Bundaberg wind storm;
- Macintyre River area flooding;
- Central West flooding;
- Bush fire—Julia Creek;

and other activities such as search for missing persons—

- Rockhampton;
- Gladstone;
- Mt. Isa;
- Blackwater;
- Duarlinga Shire.

If all communities of Queensland are to be assisted to have local self-help programmes to cope with disaster, it is mandatory that each community has—

- (a) an alert and informed community;
- (b) an active and involved local authority; and
- (c) a local counter-disaster plan supported by a trained and equipped local organisation.

The Queensland Government has provided permanent staff, funds, grants, subsidies, specialised equipment and communication facilities to ensure that the State Emergency Service is developed to a phased plan at local level.

The details of staffing and expenditure are shown on the schedule which is tabled and is self-explanatory; however, certain aspects should be emphasised as they really show the ready acceptance of the Government's concept of a State Emergency Service.

Since June 1974 when the State Emergency Service was established—a period of approximately two years—the following has occurred:—

—	From	To
Increase in volunteer registered members ..	3,133	8,312
Increase in State Emergency Service units ..	34	108
Increase in State finances	\$73,119	\$501,464
Increase in Federal finance	\$40,000	\$529,280
Increase in permanent staff	8	44

## SCHEDULE

—	Local State Emergency Service Unit Established	Permanent Staff	Voluntary Staff	Permanent Staff Allocation	
				State H.Q. and Brisbane Region	Country Regional H.Q.
30th June 1973 ..	32	5	2,493	5	Not Established
30th June 1974 ..	34	8	3,133	8	Not Established
1st February 1975	44	20	4,874	7	13
31st August 1975	80	28	6,016	13	15
1st December 1975	99	42	6,862	16	26
1st April 1976 ..	101	44	7,664	18	26
1st June 1976 ..	103	44	7,947	18	26
1st August 1976 ..	108	44	8,312	18	26

## Finance Expenditure

—	State Funds	Commonwealth Funds
	\$	\$
1973-74 .. ..	73,119	40,000
1974-75 .. ..	313,136	133,777
1975-76 .. ..	501,464	529,280

## 5. CONDITIONS OF MIGRATORY RAILWAY WORKERS

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

(1) When can railway migratory workers expect relief from their shocking housing facilities, including bondwood huts, 1880-style wood stoves, no hot water, cold showers in the yard, one cold tap to three or four huts, toilets that were outmoded in World War II, no refrigeration and ex-Army beds that wouldn't bring a bid in a disposal sale, etc.?

(2) On what date can workers expect this Government to provide conditions for their workers similar to those it enforces on private industry?

(3) How much longer will other workers have to put up with some of the railway camp wagons and the ordinary box wagons that are being used for accommodation?

(4) Will he give an assurance that agreements made with the Railways Union on living conditions will not be subjected to cutbacks or delays?

*Answer:—*

(1 to 4) The programme for the upgrading of accommodation for migratory gangs, outlined in my reply of 9 September 1975 to a question asked by the honourable member for Flinders, is being and will continue to be actively pursued by the Railway Department to the utmost limit to which finance can be made available for the purpose each financial year. A substantially increased proportion of the

department's loan allocation is being expended in upgrading accommodation for railway employees.

There will also be a continuation of the programme for the construction of modern camp wagons in the railway workshops at Ipswich, Rockhampton and Townsville.

## 6. APPLICATIONS FOR PRIVATE WEIGHBRIDGES

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

(1) In the last five years how many applications have been made for the operation of private weighbridges?

(2) How many have been refused and what were the reasons for the refusal in each particular case?

*Answer:—*

(1 and 2) This matter does not come within the ambit of my portfolio and the honourable member should direct the question to the relevant Minister.

## 7. PRICES OF PRIMARY PRODUCT CONSUMER GOODS

**Mr. Marginson** for **Mr. Jones**, pursuant to notice, asked the Premier—

(1) Is he aware of the great disparity between prices paid to primary producers and the cost of the same items to consumers?

(2) What investigations are undertaken by Queensland Government departments into prices of primary product consumer goods?

(3) As he fought for the State Government right to control prices in the national referendum, what action has he taken since that day to protect primary producers and housewives from exploitation?

*Answers:—*

(1) Yes. This matter is of great concern to me as the primary producer receives such a small return in relation to what his commodities cost the public. The honourable member would know that processing costs, industrial disputes, the cost of packaging and many other matters, apart from profits, account for the difference between prices paid to primary producers and the cost of the same item to consumers.

(2) The matter of prices of primary products is constantly under review by the Department of Primary Industries. Specific monitoring projects include daily collections of wholesale fruit and vegetable prices in Brisbane and Townsville, and twice-weekly collections of retail fruit and vegetable prices in Brisbane. I would remind the honourable member that many primary products are marketed through grower-controlled marketing boards, where the interests of both producers and consumers are considered.

(3) If the honourable member can tell me the name of anyone in Queensland who has done more than I and my Government have done to prevent the exploitation of housewives and primary producers then I will await his reply with amazed anticipation!

#### 8. MOTOR DRIVING LICENCE RENEWAL CENTRES

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

As the Government's decision to close local police stations in the Greater Brisbane Area as motor drivers' licence renewal centres will cause considerable inconvenience to thousands of motorists and in many cases cause a loss of wages or salaries through their having to leave their work-place, will he have the decision rescinded and revert to a system that puts the convenience of the public first and foremost?

*Answer:—*

This matter is already the subject of consideration.

#### 9. STAMP DUTY ON MORTGAGE DOCUMENTS

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

(1) In the last financial year how many assessments of stamp duty were issued on mortgage documents in the categories of consideration (a) between \$15,000 and

\$20,000, (b) between \$15,000 and \$25,000, (c) between \$15,000 and \$30,000 and (d) above \$30,000?

(2) What was the total amount of stamp duty collected from each of these categories in the last financial year?

*Answer:—*

(1 and 2) This question is almost identical with Question No. 13 which I answered on Thursday, 26 August 1976, and I refer the honourable member to the answer provided to that question.

#### 10. BUILD-UP OF MUD OFF PARKER POINT, BRISBANE RIVER

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

(1) Why is mud building up off Parker Point and surrounding reaches of the Brisbane River?

(2) As this build-up of mud is not only unsightly at low tide but creates a considerable hazard to the crews and passengers of both power and sailing boats, will he arrange, as a matter of urgency, to have the mud removed?

*Answers:—*

(1) Parker Point is on the inside of a curve in the Quarries Reach of the Brisbane River and is therefore subject to the natural tidal forces causing siltation. Limited dumping of dredged spoil outside the channel occurs in this reach, but this spoil is washed off the banks by tidal movement and subsequently removed from the channel by suction dredges.

(2) The build-up of mud referred to in my answer to the first question is outside the navigation channel, the edges of which are clearly marked. Dredging of the bank would only provide temporary relief and could not be justified on either economic or navigational grounds.

#### QUESTIONS WITHOUT NOTICE

##### STATEMENT BY LEADER OF THE OPPOSITION ON UNEMPLOYMENT

**Mr. TURNER:** I ask the Premier: Has he read the article in this morning's "Courier-Mail" wherein the Leader of the Opposition claims that 5,743 people were unemployed in the centres of Maryborough, Toowoomba, Atherton, Charleville and Townsville at the end of July 1976? In view of the fact that this article states—

"The Queensland Central Executive of the Australian Labor Party in a statement yesterday deplored 'the disinterest of the Liberal-National parties in the worsening unemployment situation in Queensland.'"

(a) is the Premier aware of figures recently released by the Commonwealth Employment Service which show a small

drop in unemployment figures for the period July 1976 compared with July 1975, and

(b) is the Premier aware that in the five centres mentioned by the Leader of the Opposition as having 5,743 unemployed as at July 1976 the Commonwealth Employment Service figures show that 7,605 people in those areas were unemployed as at July 1975?

**Mr. BJELKE-PETERSEN:** Yes; I naturally was interested when I read the figures. Sometimes I am inclined to think, "Well, you can believe them when they come from the Labor Party", but, of course, I took the precaution of having the figures checked out this morning, and what do we find? Last year under Labor the number of unemployed in those centres was 7,605, 2,000 more than there are—

**Mr. Burns:** What's that got to do with the bloke out of work today? How does that help him?

**Mr. SPEAKER:** Order! I warn all honourable members that I will not tolerate persistent interjections while any member is on his feet, and that includes all Ministers.

**Mr. BJELKE-PETERSEN:** The Leader of the Opposition cannot escape the cold hard fact that there are 2,000 fewer unemployed in the cities and towns that he mentioned than there were when the Labor Party was in power in Canberra. This, of course, demonstrates that an improvement is taking place because of Government policies. It will naturally take some time. We would like to see everybody employed, but after the devastation caused by the Leader of the Opposition's colleagues I think Mr. Fraser and his Government are doing exceptionally well to bring the figures down to where they are at the present time.

#### CITY BASHINGS

**Mr. MELLOY:** I ask the Premier: On what evidence did he base his statement reported in "The Sunday Mail" of 29 August 1976 that—

"City bashings did not occur because of any shortage of police?"

**Mr. BJELKE-PETERSEN:** I do not recall exactly what the particular article in "The Sunday Mail" said. I did make a statement that crime was on the increase throughout Australia and, indeed, throughout the world, and that demonstrations were also on the increase throughout the world. I indicated that our police were doing a magnificent job in very difficult circumstances and that it was the intention of the Treasurer, myself and the Government as a whole to make funds available to enable the appointment of still more policemen so that, if possible, the Police Force may do an even better job in this very difficult area.

#### REDUCTION IN REAL VALUE OF WAGES

**Mr. MELLOY:** I ask the Premier: Does the State Government support the policy of the present Federal Government to reduce the real value of workers' wages as part of its economic strategy?

**Mr. BJELKE-PETERSEN:** If anyone ever reduced the value of workers' wages, it was the Labor Party. It reduced the value of wages to not only workers but everybody, including the honourable member. The present Government is trying to restore confidence in the community and increase the value of wages to workers. It faces a very difficult job after the devastation caused by the former Federal Labor Government.

#### QUEENSLAND GOVERNMENT'S ATTITUDE TO VISITS BY NUCLEAR-POWERED SHIPS

**Mr. HALES:** I ask the Premier: Is he aware of the statement by the so-called Campaign Against Nuclear Proliferation that no nuclear-powered ships should be allowed to visit Brisbane? What is the attitude of the Queensland Government to visits by nuclear-powered ships?

**Mr. BJELKE-PETERSEN:** The honourable member informed me a short while ago that he intended asking this question. The American nuclear-powered cruiser "Truxtun" would be welcome in Queensland ports. It is interesting to note the opposition coming, as usual, from the A.L.P., particularly when it is realised that the Campaign Against Nuclear Proliferation is a Communist Party front organisation. If one looks through the ranks, one finds there the same old faces as one found in the Campaign for an Independent East Timor, the Union of Australian Women, the Freeway Protest Group and all the peace groups.

I agree with the Defence Minister (Mr. Killen) that if we are to expect the United States of America to honour its end of the defence agreements with Australia, we should honour our part. No minority Labor Party, led by the nose by the Communist union bosses, is going to tell this Government what to do, and I am sure the same goes for Mr. Fraser and his Government.

It is no secret that this opposition is politically motivated. If a Russian or Chinese nuclear-powered vessel sailed into one of our ports, the A.L.P. and the Communist unions such as those of which seamen and waterside workers are members would welcome it with open arms and fete the crew. I only hope that the Federal Government has the same determination as the New Zealand Government and the late Labor Prime Minister Mr. Chifley in meeting the union bosses head on. Naturally, today's Opposition would not be game to do what Chifley did; their Communist bosses would never allow Mr. Whitlam and his colleagues to do it.

AREAS FOR TRAIL-BIKE AND MINI-BIKE RIDING

**Mr. BYRNE:** I ask the Minister for Community and Welfare Services and Minister for Sport: As there are now hundreds of children needing areas in the metropolitan area in which to ride their trail-bikes and mini-bikes off the streets, off the footpaths and out of people's back yards, will he outline the progress being made by the inter-departmental committee set up to investigate the setting aside of lands for the purpose of trail-bike and mini-bike riding away from closely settled areas?

**Mr. HERBERT:** The inter-departmental committee has had several meetings and has come up with quite a deal of information on this subject, which is quite a vital one. The problem is that trail-bikes and mini-bikes create a noise nuisance and, at the same time, can affect the environment quite seriously. They have done quite a deal of damage by their unauthorised entry into national parks and similar areas by creating erosion hazards.

The State-wide inquiry by the committee has revealed that a tremendous number of local authorities in country areas have already set aside tracts of land for this purpose.

The major problem is, of course, in Brisbane but the Brisbane City Council have done nothing at all about it. There is no Crown land of a suitable nature that could be used but there is council land that the council could make available for this purpose if they stirred themselves. There are a number of areas in Brisbane where land has been used for sand-mining and other quarrying activities which make it admirable for the purposes of the young people who use these bikes and no more damage would be caused than has already been caused by the mining operations. That is the type of area that could be set aside.

The committee have not brought down their final report. They are, however, happy with the way in which the problem is being dealt with in a number of country areas and they only hope that the Brisbane City Council will be moved sufficiently by the need to provide this type of recreational facility to make available some of the land controlled by the council. Local residents would be saved a great deal of discomfort if this activity could be confined to such areas.

PHYSIOTHERAPISTS 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 Physiotherapists Acts, 1964 to 1965, in certain particulars.”

Motion agreed to.

SUPPLY

VOTE OF CREDIT—\$732,000,000

**Mr. SPEAKER** read a message from His Excellency the Governor recommending that the following provision be made on account of the services for the year ending 30 June 1977—

“From the Consolidated Revenue Fund of Queensland (exclusive of the moneys standing to the credit of the Loan Fund Account), the sum of \$305,000,000;

From the Trust and Special Funds, the sum of \$360,000,000; and

From the moneys standing to the credit of the Loan Fund Account, the sum of \$67,000,000.”

COMMITTEE

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

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer) (12.22 p.m.): I move—

“That there be granted to Her Majesty, on account, for the service of the year 1976-77, a further sum not exceeding \$732,000,000 towards defraying the expenses of the various departments and services of the State.”

As is customary, it is necessary in the opening days of this session to introduce a Bill to provide further Supply until such time as the Budget has been presented, debated and approved by Parliament.

In the last Appropriation Act, passed by the House in November of last year, Supply for 1976-77 to the extent of \$553,000,000 was granted—\$270,000,000 for Consolidated Revenue Fund, \$250,000,000 for the Trust and Special Funds and \$33,000,000 for the Loan Fund. The purpose of the Bill now before the Committee is to provide a further sum of \$732,000,000 of which \$305,000,000 is required for Consolidated Revenue Fund, \$360,000,000 for the Trust and Special Funds and \$67,000,000 for the Loan Fund.

The total Supply which will now be available for 1976-77 pending the approval of the Budget is \$1,285 million—\$575,000,000 for Consolidated Revenue Fund, \$610,000,000 for the Trust and Special Funds and \$100,000,000 for the Loan Fund. In total, this represents an increase of \$107,000,000 on the Supply available for the corresponding period last year. This increase is necessary mainly to cover award increases granted in the past 12 months and an escalation in costs generally.

The introduction of this measure affords the opportunity to refer to the service rendered to Queensland by the Honourable Sir Gordon Chalk, who served as the Treasurer of the State for more than ten years, a record period. As the new Treasurer, I am very conscious of the example which Sir Gordon set, and the responsible and energetic manner in which he administered the

finances of Queensland. When he left the Treasury he did so with the finances of the State in comparatively good shape. I say "comparatively" because in the year just ended this State finished with a small surplus, despite the fact that, in common with the rest of Australia, Queensland was ravaged by record inflation in the last and preceding financial years. The fact that this was able to be achieved without any serious diminution in the services provided by the Government was a tribute both to Sir Gordon and the officers of the Treasury whose job it is to oversee the expenditure by departments and agencies on a continuing basis.

Having followed Sir Gordon Chalk as Transport Minister, I gained a very accurate appreciation of the energy and drive which he used in that portfolio. Following him as Treasurer further enables me to appreciate the manner in which he administered for a record period one of the most responsible portfolios in the Cabinet. I am sure that all honourable members will join with me in wishing both Sir Gordon and Lady Chalk a long and happy retirement, and in placing on record the outstanding service which Sir Gordon rendered to the State of Queensland for almost 30 years.

Mr. Hewitt, it is traditional, I understand, that the Treasurer uses the presentation of this measure to speak for some time on the general economic position in the State. Whilst I do not intend to break that tradition, I will confine my remarks somewhat to enable as many honourable members as possible to speak during the debate which will ensue.

The Committee will appreciate that this is not the appropriate time to speak in any detail about the State Budget. I will have ample opportunity to do so on 30 September, and honourable members will be able to take part in the debate on the Budget, and the Estimates, in October.

However, I think it would be fair to say that, in the preparation of the Budget, the Government will keep in mind the need to exercise restraint in spending and in revenue raising. The Commonwealth has requested all the States to exercise restraint, and, in the circumstances, it is a request which no responsible State Government could refuse. I certainly appreciate the need to restrain the long-term growth of the public sector in an effort to reduce the level of inflation in this country. The public sector includes the States as well as the Commonwealth.

I am not giving away Budget secrets by telling the Committee that there will be no extravagant spending programmes or revenue raising activities in the 20th Budget of the coalition Government which I will submit to the Parliament next month.

We must accept the need to exercise responsibility in our Budget, because we must be prepared to play a positive role in helping to bring inflation under control.

Unless the level of inflation in Australia is reduced significantly in the current financial year, there can be no early return to full employment and there can be no long-term revival of the private sector—that part of the economy which provides three out of every four jobs in our country.

Not only has inflation eroded the living standards of the Australian people, but also it has reduced the capacity of the private sector to create employment and even maintain existing jobs.

Surely every thinking Australian accepts that double-figure inflation rates cannot be tolerated in a country that depends so much for its prosperity and progress on a strong and expanding private sector. If the Australian tradition of virtually full employment is to be regained, then inflation must be reduced as a matter of foremost priority.

This was well expressed at the recent ministerial council meeting of the Organisation for Economic Co-operation and Development, which agreed that the steady economic growth needed to restore full employment and satisfy rising social and economic aspirations will not prove sustainable unless all member countries make further progress towards eradicating inflation.

The job of reducing record inflation is not one for Governments alone; it is a primary task for the whole community. Governments must set the lead and give an example, but workers must exercise the greatest possible restraint in their wage demands, and industry must be encouraged to achieve greater productivity. But the private sector has no hope of improving productivity as long as wage and associated demands are excessive, that is, beyond the capacity of industry to pay. In this respect, the adherence to the principles of wage indexation is of fundamental importance. If the indexation guide-lines are flagrantly broken by militancy and irresponsibility, then the cause of economic recovery will be set back seriously.

Furthermore—and this must concern every member of the Committee—the restoration of relatively full employment will be made even more difficult. Excessive wage demands can only prevent unemployed Australians from securing jobs.

Queensland is prepared to play its part by ensuring that there is no excessive expenditure, and by containing increases in State taxes and charges. In other words we are prepared to demonstrate the kind of restraint and responsibility that are needed in the work-force as well.

Every citizen who is concerned about unemployment and anxious that Australia should regain economic prosperity must expect responsibility not only from his elected governments but also from the trade union movement as well.

It is on that basis that I generally support the strategy and the programme contained in the first Budget of the Fraser Government,

introduced two weeks ago. As the Labor Premier of New South Wales said, the Federal Budget deserves the chance to work!

While there are some particular aspects of the Federal Budget with which we do not agree—and I shall refer to them in a minute—the broad strategy on which the Budget is based is not only consistent with the electoral undertakings of the Liberal and National Parties last year; it is also consistent with policies in comparable countries facing the same economic problems as confront our country today. I believe that the overwhelming majority of the Australian electorate endorses that strategy because the people want economic recovery to be sustained on a long-term basis and not for mere short-term political convenience.

Expenditure in the Federal Budget has risen by 11 per cent, as compared with an increase of 23 per cent in 1975-76 and almost 46 per cent in 1974-75—the last two Budgets of the Whitlam Government.

Increases of such magnitude could not have been sustained this year without either an irresponsible deficit or savage direct and indirect tax increases. That would not only have been contrary to the over-all Budget strategy, but would have adversely affected the fight against inflation.

It is worthy of note and commendation that expenditure on social welfare and education was not reduced. In fact, education expenditure increased in real terms, as did spending on social security and welfare. The last Whitlam Budget allocated 23 per cent of total outlays for social welfare whereas the first coalition Budget has increased it to 25 per cent. And, of even greater importance, is the fact that welfare funds will get to those who need them, and will not be squandered in the bureaucratic system which mushroomed during the free-spending days of the Labor Government.

There have been complaints that funds have been reduced in some of the "fringe" social services areas. Inevitably, those complaints have come not from the people in need, but from those who benefited financially from the bureaucracy set up to administer the numerous ill-conceived and maladministered programmes of the Whitlam Government.

In the areas of real need—pensions, repatriation benefits, aid to the handicapped, and family assistance—the Budget provided increased assistance in a way that will provide the most direct benefit to recipients.

Having in mind the need to restrain spending increases, and to reduce the deficit, the Federal Budget can be reasonably said to be responsible and ought therefore to be given the chance to succeed in its basic objective—the reduction of the rate of inflation.

However, there are one or two particular areas where greater Federal funding could have been made, and I refer in particular to funds for housing and roads.

Both the Minister for Main Roads and the Minister for Works and Housing have already made public comment on this aspect of the Federal Budget. In view of the desire of the State to reduce unemployment, and to assist the private sector, their criticisms were both fair and responsible.

I certainly hope that the Federal Government will take notice of what they have said. I do not think it is asking too much to expect the Commonwealth to review its allocation for housing and capital works programmes, and certainly for road construction.

Such a review, and the provision of additional funds for short-term projects, could help the States play their part in reducing unemployment. That is our greatest concern in these matters—the need to provide short-term job opportunities in areas where contracts can be let to the private sector whenever possible.

The advances for housing are only the same as in the preceding two financial years after allowing for the adjustment of advance payments made in 1974-75.

I do not believe this State is being irresponsible in asking for the funding of these areas to be reviewed. Certainly we would hope that the Commonwealth would be willing to provide additional funds for short-term projects during the financial year if the level of unemployment does not reduce in the months ahead.

If such funds are provided, then Queensland will be ready to provide job opportunities with a maximum of efficiency and a minimum of delay.

In discussions with the Commonwealth earlier this year, Queensland submitted a number of expenditure proposals which were rejected or deferred at the time. This is the right of the Commonwealth, but we hope that, should circumstances require, the Commonwealth will be prepared to favourably reconsider those proposals with a view to providing immediate financial support.

The ability of any State to provide employment-creating programmes on a short-term basis is limited. It can only be done to any real degree with Federal financial support, and we will persist with our requests in regard to capital works programmes of a short-term nature.

Our hospital capital works programme will receive grants from the Commonwealth at the same level as for the 1975-76 financial year. The Minister for Health has referred to this matter elsewhere, and I am sure he stands ready to accept any infusion of additional Commonwealth funds should the attitude of the Federal authorities change during the current financial year.

The point which deserves to be stressed concerning these matters is that any additional assistance will directly benefit the private sector on a short-term basis. Given the level of unemployment in the building and construction industry, we are entitled to



claim that additional funds for capital works will provide a short-term boost to the private sector which could well see it through until the over-all Budget and fiscal strategy is able to stimulate private enterprise on a long-term basis.

Frankly, I am confident the Commonwealth will recognise the need to assist the States in this area, because there is agreement among all the States that funds to create and stimulate employment opportunities must be given greater priority than they received in the Federal Budget.

The problems facing Australia are much too serious for there to be petty political wrangling and points-scoring both on the need to reduce inflation and to ease unemployment. Our concern is a genuine one, and the same can be said for the other States. We stand ready to join with the other States in a joint approach to Canberra for more funds for short-term projects—funds which will directly stimulate the private sector at a time when it needs assistance to see it through until economic recovery can be accomplished. That is the one area in which I dissent from the provisions contained in the Federal Budget.

The Budget does contain substantial long-term benefits for the Queensland economy in particular. The phasing out of the coal export tax and the concessions the Budget provides for mining companies will benefit this State more than any other. Whilst I would have preferred to see the export tax on coal abolished immediately, I accept that economic circumstances do not make this possible. The tax is to be phased out within three years and in the current year the duty is to be reduced by 25 per cent. The cost of the reduction this year will be \$33,000,000, the greater part of which would have been paid by Queensland coal producers.

Without question, the imposition of this tax was one of the most short-sighted and discriminatory actions of the former socialist Government in Canberra. Its effect on the development of the coal-mining industry in Queensland, because it took no account of the profitability of the individual mining company, has been devastating, and it certainly eroded the confidence of overseas buyers, upon whom we must depend for the future growth and prosperity of our mining industries. Not only did the tax penalise coal miners in Queensland in particular; it also directly penalised the taxpayers of this State. The imposition of the tax meant a reduction of \$5,000,000 in royalty payments to the State.

My colleague the Minister for Mines has been particularly outspoken in his opposition to this discriminatory tax, because he appreciates completely the damage which it has done to the mining industry of this State. The fact that it is to be phased out is in no small way due to the persistence of the Honourable the Minister for Mines in

drawing public attention to the adverse effects which this tax has on the Queensland economy.

It is incredible that, despite the obvious and serious effects of this, its phasing out should be opposed by the former Prime Minister, the temporary leader of the A.L.P., Mr. Whitlam. The former Prime Minister demonstrates not only why he was removed from office in the greatest electoral landslide in the history of the Commonwealth, but also why he must never again have the opportunity to wreck the Australian economy and pursue his hymn of hate against foreign investment, and mining in general, from the Treasury benches in Canberra. During the course of this debate I will be interested to hear whether his principal supporter among the State Labor leaders, the Leader of the Opposition here, is prepared publicly to support the continuance of a tax which is anti-Queensland in its origin and which has eroded the confidence of the mining industry to an alarming degree.

The present unacceptably high level of unemployment in Australia is directly attributable to the vendetta which the Whitlam Government waged against private enterprise during its term of office and the way in which it allowed inflation to get out of control. The total unfitness of the A.L.P. to hold office in this State and at the Federal level is clearly shown by its unrepentant attitude to foreign investment and the mining industry.

The phasing out of the coal export duty, and the long-term concessions the Budget provides for mining companies, will provide the kind of incentive and encouragement that the mining industry in this State so obviously needs. Projects which have been deferred because of the attitude of the former Federal Government, and the general economic downturn in Australia, will now go ahead. This will not only benefit the mining companies; it will also provide job opportunities in the private sector of the housing and construction industries and the railways of Queensland.

Whilst the direct benefit to the finances of this State from the abolition of the coal export levy will be limited during the current year, its long-term advantage and the incentive it will give to the increased export of coal will be of tremendous benefit to Queensland's economy. Indeed, I would venture to suggest that new-found confidence in the mining industry will be the very genesis of Queensland's economic revival, and its restoration as the State with unlimited opportunities for private investment and employment.

The Federal Budget provides for the first payments to the States under the new personal Income Tax Entitlement Scheme, which replaces the Financial Assistance Grants Scheme. The total allocation for the current financial year is expected to be \$3,700 million. Actual payments during the last

financial year were slightly more than \$3,000 million. Queensland's share under the new arrangements is expected to be approximately \$640,000,000 compared with actual payments of \$530,000,000 during 1975-76, that is an increase of \$110,000,000. Our share this year is expected to be approximately \$15,000,000 more than we would have received under the previous formula basis. In all the circumstances, this is a very reasonable increase.

Queensland will strongly resist having to impose a tax surcharge. There will be no income tax surcharge in this State so long as the State share under the basic arrangements continues at a reasonable rate of escalation. We are prepared to go along with the new scheme for the time being, and to see how it works over several years. However, we would be disappointed to see a situation arise whereby the State's share of the basic tax failed to continue to provide at least the proportion of its annual requirements presently met under the Financial Assistance Grant formula and would hope that, if this did occur, the Commonwealth Government would make adjustments to the basic tax-sharing arrangements so as to avoid the States' having to impose surcharges.

The people of Australia are already over-taxed. Personal income tax rates in Australia have eroded living standards, and forced up wage and award demands. Tax indexation, which the Commonwealth has now introduced, will benefit taxpayers significantly but the Commonwealth must keep tax rates constantly under review to ensure that personal income tax does not again become an excessive burden for individuals.

At the Premiers' Conference and Loan Council meeting earlier this year, both the Premier and the former Treasurer protested at the fact that State Government Loan Council programmes are to increase by only 5 per cent this year when compared with last year. I take the opportunity to again express our disappointment at the level at which these programmes have been pegged. Clearly, this is an area which the Commonwealth ought to review at an early date, particularly if the public sector is to play a role with the private sector in relieving unemployment.

Whilst we accept the need for some programmes to be reduced or curtailed in an effort to reduce the deficit and ease inflation, I question very strongly the limitation which has been imposed on Loan Council borrowings. It is very difficult to argue that an increase in this allocation would be inflationary, yet it would enable the States to create job opportunities in the private sector which depends heavily on Government contracts and purchases. On that basis, our request for a larger Loan Council allocation deserves to be reconsidered without delay. In this regard, Queensland's views are shared by the other States. Decisions in this area were taken

and announced well before the Federal Budget was introduced. The economic record in the intervening period, particularly with respect to unemployment, makes their review a matter of national urgency and priority.

It will be alleged that I have spent some time criticising some aspects of the Federal Government's policies. I make no apology for doing so, on the basis that what I have said has been for a constructive purpose—the relief of unemployment in Queensland today.

I have no doubt that, in the long term, the policies contained in the Federal Budget will facilitate economic recovery in Australia, and for that reason they deserve to be supported in the broad. However, State Governments, which are unquestionably closer to the people and their needs, have a responsibility to continue to press the Commonwealth for funds to reduce unemployment without delay. This is a responsibility which we accept, and which we will pursue by every means at our disposal. Continued advocacy for capital works funds is foremost in that regard.

At the present time 4.5 per cent of the Queensland work-force are unemployed, and the great majority of people are unemployed because work is simply not available. In some cases, the unemployment is in semi-professional areas. That is a serious problem which can be overcome only by economic recovery and a return to prosperity in the private sector. A high degree of the present unemployment exists in the trades, and the semi and unskilled areas. This is where financial support from the Commonwealth would enable an early and useful impact to be made.

The suggestion that we ought to return to a programme such as the Regional Employment Development Scheme introduced by the Whitlam Government offers little hope for the unemployed in the private sector. We need direct financial support to undertake short-term capital and labour-intensive work that will assist the unemployed in the private sector as well as areas of direct Government involvement.

After three years of A.L.P. mismanagement, and unprecedented inflation, industry and commerce cannot be expected to recover sufficiently to create job opportunities in a matter of months. Here is where there is a role for governments to play. Government-funded projects, and all the ancillary purchases that go with them, are what the private sector really needs today.

If the Budget strategy works, and inflation is reduced either by the end of this calendar year or early in 1977, the private sector will be well placed to absorb many school-leavers without the need for them to be on unemployment benefits for a long period. The economic and social benefits of such a position are obvious, and I am sure that all honourable members share my very earnest hope that it will be able to be achieved.

However, the immediate problem of high unemployment in the community remains unresolved. I believe the constructive suggestions which I have made today, and which have been echoed by Premiers and Treasurers throughout the nation, will go a long way towards resolving what has become a serious social problem for our country.

This measure will provide the Government with the funds necessary to maintain the services of the State until the Budget is submitted to and approved by the House during the current session. I therefore commend the motion to honourable members.

**Mr. BURNS** (Lytton—Leader of the Opposition) (12.48 p.m.): The Opposition supports this motion to approve carry-on finance for Government operations in Queensland. Never for a moment would we contemplate blocking Supply in the irresponsible manner in which it was blocked by the Federal Opposition last year.

In my speech in the debate 12 months ago on the first Appropriation Bill I spoke of what I termed the new federalism. Today we are saddled, Mr. Hewitt, with Fraser's federalism—a style of federalism that is penalising the State of Queensland, a style of federalism that, after only nine months, is discredited in its infancy. In fact, at this stage we are learning that the Premier accepted a blank cheque, and that when the Premier accepted that blank cheque on our behalf he left us with a legacy for which we will pay for many years to come.

I wish to speak about the matters that were raised last year by the former Queensland Treasurer. In the corresponding debate last year, Sir Gordon Chalk, speaking on behalf of the Government, said—

“The Commonwealth has made it quite clear to the States that it expects them to increase their own taxes to make up the amount of the shortfall between the increased cost of their needs and the additional amount which the Commonwealth is prepared to provide from the increasing tax pool.”

That was the statement made by Sir Gordon Chalk. What's new! Weren't we told that some great change would appear on the scene once the Liberal and National Parties were elected to Government? Aren't we now being told by Mr. Fraser that what we can do in future, after 1 July next year, is increase our own taxes if we want to pay for the projects that are going to miss out as a result of his cutbacks? Last year, 12 months ago, Sir Gordon Chalk said—and he said that everybody on the Government benches supported him—that it was a dastardly trick. Now we find the same statement being made by the Prime Minister supported by honourable members opposite. He suggests that if the Queensland Government wants to do extra jobs, it should increase our taxes.

That is what the new federalism is all about. That is accepted as part of the new Liberal Party philosophy.

What has changed under the Fraser Government? Unemployment is higher; there is no visible lowering of inflation; there are fewer job vacancies; Federal-State relationships are deteriorating. The latter is obvious from the statements made by some of the State Premiers. From 1 October we will have the Medibank tax, whether we want it or not. From 1 July the prospect of double income-taxing becomes a reality.

In that same speech Sir Gordon Chalk said—

“Another area where funds have been severely restricted just when the States and local authorities had been encouraged to build up their activities, is in respect of the various programmes administered by the Commonwealth Minister for Urban and Regional Development.”

He referred to the Backlog Sewerage Program and other programmes which were being cut. This year we have heard the Minister for Local Government and Main Roads making a major complaint about sewerage projects being cut. His Federal Liberal-National Country Party Government has cut the sewerage programme from \$13,000,000 to \$1,000,000. Last year Sir Gordon Chalk was complaining because that programme was cut back to \$13,000,000 by the Labor Government. Now all of a sudden we do not hear back-bench members opposite asking questions about these matters. When we look at the double-talk of Sir Gordon Chalk and those who followed him in this debate last year, we see how they always blamed Whitlam. On what we heard from the new Treasurer today, it is obvious that Whitlam is going to get the blame for the next 25 years.

Honourable members opposite cannot face reality. That was evident from what the Premier said this morning in answer to a question on unemployment. The cold hard fact is that thousands of Queenslanders are out of work. They do not want to know about what happened last year. They want to know what the Government is going to do this year. The fellow in the dole queue, or the fellow who is victimised by his boss because his boss knows that he cannot leave his employment as he would not be able to get the dole for some time if he left his job voluntarily, is not interested in last year's figures and he is interested in the Government's actions to provide employment. It has done nothing—nothing whatsoever. It has walked away from this problem.

Last year the Treasurer was talking about R.E.D. Under Fraser federalism R.E.D. has become “black”. Sewerage projects have been flushed down the drain and urban transport is stationary. Let me read what Sir

Gordon Chalk had to say about urban transport, and let me refer to what the Minister for Transport said in his Press release. Last year Sir Gordon Chalk said—

“In respect of the Urban Transport Program, the Commonwealth has advised us that no further approvals will be given this year and serious doubts have been cast on the whole question of the continuation of the programme in the future. This leaves us in a situation where we have Commonwealth approval for only about 19 per cent of the required work, with no assurance that the Commonwealth will continue to provide its share of the balance of the costs.”

What has happened under Fraser federalism? At 10.30 a.m. on 24 June the State Minister for Transport at a news conference at the Railway Centre said—

“The announced intention of the present Federal Government to similarly curtail further funding in its 1976-77 Budget and the absence of its future intentions created an aura of uncertainty which has left the State in the lurch. It has become clear that if the State waited any longer for promised Commonwealth monetary aid, Brisbane’s electrification would remain in limbo.”

Last year Sir Gordon Chalk was blaming the Labor Government. Honourable members opposite asked the people to vote for a Liberal-National Country Party Government, a Government which was, by the waving of some magic wand, going to solve all of the nation’s problems. But, in fact, nothing has happened; in fact, things have become worse than they were last year. Government members are going to carry their federal colleagues as an albatross around their neck as they engage in their election campaign. Let them try to explain to the electors what their colleagues have done to them as a result of urging them to vote for a Liberal-National Country Party Government.

I wish to speak for a few minutes on the brutal sell-out of rural industries and country people by the National Party. I ask you, Mr. Hewitt, to just glance around the Chamber. This is not the old Country Party of yesterday. It’s a nothing party in terms of primary industry. It is the lobby for the foreign miners, as we heard here again this morning. It is the darling of the land developers and real estate agents. It is the champion of the Queen Street graziers. The alterations announced in the recent Federal Budget mean that the Queen Street grazier gets more than many of his rural counterparts.

Frank Nicklin, Jack Pizzev and Jack McEwen would shudder in shame if they were here today to see the sorry, shoddy collection of men who comprise the National Party. It is no wonder that the name was changed to the National Party. With its change of interest to the city, it is no wonder that National Party members are ashamed to call themselves Country Party members. If Sir Francis

Nicklin were around here today I doubt that he would even deign to shout any one of them a glass of pineapple juice.

I shall now deal with what the people in the country have learnt about the ill-assorted lot we have here now who represent the city slickers in this Parliament, and those who have taken over the Country Party executive and the management committees of the party and made National Party members toe the line. To understand the National Party’s record in decentralisation, one has only to read the unemployment statistics on the front page of this morning’s “Courier-Mail”. In July this year in five centres 5,743 people were wanting work but only 174 jobs were offering.

Today, I was pleased to hear the Treasurer kill the rumours about dole bludgers. He said that the unemployed were looking for work but no jobs were available. I am pleased to hear that at last he is facing up to fact. Last year, Government members said that all the people who were unemployed were trying to get money on the cheap—to bludge on the community. That is not the case. Most honourable members representing country areas realise, when they go back to their electorates once in a blue moon, what is the true position.

According to a survey conducted in Canberra last week, six out of 10 school-leavers this year will go on the dole.

**Dr. Scott-Young:** It has been the same for the last 20 years.

**Mr. BURNS:** The honourable member for Townsville interjects that it has been happening for 20 years. This Government was elected in 1957, which means that it has been in power for 19 years. If the Government accepts credit, it must also take blame. In the Federal and Queensland State Parliaments the National and Liberal Parties are able to make all the decisions. They are not being thwarted by any Labor Party Opposition. There are 11 Labor Party members in Queensland out of a total of 82. We will see what sort of Budget the Treasurer brings down to overcome unemployment generally, and particularly for the young school leavers, six out of 10 of whom face the prospect of going on the dole. I predict that in some Country Party areas in Queensland which have been blessed with the so-called National Party decentralisation, the ratio will be as bad as 8 out of 10 or 9 out of 10 and, in some instances, 10 out of 10, because there will not be any jobs.

On a number of occasions the honourable member for Flinders has dealt with the health and education services available to the people in the West and the lack of opportunity for lads in his electorate. He would not deny that.

Under the new Fraser federalism and the new attitude to dole bludgers, country families are being destroyed. The Federal Government rule which says that an unemployed

person who cannot get a job in a town can be sent away to another town by the Department of Labour still applies. Families are being torn apart. We still have other crazy social services guide-lines that should be altered. Under the Government system of freedom an aged man and woman living together are treated as a married couple—and spies are sent out to check on them!

Unemployment is only part of the story of the National Party's rural failure. The Federal Budget of 17 August began the phasing out of the nitrogenous fertiliser bounty, which is of tremendous importance to sugar-growing and other coastal areas. I recall that last year many questions were asked about the fertiliser subsidy and numerous advertisements appeared in the Press attacking Dr. Patterson, the Federal member for Dawson. What has happened this year in question-time with National Party members? How many of them have stood up and protested at cuts in the nitrogenous fertiliser bounty and how it will affect the people they represent in the sugar and other areas throughout the State? What have we heard from them? Why did questions run out this morning before question-time expired? Last year, when National Party members could ask questions about Mr. Whitlam they were asking three questions each every day, but this year, when the Liberal-National Country Party Government is flattening the farmers, they are strangely silent—painfully silent.

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

**Mr. BURNS:** Before the luncheon recess I was developing the theme of increased unemployment and the phasing out of the nitrogenous fertiliser bounty. I said that there was hardly a murmur from Government members about the brutal attack on our rural areas by the Federal Government.

For example, let me refer to Commonwealth grants to the Dairy Adjustment Program. This year Queensland will receive \$460,000 compared with \$1,250,000 last year. Again, no murmur from their National Party colleagues! Under the Rural Reconstruction Scheme, under which the Commonwealth makes grants and loans to assist in rural reconstruction, this year Queensland loses \$2,000,000 and receives only \$2,900,000. Again no complaint from the National Party members on behalf of the country people they claim to represent! Soil conservation programmes are being phased out and this year Queensland will receive \$240,000 compared with \$620,000 last year. Again no murmur from the National Party ranks! Federal aid towards the education of isolated children is down by \$1,160,000. Again no protest from the National Party! This Government increased rail freights last year and added to the costs confronting their colleagues in country areas. Very few National Party members admitted that it was a bad decision; they tried to blame the Whitlam Government for even their own rail freight increases. At the same time, they are talking

about building railway lines across the nation. These lines are to be financed by some Arabs for the Western Australian mates of the National Party.

On 1 October this year, the country people that that party pretends to represent will either be charged the 2.5 per cent Medibank levy or be forced to take out private insurance whether or not they have a local hospital or even a local doctor. People in country towns will be paying private insurance premiums or the compulsory levy struck by the anti-Labor Government, which denied that it even wanted to strike a levy. In towns where there is no doctor and no hospital, and where there is little chance of those facilities being provided, the people will have to pay. People in country areas are already forced to contribute towards fire insurance when, in many cases, they do not have the protection of a fire brigade.

The Government has set up committees. It has dithered and delayed in trying to do something about the minimum price beef scheme to aid the ailing beef cattle industry. It could have acted quickly by negotiating with colleagues in the other States, because really the co-operation of the three eastern States is required if the scheme is to work. The Federal member for Kennedy (Mr. Katter) made several promises in a full page advertisement in "The Longreach Leader" last December, but none of them, such as a revised petrol subsidy and a reduction in postal charges, have been kept.

Under Fraser federalism telephone connection charges for primary producers are to leap. The news services and entertainment that people in country areas receive from the A.B.C. will be slashed.

I remember debates last year on petrol tax measures during which members of Parliament who represent the Liberal and National Parties spoke of the need for all the petrol tax to be returned to the motorists. They were all crying about the amount of money that the Federal Government was taking in petrol tax and not returning to the Queensland motorists. What has happened this year? Not one word from the Liberal and National Parties about that!

**Mr. LINDSAY:** I rise to a point of order, Mr. Hewitt. I draw your attention to the state of the Committee.

(Quorum formed.)

**Mr. BURNS:** It is a pity that the Liberal and National Party members are not interested in spending their time in the Chamber. I can understand and realise their lack of interest when the Federal Government—the Government that they asked the people of this State to support—has rejected them and the country people out of hand, to such an extent that they are not game to front up any more.

As I was saying before you had to bring these members back into the Chamber, Mr. Hewitt, last year they were demanding that

all of the petrol tax be returned to the road users in the community. I wonder why they fail to front up on this issue on this occasion.

I wonder how the Minister for Main Roads will perform in Parliament when he is questioned on that matter, and how the Premier will perform in relation to devaluation. Last year he said that lack of action on devaluation was a socialist trick; it was an attack on the Australian farmer. I wonder what has happened to devaluation and the Dorothy-Dixer questions directed to the Premier on this issue. I wonder why devaluation is now not the major issue that the Premier claimed it was for country people last year. I wonder why National Party members are failing to face up to issues that affect the people whom they claim to represent. I wonder why they are running away.

This is the weak-kneed approach of National Party members towards rural decentralisation. They make a cry in the Parliament one day but when their own colleagues gain office and do nothing about it, they meekly surrender and allow them to get away with it.

I might well refer to home interest charges, which have been increased, and the rate of home-building, which has been decreased. Let honourable members look at page 2 of today's "Courier-Mail" and read the story of home-building in this State. Home-building levels in Queensland for June were down by 14 per cent, yet the Fraser Government has just reduced the funds available for housing this financial year. That statement can be confirmed from the Governor's Opening Speech just the other day. One can read comments from such people as the chairman of the Association of Consulting Engineers (Mr. John Snelling), who said that the future of the construction industry in this State was bleak. Again what happened to Liberal and National Party members who last year were so concerned about housing but who are now no longer concerned?

Let us now talk for a moment about farm machinery. National Party members are supposed to be very concerned for farmers and rural dwellers, but what have they done about the costs of farm machinery that have soared in this State? The Premier and his National and Liberal Party colleagues demanded that they retain the right to control prices. What action have they taken over, for example, the price of a header, which increased in price by \$18,000 in six months, and the price of a cane harvester, which increased by \$17,000 in 24 months? Honourable members opposite are in Government. They are in charge of price control and they put to the people that they wanted to retain control of prices in this State. But what have they done? Not a thing.

I could refer, too, to assistance to the tourist industry. The Premier made a statement on this matter just recently. The

Federal Budget reduced assistance to the tourist industry by \$2,000,000—to \$4,500,000. The Government is constantly talking about small businessmen.

Funds for industrial research and development have been decreased by \$4,000,000. Export incentives, for those businessmen who want to do something to promote exports, have been decreased from \$62,800,000 to \$7,500,000. As I said before, the nitrogenous fertiliser bounty is being phased out. This year the subsidy decreased from \$78.70 a tonne to \$60 a tonne. And this without a word from members of the Liberal and National Parties!

(Time expired.)

**Mr. DOUMANY** (Kurilpa) (2.23 p.m.): I rise to support the Treasurer in his introduction of this motion. It is amazing that after the State achieved an almost precisely balanced Budget in 1975-76 and after the enormous extravagance and chaos of the three years of Federal A.L.P. Government in Canberra, the Leader of the Opposition can so bitterly attack this Government on its record and its performance. It is probably as well to move immediately to some of the comments on the recent Federal Budget that appeared in reputable national newspapers because I think they put into perspective the sense of responsibility and good management that is guiding the Federal Liberal and National Country Parties in Canberra at present.

I quote from the editorial of "The Australian Financial Review" of 18 August—

"Let it be said first and without qualification that the Budget is what we were led to expect from the election campaign and everything that has been said by the Government in the intervening period has prepared the community for it.

"There is no misrepresentation here.

"It is the type of Budget the Australian electorate voted in favour of nine months ago.

"It is probably the Budget which Labor's last Treasurer, Mr. W. Hayden, would have liked to bring down last night had he been the Treasurer.

"This is a strategy which is the best one for Australia at the moment and if persevered with in an intelligent and non-dogmatic fashion will see Australia on the mend."

**Mr. Houston:** Who said that?

**Mr. DOUMANY:** That is from the editorial of the "Australian Financial Review" on the morning after the Federal Budget.

**Mr. Houston** interjected.

**Mr. DOUMANY:** It is absolutely remarkable that I get such a reaction from the honourable member for Bulimba when, if he looks at the "Australian Financial Review" over the last few months, he would realise

that it has been very critical of the Federal Government. It has not really paid out any favours. It has been a thoroughly objective analyst of financial and economic policies, and it came out with that editorial which I have just read. I will read another comment. We might as well move across the spectrum.

**Mr. Houston:** Why don't you give us your views?

**Mr. DOUMANY:** I will give the honourable member my views in a moment, and they will not be very palatable to him. In an editorial of the "Melbourne Herald" on that same morning, 18 August, this appeared—

"The strength of Mr. Lynch's Budget is in its basic strategy—that it concentrates on creating strong foundations and setting the right course for long-term economic recovery. It is not exciting. It is cautious. Some of its assumptions are arguable. But it should work."

Honourable members will notice that it says, "It is not exciting. It is cautious." It is about time we lost some of the excitement and mad rush of the Whitlam era. It is about time that the crocodile tears of the Opposition stopped flowing for the miserable defeat and fall of their glorious leader last November after he had misled the nation.

Let us go back in history in this State. This is a great State with tremendous resource potential. It is a State with the strength to overcome the economic difficulties that are confronting not only Australia but the world at large. It is a State which has performed in sheer productivity and creation of wealth at the highest possible level and I for one in this Committee will always fight for the best share for Queensland of the national economic cake because we earn a very big share of that cake by our own efforts. If there is any criticism of the present Federal arrangements on finance, it is criticism that can be directed at Governments of any colour in Canberra in that, because of its small population, Queensland does not always command the same degree of equity in the meting out of funds as its resources and production would merit.

**Mr. Houston:** Can we quote you on that?

**Mr. DOUMANY:** The honourable member can quote me on that because it is fact. I had intended to quote a statement in "The Australian" by Senator Rae, one of the members of my party from Tasmania, about the smaller States, but it is a little too long.

The Leader of the Opposition referred to Sir Gordon Chalk's speech on this subject last year. I have looked at the speech of the Leader of the Opposition on this subject last year and I am extremely impressed by the comments he made on the need for co-operation. Honourable members will recall that at that time we in the Government were very critical of the wasteful and destructive

policies of Canberra, and Sir Gordon Chalk had given us a run-down on the extravagance of the policies of the Whitlam Government. At that time the Leader of the Opposition had smarted under that attack. He told us that Canberra should not be criticised, that there was a need for co-operation, for all to come together and work in the common interest.

That was a very commendable sentiment, but it so happened that his former glorious ally—I do not think he would like to regard him as an ally at the moment—did not know what the word "co-operation" meant and certainly did not give effect to it while he was Prime Minister of this nation.

However, some of the comments by objective observers on the performance of the Fraser Government since its assumption of office last December make very interesting reading indeed. For example, in "The Bulletin" of 24 July last an article headed "What Fraser told the unions" appeared, and I will read to the Committee the first four paragraphs.

**Mr. Houston:** Are they too long?

**Mr. DOUMANY:** They are very short; they are in italics and well spread out. The article read—

"The Fraser Government has become more deeply entangled with the leadership of the A.C.T.U. than most people have realised. It has confided in the union leadership its thoughts on devaluation of the currency and other extremely sensitive matters.

"In fact, probably no government before, including Labor Governments, have gone so far in trying to involve the unions in the decision-making process itself.

"We knew of the unprecedentedly long talks A.C.T.U. president Bob Hawke had with government leaders in May and June; talks which led some ministers to quip that Malcolm Fraser confided more in Hawke than in his own ministers, and some senior public servants to say that papers they prepared for meetings with the A.C.T.U. were more important than Cabinet submissions.

"Those talks were private, and not much has been known about them except that they have hardly produced acquiescent unionism. It was known that an extensive set of papers on different aspects of Government policy was prepared, to be given to union leaders on a confidential basis."

There is another little instance of this co-operative feeling; in fact, it damaged one man who was very closely associated with members on the Opposition benches until very recently. I am speaking now about Sir John Egerton.

All honourable members will be aware of Sir John Egerton's fall from grace in the union movement in the last two or three months. In "Rydge's" of August this year an article appeared entitled "Unions take a

sharp swing to the Left", and I shall quote from it a paragraph referring to Sir John Egerton. It says—

"The most striking demonstration of this was the reaction to the knighthood received by Jack Egerton, now Sir John. Egerton was at the time the most powerful figure in the Queensland Branch of the A.L.P."

Honourable members all used to kowtow to him and shiver in their boots when he turned his ray gun on them from the Trades Hall, so they should remember him with a little awe. The article continued—

"He was sacked from both these positions only partly because he broke the long Labor tradition against accepting knighthoods. The main reason for his demise was his overt collaboration with the Fraser Government."

Jack Egerton did believe in co-operation, which was the sort of philosophy about which the Leader of the Opposition spoke last year.

What did we hear from the Leader of the Opposition today? He tried this time to bomb the Government with trivia. If you recall the excellent speech made earlier today by the new Treasurer (Honourable Bill Knox), Mr. Hewitt, you will note the emphasis he placed on the critical nature of inflation in the economic problems of Australia and the overriding priority he gave to reducing unemployment. The Government of Queensland recognises that fact and does not need the squealing and the yelping of the Leader of the Opposition to emphasise its responsibilities in that direction.

I should like to point out that there is a slogan appearing at the moment—you may not be aware of it, Mr. Hewitt—"Bank on Burns". There would be an unbridgeable gulf between banking and Burns, because all honourable members will recall that in last October-November, when Whitlam was under siege, he was prepared to pirate the funds of the private banking system in order to stay in office. Memories are very short. No more inappropriate word could be linked with the Leader of the Opposition than the word "bank". That word implies solidarity; it implies progress; it implies building. There is nothing more concrete than the word "bank".

**Mr. Hartwig** interjected.

**Mr. DOUMANY:** He was going to break the bank. Now the State Leader of the Opposition wants to break the bank of promises and innuendo when he looks at Budget strategy. He has made a very big fuss about rural policy. I have been rather surprised in recent weeks to see the Leader of the Opposition becoming very much of an agricultural policy specialist. I wonder where he is getting it all from. But he cannot hide his colours. His colours are clear. They are those of Whitlam, Cairns and all those other men who stripped the rural sector of its incentive to produce and

the assistance it so greatly needed in the last three or four years. But they callously refused to listen. Things got so bad that when Mr. Whitlam appeared as Prime Minister before some farmers they threw cans at him. Little wonder—after he had raped their industries!

**Mr. Houston:** You endorse that, don't you?

**Mr. DOUMANY:** They threw them at his feet, not at his head.

We have been told that this Government is squealing about today's Canberra Government. Surely any responsible State Government must fight for its own case. All of the criticisms by our Ministers of any specific issues related to federal policy or Federal-State finances have been valid and necessary, because we represent the people of Queensland. The first time that any State Government in the federation does not measure up to its State responsibilities, then the federation itself is at risk.

We have been told about all the spies on social security arrangements. I always find it galling to hear this from the Leader of the Opposition. He forgets that the arch-priests of inspectors and little bureaucrats running around and interfering with people and their commerce were invented by the A.L.P. in the first place. The Social Security Department was in such a muddle over the last two or three years until the Fraser Government took over that nobody knew where they stood, including those employed in Government departments to administer the legislation. I cannot see why the Leader of the Opposition should be so offended.

He spoke about the beef marketing schemes that we should have come up with. We are a responsible Government, and I am certain that Cabinet does not want to rush into anything without giving it adequate thought. I remind the Committee that cases have already been taken to the other States by the Minister for Primary Industries in an endeavour to find ways to stabilise beef marketing in this nation. Until now no satisfactory solution that would be acceptable to all parties concerned has been found.

Many things have been done and many more things will be done by a Government that still believes in private enterprise. It is a Government that knows that productivity is the essence of the economic cake that must finally be cut up between the various sectors of the community. Unless the cake is big enough, all the welfare policies and all the great policies are meaningless, because they cannot be backed up with real value. The funds must be there—funds backed by production, wealth and prosperity—to do the various things that we are told must be done. What we will do in Queensland was made clear by the Treasurer, that is, we will undertake our task responsibly and we will not squander the resources entrusted to us by the people of this State.



**Mr. HOUSTON** (Bulimba) (2.41 p.m.): One thing that the honourable member for Kurilpa has shown is that he has learned since we discussed the Appropriation Bill 12 months ago what an Appropriation Bill is all about. Last year he suggested that the Treasurer had to introduce the Bill because the State was in a bad financial situation thanks to Whitlam. He has not changed his attitude very much. I suggest that every night he should continue giving thanks that the newspapers print stories; I am sure that without them he could not make a speech. Most of his speech consisted of quotations from the Press of someone's else's point of view. As a member of this Chamber he can surely be expected to present his point of view on the various matters before Parliament.

He said that the State Government has every right to criticise Federal Government policies. I do not deny that; it has every right to do so. But let us not forget that this State is represented by many National Party and Liberal Senators and their counterparts in the House of Representatives. What are they doing? Are they objecting? I have not read or heard of any objections by them to the policies of the Fraser Government.

One thing can be said about members of the Labor movement, namely, that they talk with a united voice. But the Liberal and National Party members talk to suit the situation of the moment. In the main they are political opportunists. If something does not suit them, they promptly make a public statement, but that cannot be taken as meaning what they say or as being backed by fact. We witnessed an example of that this morning in the speech of the new Treasurer. In a personal sense I congratulate him on his elevation to the high office of Treasurer and, for the State's sake, I wish him well in carrying out his financial duties. However, on policy matters, I have some criticism to level.

In his speech today, he seemed more concerned about the welfare of the coal companies than about the rank-and-file people of Queensland. He had a lot to say about the coal levy imposed by the former Federal Government. He said it was great that the levy was to be reduced, but he said that it was being reduced too slowly; if he had any fight it was on that. That contrasted strongly with what some of his colleagues said not long ago. At the beginning of the year the Premier indicated that he would like to get his hands on the \$100,000,000-odd that the Federal Government received by way of the \$6 a tonne export levy. And as recently as 28 June this year, the Minister for Mines and Energy was reported as saying—

“The Federal Government is to review the controversial \$6 a tonne coal levy imposed by the Whitlam Government last year.

“But the Queensland Minister for Mines and Energy, Mr. Camm, yesterday did not rule out a suggestion that his State would pick up the levy if it was dropped by the Federal Government.”

Those were his views as set out by the reporter Elizabeth Johnston.

**Mr. Hartwig:** Wouldn't you say that it belongs to Queensland?

**Mr. HOUSTON:** That is not what the Minister said. He said that it was killing the coal-mining industry. If this levy imposed by the Federal Government was killing the industry, surely, on a logical basis, it would kill the coal-mining industry if any other authority took the money. I am only saying that Government members talk with a double tongue; they talk to suit the situation as they see it at a particular time.

On 28 August last year the former Treasurer (Sir Gordon Chalk) introduced a similar motion seeking \$750,000,000. That amount comprised \$330,000,000 from Consolidated Revenue, \$340,000,000 from Trust and Special Funds and \$80,000,000 from Loan Funds. During his speech, the former Treasurer said that the most topical subject for discussion on State finances was the Commonwealth Budget. Again the present Treasurer has spoken on the Commonwealth Budget and I think it is appropriate to do that.

I think also that we should have a look at the size of our own State Budget from year to year because, after all, this is a State appropriation of money. I expected that the new Treasurer would spend more time than he took—less than half an hour—and would tell us his ideas on Queensland's financial position and give us a review of it. After all, it is 12 months since we discussed a similar Appropriation Bill and nine or 10 months since we discussed Appropriation Bill (No. 2).

Let us consider the conditions 12 months ago. In 1975, the Treasurer asked for \$330,000,000 from Consolidated Revenue; this time he is asking for \$305,000,000, a drop of \$25,000,000. In 1975, the Treasurer asked for \$340,000,000 from Trust and Special Funds; this year the request is for \$360,000,000, an increase of \$20,000,000. Last year \$80,000,000 was asked for from the Loan Fund Account and this year Parliament is being asked to approve \$67,000,000, a decrease of \$13,000,000. The total this year is \$732,000,000 compared with \$750,000,000 last year, a reduction of \$18,000,000.

I think the Treasurer said that, for the 12-month period, we are up \$107,000,000. But what he did not tell us was that the big appropriation of money took place in November of last year when we were asked to approve \$553,000,000, which gave us the big boost to make the total \$1,285 million for this year, or, over all, \$107,000,000 more!

Going back further and looking at the real financial state, we find that the difference between the 1974 and 1975 appropriations was \$298,000,000. At that time the Treasurer said that the money was to cover expansion of services (particularly in education, health and social services) and to meet wage increases. I make that point because it is most important. On this occasion the Treasurer is asking for \$107,000,000 more for the 12-month period to cover only wage increases. When Sir Gordon Chalk opened this debate 12 months ago, he asked for money that would cover not only wage increases but also extra expenditure on social services, education and health. All that one can assume at this stage is that the Government is not looking at increasing expenditure in those three very important fields. I think it is most important that it do so.

The Treasurer's speech last year was based in particular on the Federal Budget. I think, as the Leader of the Opposition said, that it is good to compare the situation then and now. One of the things that the State Government has been crying out about is the need to encourage industry. I agree, and I completely support the idea of having a prosperous private sector, because workers are thus allowed to obtain a fair share of the wealth of the nation. But it is also important to have a very confident public sector because, after all, many people in our community rely on the public sector for their employment and their welfare. So there has to be a balance. I believe that it is just as wrong to cut down on the private sector as it is to cut down on the public sector. We seem to be reaching the stage of extremes. If we were to the extreme under the Labor Government, surely we will be to the extreme under the present Government.

Remember too, with all the cry about helping industry, that there was a direct reduction in company tax under the Labor Budget whereas there is none under the present Federal Government's Budget. There is alteration to the procedure but no reduction this year. The reduction planned will come later.

One difference between this session so far and the comparable time last year—in fact the whole of that session—is the lack of questions asked by Government members, in the main Dorothy Dixers designed to give Ministers a chance to criticise the Federal Government and Federal Ministers. In reply to those questions Ministers cried out for more money to be spent. Now the Treasurer in effect says, "Let us co-operate with the present Federal Government. Let us not ask for too much as they do not have the money to give. That would not be good for the nation." But 12 months ago all the Ministers were constantly crying out for more money.

The Minister for Main Roads cried, "We want more money for all types of roads." He wanted roads built here, there and

everywhere, even where there were no houses. He is again crying, "Give me more and more money." There was no talk last year about cutting back or being realistic.

The previous Treasurer complained about the taking over of State railways by the Commonwealth. He argued at considerable length that that was completely wrong of the Commonwealth Government. Yet the present Commonwealth Government is in the last stage of negotiating the taking over of the South Australian Railways. Those railways are, of course, controlled by a Government that is not of the same political colour as the Federal Government. That, however, does not matter; that Government is still doing what it believes is right for its people. I believe that such issues have to be decided not on the political colour of the Government in power but on a determination of what is best for the people of the State concerned.

The present Treasurer complained about the export levy of \$6 a ton imposed on coal and said that it should be removed. There may be a case for some relief for coal-mining ventures that are just getting started, but how can there really be any justification, particularly in the eyes of those out of work, of one company making a net profit of \$370,000 a day? The report of the Utah Development Company showed that for nine months it made a profit of \$370,000 a day. I wonder how much of that profit is going to the United States of America?

**Mr. K. J. Hooper:** Utah also contributes heavily to the coffers of the National Party.

**Mr. HOUSTON:** That has been suggested from time to time. I do not think that the levy of \$6 a ton made any difference to the employment opportunities provided by that company.

The previous Treasurer also complained about money made available for housing. I notice that the present Treasurer had very little to say about that. I want to have something to say about it because in my opinion it is a blot on the State to have thousands of people needing homes and not being able to obtain them. I know that the Minister will say in his reply that the three years of Labor Government stopped the building of homes.

The published figures show that in the 1950s, under a Labor Government, 2,000 Housing Commission homes a year were built in this State. In fact, that number was exceeded in a number of years in the 1950s. For 1973-74 year, the present Government built only 1,447 houses. For 1974-75, the figure was 2,283, making a total of 3,730 for the two years and a yearly average of 1,865.

As the Leader of the Opposition pointed out, in the June quarter South Australia and New South Wales, two Labor-held States, under the present Government, under the present set-up and under the present financial arrangements were able to increase their

housing programmes by 25 per cent to record levels whereas at the same time we reduced our housing programme by 14 per cent.

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

**Mr. HOUSTON:** It is not rubbish; it is fact. Of course, the trouble with the honourable member is that he would not know the difference between fact and fiction. He so often tells fairy tales that he starts to believe them.

Let me quote from a letter I just received from the Minister for Works and Housing. I wrote to the Minister after the people referred to in it had made a normal application for a Housing Commission house. The Minister is not here but I suggest that one of his Cabinet colleagues pass my comments on to him. In my electorate there is a family with a son of four, a son of three, a son of two and a baby daughter aged two months living in a caravan. Their application has been lodged for some time. So far they have not been successful in it. When the baby arrived only two months ago, I wrote to the Minister and asked him to make some representation on their behalf to get a house as they are living in a caravan. I do not want to mention the person's name; I do not think it alters the case. I know the Minister wrote this letter in good faith—I am not denying that at all. Perhaps I should congratulate him on being so frank. The letter sets out the situation of our housing programme. He says this—

“Priority of” (Mr. So-and-So's) “application has been appropriately assessed comparatively with the several thousand other applications held.”

Several thousand! And we are building only 2,000 homes a year. The letter continues—

“Many of these are longer standing applications of equal priority and I regret that I am unable to indicate at this stage when a house may become available for offer to (Mr. So-and-So).”

Here we have a family with four children under five years of age living in a caravan and yet the Minister says there are thousands of worse cases with higher priority. Where are we going in this State? Government members talk about our riches and how they are protecting them. Let us do something to protect our own people, our own young families who desperately need houses. I got this letter only this morning, and if ever I needed a letter I certainly did not need a letter of that type to boost a case. But there it is. There must be hundreds of others. It is not the first letter I have received along those lines. I am sure you will agree, Mr. Hewitt, that a couple with four young children are entitled to a better place in which to live than a caravan, and I do not care how well managed that caravan might be. The kiddies are entitled to be brought up in better conditions than that.

Many things have been mentioned during this debate, but one matter of major importance was referred to by the Leader of the Opposition and that was unemployment in this State. Unfortunately, those who are out of work will not be worried about what the situation was 12 months ago. They are worried about what the situation is today. They are worried about where a job is coming from. I am worried about where their jobs are coming from and I am worried about what is going to happen to the thousands of young people who are going to leave school in a few months' time. What is the good of our spending thousands, in fact millions, of dollars on educating our young people if we are going to say to them then, “Sorry, there is no work for you.” Of course, honourable members opposite are saying that the actions of the present Government will overcome the problems of unemployment. That view is not shared by many people, certainly not by me. In fact, last year the former Treasurer said, as reported in “Hansard” at page 260—

“The transfer of employment back to the private sector is a desirable objective, and that appears to be the theory behind the Federal Treasurer's Budget policies.”

He was referring to Mr. Hayden's policies. He went on—

“However, it does seem to be very poor theory indeed. To be successful, the private sector has to be encouraged to take on additional employees, otherwise the cuts in Government expenditure will merely mean a swelling of the already large pool of unemployment.”

That is what Sir Gordon Chalk said during the corresponding debate last year.

The present Government has not done anything to encourage the private sector to increase employment. Surely the basic fact must be that if one wants more employees, one must sell the products that one is making; but one cannot sell products to people who have not the money to buy them and if export incentives are not given to the companies concerned.

(Time expired.)

**Mr. LAMONT** (South Brisbane) (3.1 p.m.): Mr. Chairman, I did not intend to enter the debate until I heard the rather remarkable speech—if one can call it that—of the Leader of the Opposition, who seems to have become an expert in everything these days. We heard from the honourable gentleman a stream of steady abuse, a flood of foolish invective, a torrent of tormented guilt—and I use the word “guilt” very advisedly. The Leader of the Opposition has a sense of guilt because he has the knowledge that Labor did all the things that were responsible—or irresponsible, depending on one's point of view—for the present situation, all the things that he is complaining of in the Chamber today.

Last year men such as the Leader of the Opposition and the honourable member for Bulimba did not admit the state into which this country had fallen. Twelve months ago we did not hear from them complaints about unemployment, inflation, low profitability and lack of opportunity such as we have heard from them today in the debate on this motion. Last year they were not allowed by their masters to make comments of that sort in the Chamber; but today they stand up here and, because there is no Labor Government in Canberra, because there is at last a Liberal-National Country Party Government in office in Canberra, they feel free to criticise the state of the nation.

The state of the nation has been a pretty sorry one for much longer than the past 12 months. It is heartening to see, now that their masters have allowed them to make comments on the sorry state of the nation, that they are aware of the problem. However, it is a great pity that they have not the great depth of economic knowledge to recognise that these things have a long-term cause. They are at last released to criticise the state of the country, but unfortunately they are somewhat frustrated when they do so. They are frustrated in the knowledge, which they are not prepared to admit other than in private, that what they are criticising is the result of Labor rule.

I call this the rage of Caliban, and an educated man such as you, Mr. Hewitt, will know that Caliban was the devilish imp in Shakespeare's play "The Tempest". The rage of Caliban was caused by the devilish imp looking for the first time into the mirror of Miranda and seeing the ugliness of his own image. His rage resulted from the reality of that, and I would submit that during the past three years the gentlemen of the Opposition have in fact suffered as Caliban did. They were uglyimps in their Government but could only see their own faces in the dirty pool of water that existed in their camp. When they looked into the dirty pool of water, they did not see clearly what the problem was. Now they are allowed to look into the mirror, because there is no Federal Labor Government stopping them from being realistic, and it is the rage of Caliban that they feel when they see the ugliness of the impish and devilish monster that they allowed their Federal Labor Government to become.

By contrast, Mr. Hewitt, in the last Federal election campaign the Liberal and Country Parties never once promised that by August 1976 they would cure unemployment and reduce inflation to what it was in the happy, halcyon days of a former Liberal-Country Party Government. They did not say that. The Liberal and Country Parties had a responsible leader who said, "This is going to be difficult and we are going to take some hard lines, and there will be some tough times." There were no grand promises—none of the "lucky country" story that

Donald Horne and the Labor Government seemed to have concocted as the great Australian Labor myth. The Liberal and Country Parties did not say any of these things. In fact, they adhered very much to the advice that leading world economists gave. They said quite plainly that the people of Australia could be in for some tough short-term times if the country was to be set right again.

At this time last year I drew the analogy of a person suffering from acute appendicitis and referred to the acute pain our country was going through under Labor. I said then, and I repeat it now, that if a person is to be cured of his acute appendicitis he must have an operation. That operation will cause him to be bedridden and incapacitate him in the short term, but it is necessary if he is to return to health in the long term. It is utterly stupid of Opposition members to rush around in the short term and say, "We had this operation to cure acute appendicitis, but we are worse off because we have to lie in bed to recuperate." That is absolutely nonsense. The fact that we may be going slower does not mean that we have stopped. It does not necessarily mean that we are not progressing. In fact, slowing down is the sort of progress we need. The rapid change and transition forced on an unwilling country by the Labor Government was what brought about our ills.

The Leader of the Opposition and the honourable member for Bulimba said that they are worried about the long-term effect. They said that they were worried about the state of the nation today. It is a pity they were not worried a few years ago when they may have had some restraining influence on their leaders. Let me give a few figures which are very relevant to this debate. In December 1972 there were 136,000 people unemployed in this country. The subject of unemployment was raised by the Leader of the Opposition and the former Leader of the Opposition, whom he controlled when he was Federal President of the A.L.P. When the Federal Labor Government took over in 1973 there were 136,000 persons unemployed. Labor criticised that and promised to return to full employment—whatever that means. By December 1975 what was the picture? Over 334,000 persons were unemployed. The number increased from 136,000 to one-third of a million in just three years. That is not a bad "breakdown"—and I use that word advisedly—even for the Labor Government operating as it did. We witnessed a 200 per cent increase in unemployment in three years.

Let us look at another figure. The Leader of the Opposition spoke about the July 1976 figures under a Liberal Government. Let us remember that the Liberal Budget could not really have affected unemployment to any significant extent in so short a time; nor did we ever promise that the figures would be a great deal better in such a short time. However, let us just accept the fact that in July 1976 270,286 persons were unemployed.

Now let us look at the seasonally comparable rate. Twelve months earlier, in July 1975, under a Labor Government, the "official"—I use that word deliberately—figure released by the Labor Treasurer was 251,622. At that time there were, however, 31,969 persons registered under the R.E.D. scheme. To come in under the R.E.D. scheme a person had to be unemployed. Therefore if we are to look at comparable figures we have to add the R.E.D. scheme figures to the unemployment figures for that month to get the true picture.

If we add the two figures, it is seen that in July 1975 there were 283,000 persons unemployed, compared with this year's figure of 270,000 under a Liberal Government. Although we did not promise that our policies would effect a change so rapidly, we do in fact have a decrease of about 13,000 unemployed in comparison with the number unemployed under the R.E.D. scheme and registered for the dole in the same month of the previous year.

The President of the Metal Trades Industry Association recently said that the Labor Government priced us out of a world market first of all and then that its policies led us to being priced out of an Australian market. Since 1973 the cost of employing male process workers in the metal trades industry has increased by 40 per cent in Australia compared with 15 per cent in the United States. In those circumstances what can an employer do? How can he possibly compete on the world market when the cost of his labour-force has increased by 40 per cent compared with an increase of 15 per cent in a major trading nation like the United States? In 1973 the Australian metal trades industry had a labour cost advantage of 15 per cent left over from the Snedden Budget. These days it suffers a labour cost disadvantage of 22 per cent and profits are down 36 per cent. That is in a major industry where trade union leaders are complaining about unemployment and unemployability.

At that time Mr. Enderby was the Minister for Manufacturing Industry. In October 1974, he said to the Metal Trades Industry Association, "We have exposed you to competition and you don't like it; you just don't like it." What Mr. Enderby failed to see, of course, was that by exposing employers to that type of competition, he was exposing the profitability and the employability of their employees to that kind of competition.

He exposed employees to that kind of competition and they, too, did not like it. That is why trade-unionists in their droves voted against the Government of which Mr. Enderby was a part. And so, today, we are suffering unemployment.

We find that the Labor Party in Opposition is still unrepentant. It is still complaining about business; that the recent Budget was a business Budget. But it had to be a business Budget so that men who wanted to engage in private enterprise could offer employment

to the workers of Australia. Labor completely overlooked the effect that wages would have in reducing capacity to produce for export and capacity to provide employment. That is precisely the fault of the Labor Party.

The honourable member for Bulimba referred to the private and public sectors and asked for comparisons. I will give him comparisons. The comparison of the private and public sector is that the private sector is the producing sector—the sector that gives the nation's productivity upon which wage increases should be based. On the other hand, the public sector is not in that sense productive. It provides services and it may provide employment, but that is all it provides. It does not produce goods that provide wealth.

I now refer to the private sector increases and public sector increases. In 1974-75, under the Labor Government, the public sector increased by 91,000 and the private sector decreased by 146,000. In fact the unemployment figures would have been much higher if the Labor Government had not employed more people in the public sector in trying to make up for the havoc it had caused in the private sector. So much for Mr. Whitlam's view of the mixed economy! In 1975-76—since the Liberals took over—the public sector, by comparison, has been cut back by 8,000, which means a tremendous saving on Budget expenditure and on the taxes to be paid by the taxpayer, and the private sector has only declined by 18,000 compared with 146,000 in a comparable period under Labor.

Small business, which is tremendously important to my electorate, in South Brisbane, employs 40 per cent of the Australian work-force. In 1975, 3,000 small businessmen had to close under the Labor Government. That is why we have galloping unemployment. Small businesses cannot be started up again as quickly as a Government such as Labor can close them. In an ideological gallop to attack the great tall poppies of our capitalist society Labor was able to close down 3,000 small businesses, but B.H.P., M.I.M., and other similar companies managed to survive. They stood above the tide line and had little trouble. In the past three years we have suffered the worst unemployment and the worst attack on business confidence that we have seen in Australia since the depression.

In my electorate a great number of people are employed in the ship-building industry. While I deplore the fact that as a result of certain conditions prevailing here (imposed, I must add, on the workers by the trade unions and their policies), ships cannot be built in Australia, nevertheless I remind honourable members that under the Labor Government, in spite of the hypocritical shrieks we heard from the Labor Party in recent days, seven major shipping contracts were given overseas by the Labor Government.

I refer to the "Australian Pioneer", the "Australian Purpose", the "Australian Prospector", the "Australian Progress", the "Australian Emblem", the "Australian Venture" and conversion of the "Tambo River".

All of those contracts were given to overseas shipbuilding firms rather than Australian dockyards. Today, we simply cannot possibly give this kind of contract to workers whose trade unions will not guarantee that they will fulfil the terms of their contract. Because we have said that, we are hearing hypocritical shrieks from the Labor Opposition in spite of its Government's policies not to build Australian ships in Australia. Four bulk carriers, which we were told by a leading member of the Labor Opposition in Canberra last week were too big for Australian dockyards, could have been built in Australia if the Labor Government had ever been serious about a shipbuilding policy and expansion of that industry.

Australia is no longer the lucky country; Australians are under stress. We must wake up. We cannot afford Australia at the price that the trade unions want to put on it, or, I should say, the price put on it by a minority of the leadership of the trade unions, because I know that a great many of the unionists in my electorate do not support those policies. They would rather have jobs than strikes. They would rather have steady incomes than no income at all. That is something that the leaders of the Labor Party and their trade union masters have to understand.

Finally, I refer to the reference made by the honourable member for Bulimba to the housing industry. We know that, just as with small business or with shipbuilding, the building industry in Australia has suffered mammoth cutbacks under the Labor Government. There again we have the same story and the same reasons.

I remind the Committee that one of the planks of the Labor Party policy in the 1972 Federal election was that interest rates would be maintained, if not lowered. They were at a staggering all-time high under Labor and we now have a struggling private enterprise trying to effect changes which, as we always said, would not happen overnight; they may not happen in 1976; they may not even happen in 1977. And Malcolm Fraser never said they would. He asked for a period to set things right for the long term, and that is what we are talking about today.

I should like to mention one further thing about the housing industry, that is, the utter hypocrisy of the Labor Party, whose policies are a direct attack on the Liberal policy that a person in Australia has the right to own his own home. The most recent policy adopted by the Queensland Minister for Works and Housing shows that we are encouraging people, even those in Housing Commission houses, to buy their own homes. We have offered a much lower deposit with

the same rental, which now becomes the interest payment on the purchase of the home.

I was flabbergasted that the Leader of the Opposition had the gall only a day later to tell the people of Queensland through the Press that in fact he thought of that scheme first. He said that he had written to the Minister for Housing "one month" earlier on that policy. Anybody who knows the first thing about politics—that excepts the entire Opposition and obviously its leader—knows that such policies do not get on the drawing board and come to fruition overnight. They do not happen in a month. They take many months to come to light. That policy was there a long time before any letter was sent by the Leader of the Opposition.

I doubt whether he really did want to see the introduction of a policy that would encourage people to own their own homes, because we know that in 1973 the Commonwealth Labor Government forced upon us a Commonwealth-State Agreement which bound up certain homes which we can never, under that agreement, sell to the people occupying them.

So I denounce the statement by the Leader of the Opposition that the Labor Party is interested in a home-ownership policy and I denounce the statement that he thought of it first. The Liberal Party thought of it and a Liberal Minister brought it in. This Government has a proud record in home-ownership.

There are many other things I should like to speak about on this occasion. Obviously I would like to make some comments on education. I shall reserve them until my Budget speech. I thank you, Mr. Hewitt, for allowing me to make a contribution to this debate today.

**Mr. WRIGHT** (Rockhampton) (3.19 p.m.): It seems that the Bill is a regular yearly exercise in this Chamber to ensure that this State has the financial capacity to continue to administer Queensland until its own Budget is brought down later in September.

It amazes me that the honourable member for South Brisbane and the honourable member for Kurilpa made out that the Fraser Government is totally free of all responsibility for what is happening in Queensland and what is causing the economic crisis that is now facing Queensland and that Queensland still has to face even further. It amazes me that the honourable member for South Brisbane had the audacity to make out that the Fraser Government never broke a promise.

While he was speaking I listed some of the promises that I know they have broken. First of all, there is Medibank. Honourable members will remember all the advertisements in which the Liberal and National Parties said that nothing would change.

Statistics now show that there will be massive cut-backs in pre-school and university education allocations. And what about the free milk scheme?

**Mr. LAMONT:** I rise to a point of order. I did not mention Medibank or schools, nor did I say that we had not changed policy in those areas.

**The CHAIRMAN:** Order! There is no point of order.

**Mr. WRIGHT:** The point is that the honourable member said there were no broken promises. I am listing some of them. Many members screamed in this Chamber because the Whitlam Government was doing away with the free milk scheme. What has the Fraser Government done about it? There was also a promise made about cadets but nothing has happened there, either. What about the promise not to delay payments to pensioners? It was three or four months before something was done for them. There was a cut-back of \$200,000 in sports assistance. The housing allocation, on which I shall expand later, was cut back by many millions of dollars. The isolated children's allowance was reduced by a million. Aid to the handicapped and deaf was also cut. The Government even cut out the emergency assistance scheme for the unemployed and the sick. They cut back the assistance given to those who are sick by increasing the contributions made to the pharmaceutical benefits scheme. They have done nothing about postage and telephone charges. They have cut millions of dollars from environmental expenditure and growth area expenditure. They have done nothing to help the beef industry, which was one of their main election ploys. They have cut back in massive areas of expenditure for local government. They have brought up again the idea of television licences and the reintroduction of tertiary education fees. We know that there will be a dual tax system for the State. They have cut back finance for roads; they have increased unemployment and they have done nothing about inflation. So it goes on and on and on.

The honourable member for South Brisbane spoke about the problems that have occurred for small business. It is time that he and the Government realised that the greatest enemy of small business is big business. That has always been the case and it always will be. I was pleased, however, to see that the Treasurer used his first speech since he assumed this portfolio to at least throw a few barbs at the Federal Government. I believe that he has put the blame fairly and squarely on the Fraser Budget for the fiscal crisis that Queensland is about to face. He has criticised the Federal Government for cuts in general purpose revenue under the new financial assistance agreement. We know that this will happen. Under the agreement made in April the amount that this State will receive will be

33.6 per cent of all moneys collected in personal income tax by the Commonwealth. We were told that it would not be less than the 1975-76 allocation but we know that it will be no more. Because there will be cut-backs in Loan Council borrowings and the gradual phasing out of specific purpose grants for recurrent expenditure and for capital works programmes, the State has no alternative, it must find other sources of revenue. The State will have to cut back services, stop the works programmes, scrub all capital works or bring down a new direct tax on wages. These are the alternatives—increase indirect taxes or have a dual income tax scheme.

I am amazed, however, that the Treasurer tried to make out that the Fraser philosophy of boosting the private sector is still the answer to overcoming the problems of this nation. I accept his point that three out of four workers in Australia are employed in the private sector. But how many of those people are employed only because of the finance available for Commonwealth contracts or State or local government contracts? One only has to consider that in Queensland the roads are, in the main, built by private contractors but with Government money. Schools and hospitals are built in the same way. The private sector may do the constructing but the financing comes from the public sector. Queensland will suffer from the imbalance in allocation that the Fraser Government has now brought about. The only alternatives are to cut back services and programmes, increase indirect taxes or have a dual taxation system. It is no wonder that the previous Treasurer (Sir Gordon Chalk) got out when he did. I know that he opposed the personal tax scheme and did not want to impose it on the people of Queensland.

I do not have a chance to explore these other areas in any detail, so I want to direct my remarks to two main aspects. One has been mentioned by the honourable member for South Brisbane. One is the building and construction industry and the other is local government.

Figures have just been released which show that activity in the Queensland housing industry fell in the June quarter. The figures taken from a Federal Housing Department survey show that dwelling starts fell by 14 per cent. This survey covers all the residential and non-residential sectors of the building and construction industry. The main reason given for the sharp fall in the number of Government dwellings is the fact that the Government does not have the money now to allow it to go ahead with its capital works programme.

We note too that the prices for these contracts have increased by something like 3 per cent in the last quarter. So costs are going up and demands are increasing but the supply is decreasing because the Government will not have the funds available.

John Jackson and Associates Pty. Ltd., a Sydney industrial economics firm which specialises in the property and construction field, has blamed totally the new Federal Budget for the depression in the building and construction industry. This is not the Labor Party talking; this comes from the private-enterprise field, and the spokesman has come straight out and said this. He pointed out that the Government has tried to make out that it is assisting the building industry but in fact it is depressing it. Mr. John Jackson says that the short-term effect of the Budget will mean the withdrawal of \$157,000,000 in much-needed contracts, \$157,000,000 which would be used for capital works programmes in this country and which would be used to supply services to the people and used to employ people; and it could even be higher if the Federal Government's expenditure estimates fell short, as they did in 1975-76. There is a flow-on effect in the State and in the local authorities, and the figures given by John Jackson show that the reduced spending power in these areas will now be 6.5 per cent. Estimates show that the proposed new works by the Commonwealth—this is excluding the Australian Postal and Telecommunications Commission—are down by 35 per cent. In real cash terms, this is a drop from \$450,000,000 in 1975-76 to \$292,000,000 in 1976-77, or a drop of \$158,000,000.

This all stresses the negative effect on the capital works programmes of our own State. It also stresses the negative effect on the cuts in the Loan Council borrowings, because again the moneys in this sphere are mainly of a construction nature. So we find this dilemma facing us and it is pitiful that the members of the Government are not prepared to realise the importance of the part that the public sector plays. The boost to the public sector of something like \$750,000,000 cannot replace the loss to the private sector. While they might not be the main productivity area of this nation, they certainly supply the services and are a major employer directly and indirectly. State and local government programmes must now be scrapped—this is in the building industry alone—and employees must be thrown out of work. This will aggravate the already difficult situation in the building industry. It was not so long ago that the Building Workers' Union put pressure on the Minister for Works and Housing and the Treasurer not to sack a lot of men in this State. But we now know that this must occur. Hundreds of tradesmen will be affected. Hundreds of builders labourers are going to join the dole queues.

Let us consider the flow-on effect on the cement companies, the brickworks, the timber yards, the paint firms and the multitude of firms that supply the fittings, the furnishings and the furniture of the building industry. We can also consider the architects, the engineers, the draughtsmen and all the others associated with the industry. Thousands upon thousands of people are affected by a

downturn in the building industry. The living standard of thousands upon thousands of people will be affected if this depression continues. The Government has the answer—not so much the Queensland Government in this instance but the Federal Government.

The figures given by the Leader of the Opposition showed that there are something like 8,000 people in Queensland wanting Housing Commission houses alone, and many thousands of other people want houses too. But there are no houses for them. Honourable members know what the cut-back of \$158,000,000 in the building and construction sector will do. It will put special stress on rental accommodation. There is not enough as it is. People are living in shanties and in substandard accommodation and paying massive rents. When no new houses are being built, rental accommodation stress must increase and rental accommodation charges must increase.

**Mr. Doumany:** Do you understand the forces of the market-place?

**Mr. WRIGHT:** I understand the forces all right. The State has already laid off many men and the jobs of many others are in jeopardy. This State has the choice of following the line of the Federal Government and cutting back the work programmes which employ so many Queensland people or increasing direct taxes and finding other revenue.

The cut-back in direct assistance from the Federal Government to local authorities is in excess of 80 per cent and this has a serious effect on their activities. In sewerage finance alone the cut-back has been from \$112,800,000 to \$48,300,000, a loss of \$64,500,000. There will be no more special assistance through the R.E.D. scheme—no more local special programmes created to enable local authorities to employ labour—just a total removal that will leave a vacuum in employment and a vacuum in construction.

As the local authorities have no additional revenue coming in, the people will pay more because rates will have to be increased. They have also been hurt by the cut-back in road works, which has been about 55 per cent, and the cut-back in growth-area expenditure is a similar figure.

The Treasurer faces a dilemma. Admittedly he has said today that he is not happy with all the ramifications of the Federal Budget. He says that he does not want to have to cut back the programmes or services; no doubt he does not want to have to introduce higher indirect taxes or a dual-tax system. But it is no good his getting up in this Chamber and saying, "I don't like it; I'm not going to have it." He must use every opportunity that he has, as Treasurer of this State, to put pressure on the Federal Government and let them know that he means business, let them know that there has to be a reallocation of resources to the public sector, and let them know that the State should not be deprived of funds, because it is the people of the State who suffer if it is.



We all realise, Mr. Hewitt, that inflation must be beaten; but the people have a right to reasonable services and facilities.

**Mr. Porter:** Tell us how.

**Mr. WRIGHT:** I accept that there must be more money in the private sector; but one does not shift the whole allocation suddenly from one area to the other as the Federal Government has done. I accept the fact that under the Federal Labor Government there was a very fast shift from the private sector to the public sector; but it is not necessary to reverse it at the same speed, with undue effects on ordinary people.

People have a right to work. Recent statistics show that 5.18 per cent of the Australian work-force is out of work, and that six out of every 10 young people leaving school will end up in the dole queues. We know that that will increase unless something is done.

I suggest that one answer is to look very closely at the building and construction industry because of the flow-on effect it has on the economy. The honourable member for Bundaberg mentioned that that industry is a catalyst for the economy. It employs thousands of people directly and indirectly. It creates expenditure in so many areas of consumer demand—wallpaper, paint, light fittings, furniture, lino, carpets, lawnmowers; the list goes on and on. All these will increase employment because of the greater consumer demand.

The Fraser Government must reconsider its stand on the construction and building industry, and the State Government must also do what it can to put the pressure where it is necessary. The Queensland Government must reconsider its own allocations to the housing industry. It must continue to pursue its capital works programmes so that people do not lose jobs, and it must do everything it possibly can to resuscitate local governments.

Above all, the Federal Government must be convinced that the public sector cannot be starved of funds, and I know that every member of the Opposition will be watching the Treasurer very carefully to see what answers he comes up with.

**Mr. BYRNE** (Belmont) (3.33 p.m.): It has become very obvious to me in listening to the debate that members of the A.L.P. firmly believe that they do not have any responsibility to the community. The honourable member for Rockhampton, who preceded me in the debate, spoke in a very righteous and rather pathetic manner. He took two bob each way, established a point of view, and then stated, on the one hand, that we all realised that the problem of inflation must be solved, that interest rates were a problem that we had to face up to, yet, on the other hand, that we should virtually continue along the path and pattern maintained by the former Federal Labor Government. It just is not possible for

those two things to operate together, and the rantings and ravings of members of the Opposition show a total lack of knowledge, a total lack of understanding, and a very pathetic stance on behalf of the people of Queensland. If this is all they can offer the Parliament, if they have learnt nothing from the failures of the Whitlam Government, all they are telling the people of Queensland is, "We desire to do the same in Queensland as we did federally." That is the very reason why the people of Queensland did not vote for them in the 1974 State election.

The honourable member for Bulimba told the Committee that he is worried about today. Everyone is worried about today, and we are even more concerned about tomorrow. But if he and his party had had a little bit more foresight, if they had a year or two or three years ago been concerned about today and tomorrow, and that today which is here today, which was yesterday's tomorrow, we would not find ourselves with the enormous unemployment problems that we have, nor would there be the prohibitive interest rates that now apply. Those things would not exist. Their repetition of the same things they have been saying for the last few years is absolutely pathetic. There is no other way to describe it.

The honourable member for Rockhampton spoke about Fraser being free of responsibility. He said that none of our promises had been fulfilled. The only promise that was made was that Australia would be brought back to a certain stability, a stability which had existed in the early seventies but had been thrown into chaos by the Whitlam Government. It is very interesting to see just how that occurred. The Government which told the public that it had the public's interest at heart was the very Government that took more money from the pockets of the workers of Australia than any Government in the history of this country. It increased its income tax takings by 125 per cent in the three years it was in office. It effectively decreased the take-home pay of the workers by 125 per cent in three years.

Opposition members say that we should do more of this. They ask why we are not doing that sort of thing in Queensland. They ask why we are not increasing the economic burden on the public so that we can do more for them. If the A.L.P. in this place really honestly believes that we should provide more services, it must support the principle of the previous Federal Government of incurring enormous debt and spending far beyond a Government's means. I am not surprised if Opposition members want to run their own personal finances in that manner. But running personal finances in that manner can only produce disaster, not only for the person himself but also for his wife and children. That microcosm of a country that exists in a family would be affected in the same way as Australia was affected by the Whitlam Government. That Government destroyed the strength and stability that existed in this

country as reflected in families. If each member of the Opposition were to do the same thing in his own family, he could be sure that no-one in his family would be thanking him for it.

I come back to a basic premise. It was economic mismanagement from 1972 to 1974 which created the greatest disaster Australia has ever had to face. No country can withstand a Government cost input pressure of 114.51 per cent, which was the figure for the previous Government, and increase its productivity. That was the increase in its outlays. That was the increase in expenditure of that Government in that time. Prior to that we had an average of about 9 or 10 per cent increase a year. In the 1973-74 Budget we saw a 20 per cent increase; the following year there was a 45.88 per cent increase. That increase, along with a 22.53 per cent increase the following year, amounted to an impossible obstacle to this country's being able to produce and provide for itself. The money that was spent in so many areas was being spent by a profligate Government.

If any person here decided that he was going to increase his expenditure out of his pocket by 114 per cent in three years, he would not remain here very long. He would not remain in business very long and, indeed, he would not find himself in the free community very long. It is just not real; it just lacks logic; there is no common sense in it.

Government members are just as concerned about people today as the Opposition members would make out that they are, but we are also concerned about tomorrow. This unreal panacea that the Leader of the Opposition tries to say that the Fraser Government promised in six months is just that—totally and absolutely unreal. If that is what he expected from that Government, it is quite obvious that that is the sort of thing he himself is going to promise. He will say, "Bring me in for six months and I will bring with me a panacea. I will create Utopia in Queensland." If that is the sort of argument he intends to pursue, it will keep his side defeated and make it even more depleted. I would indeed rue the day when a Government with such ideas tried to perpetrate the things that were perpetrated in Australia for three years when Labor was in office. If a State Government, having learnt nothing from that three-year period, were to try to do the same things here, it would court disaster.

To be more specific about the outlays and the expenditure incurred at that time, it is interesting to note that the money which the Government took from the country—

**Mr. JENSEN:** I rise to a point of order. I draw your attention, Mr. Miller, to the state of the Committee.

(Quorum formed.)

**Mr. BYRNE:** It is interesting to note that A.L.P. members leave the Chamber after

speaking. Apparently they feel that they have nothing to learn from Government members or do not wish to listen to the jibes made by Government members about statements they have made. Not a single member of the Opposition who has spoken in this debate is in the Chamber. They are quite prepared to make their points and leave, fearing any criticism that might follow. They do not care to face up to reality, namely, that they are unable to maintain the principles that the Federal Labor Government followed during the years it was in Government. They do not like to face the fact that in applying those policies, to which they themselves are bound today, they would court the same disaster in Queensland as was suffered by their Federal counterparts. Until they realise that they have to change their course and that the principles on which they base their policies and strive to change the country are false and invalid, this country will get from them neither responsibility nor benefit.

The productivity of a company is determined by its ability to produce. That is a simplistic statement which in itself is tautological. The funds to meet a 125 per cent increase in three years in the income tax burden of the workers have to come originally from companies who provide the productivity of the State. That means that the money came out of what the country was able to produce. If so much more is taken out of the country by the Government, and the Government spends it irresponsibly on things of little capital value—on things that are not productive—the only results can be those we have seen produced—the chaos, the inflation level and the high interest rates imposed on home builders.

The honourable member for Rockhampton was very concerned in his usual righteous manner about people in certain housing situations. I ask him how many people in the community can afford to buy a house today in the light of the high interest rates. How many young couples are able to do that? In what circumstances do they have to place themselves in order to buy a house? When a man is on an ordinary, average wage, his wife must also be on an ordinary, average wage. With both of them working, in some way they are able to meet interest and repayments on the house. That situation was created by irresponsibility, short-sightedness and inability of a Government to appreciate that its policies could not be brought in overnight.

The unreal panacea, which the Leader of the Opposition criticised the Fraser Government for not having brought in overnight, is the very principle upon which the Labor Government in Canberra in 1972 courted its own disaster. An 87.9 per cent increase in customs, excise and sales tax was inflicted in the same period. Once a growth factor is imposed on a country at about an average of 30 per cent a year, a growth tax of about 30 per cent a year must be imposed on the productivity of companies. Labor's policy

in trying to do it—and we were told so often by Mr. Whitlam that we were only experiencing the economic problems that other countries possessed—and in trying to impose that growth factor or productivity factor in this country at that time was tantamount to total absurdity.

But all of it was passed over. Federal Labor members had promises to fulfil. They wanted to create their Utopian panacea. Even though it would only last for a few months; even though they would only be drunk for a few hours; even though they might be high only for a night, they intended to proceed with total and gross irresponsibility.

We have the Opposition saying, "This is what should have been continued. We are prepared, of course, to criticise the Whitlam Government because the public did not vote for it and therefore if we do criticise it we are being supported by the majority of the people, so we will criticise it, but now we will criticise the new Government because it is not doing exactly the same things that the last Government did—spend all of its money, take all of the money out of the people's pockets and spend it for them." That is not what the Australian community desires and it is not what any individual in the community desires. The people desire to be able to determine their own lives; to be able to make their own decisions; and to decide manner, shape and form for the security of their families, and not have them imposed upon them or be told by Big Brother Government that they are to live in a certain manner, shape or form.

Until the Opposition in this place and until the A.L.P. in Queensland and Australia realise that, with their present goals and aims and the present policies and principles upon which they operate, they are leading themselves to that same court of disaster, the people of Queensland and Australia cannot expect anything more.

The honourable member for Bulimba is worried about today. If I were in his position I would be worried about today; in fact I would be worried about tomorrow, too. If Opposition members ever find themselves in a position to increase their responsibilities in this place, the people of Queensland also should be deeply concerned about their worry for tomorrow.

**Mr. Doumany:** Don't give them any more advice.

**Mr. BYRNE:** The advice I place before them is like the old adage of casting pearls before swine.

All of the previous Labor speakers, who said that they had the solutions to the economic problems of Queensland and Australia, do not feel it necessary to grace this place with their presence. They do not like to learn something new. They do not like to be told where they went wrong. They do not like to think that anybody else has an idea that could be of benefit to the community generally.

One of the most amusing comments came from the honourable member for Rockhampton. He said that we should not suddenly shift the emphasis from the private sector to the public sector or from the public sector to the private sector. He said all along that we have now suddenly shifted in the Federal Budget—and I take him to task very severely over the statement that there has been no shift at all—and that we should not suddenly shift the expenditure from the public sector to the private sector, because it is going to create great burdens on the community; have disastrous economic effects, and create inflationary spirals.

Surely he is not so stupid that he does not realise that that is indeed the very cause of his own party's problems federally; that it tried to bring about this sudden shift towards certain socialist policies and Government control of country; that it was this sudden shift that the country was not able to take and that it was this sudden shift of a 33 per cent productivity imposed upon the country that the country was not able to take, that companies were not able to take, and that in the long run the individuals in the community were not able to take in the management of their own personal financial affairs. The honourable member for Rockhampton said, "We all realise that inflation must be solved" and then said in the next breath, "However, we cannot afford to do anything that can solve it, because it will mean a sudden shift in policy and that sudden shift in policy will be a slight reversal of the enormous sudden shift in policy which Australia faced when Whitlam came to power."

Then we hear the tried and trite old lies about Medibank, dual taxation and unemployment. So dual taxation rises again. It is a terrible fear that Labor spokesmen are putting into the people of Queensland to make them think that this Government will take more money from them. If the people of Queensland have sufficient common sense—and I believe they have—they will realise that the last Federal Government took more from their pockets in personal income tax, in indirect taxes, in excise duties and in imposts on postage and fuel than any other Government in the history of federation. Yet they come in here and, in blase manner, say, "Be careful the Government in Queensland does not try to take more money from you."

Where is their sincerity? Where is that righteous sincerity with which the honourable member for Rockhampton, in a most pathetic manner, keeps imploring us? Where is that real concern? Where is the logic? Where is the argument? Where is the reason? Where are the manners, shapes and forms from which we can see some improvement and change in their policies which might be of benefit to Queensland? Instead of a big bang there is only a light whimper from the Opposition side. They have nothing to offer at all—nothing but criticism of the very things that they themselves have done.

**Mr. MOORE** (Windsor) (3.51 p.m.): I rise to speak on the motion to provide \$732,000,000 for the State until the Budget is brought down on 30 September and subsequently approved. The allocation comprises \$305,000,000 from Consolidated Revenue, \$360,000,000 from Trust and Special Funds and \$67,000,000 from Loan Fund Account. That finance is, of course, for what is virtually the day-to-day working until the Budget is brought down.

One can appreciate the problems that have arisen in this State and nation when one sees from the Treasurer's remarks that \$107,000,000 is needed simply to meet award increases. With inflation running at its present rate, it is easy to see why it is necessary for the Federal Government to call on all Governments to exercise restraint in spending, especially spending that would produce an increase in inflation. From the Treasurer's speech and the way in which he presented the motion, I am certain that honourable members will agree that he will be a worthy successor to Sir Gordon Chalk. During his years in the Treasury portfolio, Sir Gordon had a very responsible attitude to the finances of Queensland and, in the main, he attempted to end the financial year with a balanced Budget or only a very small deficit. Even though he may have made provision for a deficit, his aim was to balance the books at the end of the year and in this he was often very successful. Perhaps it could be said that, as he budgeted for a deficit and ended the year with a surplus, he was not a very good Treasurer.

**Mr. Frawley:** Who are you talking about now?

**Mr. MOORE:** Sir Gordon Chalk.

**Mr. Frawley:** He was a very good Treasurer.

**Mr. MOORE:** My word he was!

When we speak of the restraint necessary in Government spending, it must be remembered that what is needed is some reduction in the long-term growth in spending in all areas that are virtually non-productive. It is non-productive spending that is so inflationary. One of the State's main problems in budgeting is ensuring that fuel is not added to the inflationary fire that is now raging. Inflation is said to be running at 12 per cent at present; it could be higher. I do not see how it will ever be possible to reduce inflation below the bond rate. That is now about 10 per cent. If we are borrowing money at 10 per cent I cannot see how, with the best will in the world, we are ever going to reduce the inflation rate below that. As a matter of fact, it will be 10 per cent plus the various service charges. When the Government sets the pattern with a bond rate of 10 per cent, then the private sector borrows at around that rate and lends the money at a greater rate and therefore I cannot see us reducing the inflation rate below about 12 per cent unless, in the first instance, we reduce the bond rate and then put some

other control on the financial sector to stop the cheap money market getting away, thus bringing about another increase in inflation.

**Mr. K. J. Hooper:** I agree with you. I think you are spot on. What would you suggest we can do to overcome this very depressing and irritating problem?

**Mr. Gygar:** Keep Labor out.

**Mr. MOORE:** I will ignore the dimwit.

**An Honourable Member:** Behind you.

**Mr. MOORE:** I was referring to the honourable member for Archerfield.

**An Honourable Member:** The Trades Hall parrot.

**Mr. MOORE:** Yes.

**Mr. K. J. Hooper:** I am just trying to help you.

**Mr. MOORE:** The honourable member might be, but it is my speech and it is obvious I wrote it. I do not have political henchmen write my speeches for me.

When one considers that three out of every four jobs in the work-force are provided by private enterprise, one can see why it is very necessary to have a Government that is private enterprise oriented. It is no use going along with the great socialist pattern of continually printing more money; the problem of inflation control is everyone's responsibility.

It might be necessary for those who can to work a little harder. There are people in the work-force on the production lines, in the building industry and in many other places whom it would be an insult to ask to work harder. I am not talking about the person who is doing a fair day's work for a fair day's pay, but many are not doing that. There is no reason in the wide world why, if people did about 5 per cent more work, the economy would not really start to pick up. If public servants, members of Parliament and others who have a job to do were a little more conscientious about it and earned their money, then they would be setting the right example, and that also is necessary. So I stress that, when I say that there are some people who should work harder, I am not talking about those who are doing a fair day's work—people on production lines, in canning factories, in clothing factories and the like. I do not ask them to work harder at all. It is very hard for them to compete with Asian imports. But there are people—this is not my opinion—who say to the work-force, "Produce, produce." Those people have never produced a damn thing in their whole lives and I often resent their blanket remarks that everybody (including the work-force) should work harder, when it is impossible for some people to do so.

**Mr. K. J. Hooper:** There is bad management involved, too.

**Mr. MOORE:** There might be bad management, but bad managers do not last very long. The bankruptcy courts are full of people who are bad managers. The only place where bad management survives is in the Government sector. We saw this very plainly with the way the Whitlam Government spent as though money just grew on trees or came straight off the printing press, without any concern for the consequences.

Certain sections of the trade union movement are continually asking for higher wages. I do not mind that, but if a deserving section of the trade union movement gets a little lift along, others who are far better off go to the courts and get a rise, too, and this business of the dog chasing its tail does no good at all.

The trade unions want a bigger pay packet. In many instances, if they want a bigger slice of the cake they could simply make a bigger cake. They could also look at the cost of demarcation disputes. A plumber, say, may be doing a particular job. A little bit of paint is required on a certain area to prevent rust. It is said, "That is a painter's job." A painter is brought along, and it may take him a couple of hours to get there, a couple of minutes to do the job, and a couple of hours to return home. There is something wrong when demarcation disputes of that type occur. In times past demarcation disputes occurred because jobs were scarce and hard to come by; but that situation does not apply today and the present unemployment will be short-lived.

Economic recovery by production is the way to get real wealth. Real wealth is not created by Governments simply printing money.

**Mr. K. J. Hooper:** Would overproduction tend to be a problem?

**Mr. MOORE:** It depends on the article being produced. If articles are being produced at an economic rate and then more are produced with the same overhead, they are produced at little cost to the firm. That is where the profit can be made. Often a firm can produce for the home market and export surplus production. The home market takes care of the firm and enables it to break even, and it can then compete overseas by using low-cost overproduction, if I might call it that.

One of the problems facing the State and the nation is related to the oil industry. Even though Australia is about 75 per cent self-sufficient in petrol, the price of the Australian product is almost as great as that of the product of imported crude that is refined here. It is said that the increase in price is to encourage the oil industry to undertake more research and exploration, and I hope that comes about. The cost of fuel is going to be a source of future problems for this State and nation, and we must look for new sources of energy.

Methane gas is a fairly good source of energy. It can be compressed or liquefied. There is no problem there, and it is one of the simplest gases to produce. The sewage from each person in the community would produce about 2 cubic ft. of gas a day. Methane gas can be produced by the decomposition of straw, grass and garbage, and there is no need for burning. Of course, gases can be produced by burning at certain temperatures. Attempts should be made to produce energy from sources such as those, and we should not be wasting our resources as we are at present.

It is also very simple to produce alcohol. With the sugar industry that we have in this State, we should be thinking along the lines of using power alcohol in the future.

Let me turn now to the Federal Budget and the tax reimbursements to the States. At present the States receive about 33 per cent of the total tax in Commonwealth reimbursements and the Commonwealth retains about 66 per cent. It has been my view for some time that the figures should be reversed—that the States should be receiving 66 per cent and the Commonwealth 33 per cent—because the Commonwealth would be doing fairly well if it received 33 per cent of the total tax. There is far too much duplication of departments. Aboriginal and Islander affairs, law courts, housing and health are some of the many fields that the Commonwealth could well vacate and leave to the responsibility of the various States. With this would come wider diversification. There would probably be a more efficient form of spending with different approaches than with one uniform system of spending, which may be right or wrong.

Strikes, too, have an effect on the economy. No-one on my political side of the fence disagrees with the right of unions to strike. That is fair enough when legitimate disagreements arise. But political strikes are another matter. When all else fails it is fair enough for a union to strike in support of better wages or conditions or if it has some legitimate grievance. Such strikes should not occur very often. Usually they occur only in big firms because the smaller firms have a closer liaison with their employees and industrial unrest rarely is created.

Pay-roll tax was given to the States as growth tax. This year this State will receive about \$168,000,000 from that source. It is Liberal Party policy to reduce pay-roll tax. It is all very well to reduce pay-roll tax, but if, say, the \$168,000,000 has already been allocated for schools, hospitals, roads, housing, child welfare, prisons, etc. and the sum is reduced, the money has to be found from some other source. There is virtually no solution to the problem. The unfair part about pay-roll tax is that it is based not on profits but merely on a firm's pay-roll, whether it is a profitable business or not. It could be the means of putting a firm out of business. Of course, Labor's solution would be simply to make fiduciary issues, to print

the money. That can work all right in a very small way. The transcontinental railway was built with the aid of a fiduciary issue. Following a fiduciary issue there must come a responsible Government that will budget for a surplus and gradually withdraw the fiduciary issue. It virtually has to destroy the money in an incinerator until the debt has been paid, otherwise the fiduciary issue is inflationary.

One of the problems arising in times of unemployment is under-utilisation of the work-force. That occurs when there is a work-force available together with the machines, equipment and material for the production of goods. It is no use waiting for boom times after we have made our recovery to say, "Let us increase housing." Now is the time for the Government to ask, "Where is the work-force? Where are the materials?" If the work-force is utilised to its capacity, and not beyond it, the result will be not inflationary but of great benefit to the State.

(Time expired.)

**Mr. PORTER (Toowong)** (4.11 p.m.): The Treasurer has presented very effectively his first Appropriation Bill and the debate seems to have developed rapidly into a far-ranging one not only on the Queensland economy but also on the national economy. In this context it is rather interesting to note that the Opposition ran out of steam very rapidly. Apparently there are only three Opposition speakers who understand anything at all about fiscal matters and are able to contribute to the debate. After listening to them I feel constrained to ask what school of economics they attended. I think it must have been a night school at which the lights were out and they could not see the text.

The Leader of the Opposition seemed to wish to dwell on what was happening in Queensland to the total exclusion of what was happening on the national scene—as though we were an island and had nothing to do with the rest of Australia. That, of course, is nonsense. It is impossible to consider what is done in Queensland without considering the economic state of the nation as a whole.

The honourable members for Bulimba and Rockhampton both wanted to use this as a full-scale Budget debate, particularly the latter honourable member who presented a tremendous amount of violent invective directed against the Federal Government, condemning it for this, that and the other, without once suggesting what should be done to contain inflation. By way of interjection I asked him several times what he would do about it. He had all the answers about what is wrong but no answer at all about what should be done to correct what he alleges are the various ills.

I suppose that more nonsense is talked about inflation than any other subject under the sun. When I was younger and saxophones were used in dance bands, I once

heard a saxophone described as an ill wind that nobody blows good. I think that comment applies to much of the talk about inflation; it is a lot of empty wind and very few people blow it any good at all.

When we are talking about financial matters, it behoves honourable members to know what inflation is and what causes it. It is very easy to blame Governments—and no doubt the Whitlam Government was a major contributor to our present situation—but to a very large degree, selfish communities help to cause inflation. We get rising prices when people demand more goods and services than are being produced. The tendency for prices to rise becomes run-away inflation when Governments try to fill the gap by printing money. That is, they try to operate by virtue of huge deficit financing.

The demand for more goods and services takes two clear forms; that is, we get demands for more returns in higher wages, salaries, fees, profits, or whatever we may call them, and we get demands from the community that Governments at the Federal, State and local authority level all do more in terms of providing better roads, more hospitals, bigger schools and better public transport—all, of course, meaning more and more pay-outs in that area that is euphemistically termed welfare. The plain fact is that some Governments try to pander to this belief that Governments can give people something. Of course, Governments can give nobody anything. All that Governments can do is to hand over to people the money that they have collected from somebody else. In the process of passing through the bureaucracy, a great deal of the money leaches away.

All of us must remember that we have a part to play in containing inflation because inflation at its present rate in Australia is totally and absolutely disastrous. I know of no country in the whole of recorded history—and certainly none in modern times—that has been able to maintain any sort of widespread economic prosperity once inflation got out of hand. The whole point about inflation is that it is not only dangerous in money terms but, because it debauches the currency, its axe strikes at the very roots, the very foundations, of our society.

If anybody wonders what has been the rate of inflation, I think that a salutary exercise is to remember what often comes to my mind. I have been in Parliament for 10 years. The parliamentary salary today is three and a half times what it was when I entered Parliament in 1966. Yet, as everybody knows, this salary is tied to the average weekly wage, and we receive it at the end of the year in which the wage rises are given to the remainder of the community. So this colossal escalation in wages is a pretty good indication of what has happened to money values in our society.

I think that it is also salutary to reflect that if inflation continues at an average rate of 10 per cent per year—and we are running higher than that at present and were running much higher than that under the Whitlam Government—by the year 2000 “The Courier-Mail” will cost about \$3 a copy, a bottle of beer will cost about \$30 and a haircut will cost about \$120. We get into the world of mad economics when we believe it remotely possible that inflation will continue at the present rate.

The point is that we cannot afford to allow inflation to continue. Whatever may be the cost of hauling inflation in and bringing it back into check, we have got to do it, because whatever may be the short-term rubs or difficulties, the long-term effects of allowing inflation to continue at anything like its present rate will be totally disastrous not only for us but also for the next generation and the one after that.

I think we all should be very careful of relying too much on economic theory. It is very easy to find an economist whose theories suit a particular line of thought and use it. I have heard of an economist being defined as somebody who draws a straight line from an unwarranted assumption to an unjustifiable conclusion. That may very well be so.

I well remember Keynes, who is quoted by literally everyone who wants to bend his theories to suit a particular case, saying very flatly in his journal, “The Economic Review” some 30 years ago that economic theory was not dogma and should never be treated as such; that economists were not soothsayers or reliable prophets; that all they did was present theories based on facts and, because the facts were scarce and difficult to secure, the theories were apt to be very tenuous indeed. So for anybody to suggest that economic dogma or economic theory of any type should be regarded as Holy Writ is a load of rubbish.

As a matter of fact, one gets fashions in economic theory. We have been passing through a period when there are those who suggest that all inflation is the result of added costs and that all we have to do is cope with the costs problem and, hey presto, we have solved inflation. That is one school. Then there is the monetary school, which believes that if we reduce the supply of money all will be well. That is the Friedman school. I must admit that I am inclined a little to the second but I think that the two extremes are somewhat fallacious.

The plain fact of the matter is that there has never been a period in history when, if Governments increased dramatically the supply of money available to the community, we did not get inflation. This was recognised by all economists in the 1920s and 1930s. I was a member of the Queensland Economic Society in the 1930s when Colin Clark was economic adviser to the Queensland Government and was a very shining

member of that society. That was a fact which all of us recognised as so obvious as not to warrant argument.

But we have now reached the stage when many economists have been—how shall I say?—misled by the prime-the-pump theory to the stage where they believe that it is not just a case of priming the pump, but that the Government should print money and take over more and more services and do more and more things.

The honourable member for Rockhampton said that there should not be an abrupt change by curtailing expenditure in the public sector in order to encourage the private sector. I asked him what sort of a change he would propose and he had no answer. But I think he has something of a point. One has to be careful not to make conversions too abruptly; otherwise the change, like decompression for a diver, will produce an acute case of the economic bends.

I am rather sorry that the Federal Government has not recognised the pre-eminent importance of the building industry. I believe there is something that they could do in this field. For the life of me I cannot see why, with the enormous amount of money flowing into the coffers of the central Government, it cannot provide an intrasituation for home-building which would ensure that genuine home builders building a first home were able to secure money at 5 per cent interest. I think that would be of tremendous value to the community. Not only would it stimulate all the range of associated industries that are tied in with building—which is not exactly the catalyst but is certainly the pace-setter in the industrial health of the nation—but it would do a lot for our society, which is based on the belief that people are entitled to own their own home and bring up their family in it. I believe that we will finish up with an inferior society if the people are not able to do that.

It is very easy for people to complain in the present situation and it is very easy to destroy and to run amuck with the economy, like a bull in a china shop. Unfortunately that is what happened. We had nearly four years of the Whitlam Government believing that the answer to every problem was to make people dependent on the Government—to give them more and more hand-outs and give them less and less opportunity to make their own decisions. As I said, it is extremely easy to destroy but it is extremely difficult and very tedious to rebuild. We therefore have to expect that there will be marked dislocations in the economy for quite a long time to come.

As we debate financial matters here, whether they be on the passage of an Appropriation Bill or, later, the Budget that the new Treasurer brings down, we have to bring home to the people that there is no easy answer to the problems that we face. There are never soft solutions to hard

problems and, if inflation is to be beaten, it will not be beaten by any one Government alone or by a combination of Governments. Certainly all Governments have to bear a share of the problems involved in hauling back the inflationary rate.

I say again that I do not believe that Queensland can expect to maintain all its services at the rate that they have been maintained in years past. That does not for a moment suggest that Queensland should not fight for what it considers to be a fair and just share of whatever fiscal cake is available. Of course, it must do so. However, we must not mislead people and believe that if we do not get the money necessary to maintain services at the old rate the dreadful Federal Government is to blame. That will not do us any good; it will not do the Federal Government any good, nor will it do the community any good.

We must aim at reducing inflation over the next two years to a maximum increase of 5 per cent. When that has been done, we can be quite sure that the unemployment problem that we speak of at present will have vanished. We will be set once more for progress with stability which we enjoyed for so many years when Prime Minister Menzies was at the helm and when this State, after 1957, came into the hands of very capable business managers. There is hope for us, but the way will not be easy. We must be very careful that we do not delude ourselves into believing that somebody—the Government or anybody else—can wave a magic wand and solve all our problems. That will not happen.

**Mr. ROW** (Hinchinbrook) (4.25 p.m.): I join this debate to make a few comments, particularly on the response of the Opposition this afternoon to this Bill, which has been so ably introduced by our new Deputy Premier and Treasurer. As I did in my remarks last week during the debate on the Address in Reply, I once again congratulate him on his elevation to that post and also on the manner in which he handled his previous portfolio. I am sure he will justify his elevation to his present position.

I would describe the debate this afternoon by quoting from Shakespeare when he said—

“All the world’s a stage. And all the men and women merely players.”

The debate that we are witnessing today is typical of the political stage that the Opposition of this State uses so frequently in order to create impressions that its members feel are probably desirable from where they stand in the political spectrum, but I would hope that the people who are affected by the economy of the State understand the real facts of the situation and are not misled by the political grandstanding of the Leader of the Opposition. Most of the problems confronting Queensland and Australia today are legacies of previous times, particularly the

period during which the Whitlam Government occupied the Treasury benches in Canberra. It has been said frequently—there is no need for me to elaborate on the point—that it adopted a policy of the promotion of inflationary trends, the effects of which are going to take a long time to remedy.

In the debate on the Address in Reply last week I said I felt that in some instances this situation was creating a good deal of impatience amongst the people of Queensland. I for one will not be cast, as the Leader of the Opposition has cast the members of this Government, as remaining silent now on issues that he claims we condemned vehemently when the Labor Government occupied the Treasury benches in Canberra. I am certainly not going to remain silent on any issues that I feel are worthy of exposition. I think it is quite obvious that I for one am prepared to maintain all possible pressure on the Federal Government, whatever its political colour, in order to ensure that this State receives just treatment by way of taxation reimbursement and the proper channelling of funds into the State Treasury so that the people of the State may best be served by available funds.

I recognise, of course, that it is the policy of the present Federal Government to curtail inflation and that it is not possible to have two faces in these matters. For the inflation rate to be reduced there has to be some kind of financial restriction somewhere, and provided it is applied in the proper place it will have the appropriate long-term effect. Everybody simply has to face up to this situation.

In recent times we in this State have faced an undesirable financial situation which necessitated the raising of certain State charges. One such rise occurred in rail freights last year and this came rather as a shock to country people, at a time when they were reeling from the effects of a reduction in benefits that they had previously enjoyed. The benefits were reduced by the Labor Government in Canberra. The Leader of the Opposition has no justification for pointing the finger at anyone here and saying that the people of Queensland have suffered under the policies of this Government. They have suffered not because of the policies of this Government but because of the legacy of the maladministration we inherited from the years Labor was in office in Canberra.

I was very pleased indeed to hear the Treasurer say that there will not be any further increases in indirect or State taxation or charges to create any more embarrassment to people who are playing their part in ensuring the stability of industries and of the general economy of the State.

Taken out of context, and at best a half-truth, was the reference by the Leader of the Opposition to what he called the removal of the nitrogenous fertiliser bounty. In no sense is it correct to say that the nitrogenous fertiliser bounty would be removed by the Federal Government. Let me quote from a statement by the Honourable Ian Sinclair,



Federal Minister for Primary Industry, on the 17th of this month. He said that the subsidy on nitrogenous fertiliser would be continued. In fact, the situation is that shortly after it took office the Federal Liberal-National Country Party Government extended the nitrogenous fertiliser subsidy until 31 December this year. Under the Whitlam Government, of course, it would have lapsed, and it is very doubtful whether it would have been extended. The Whitlam Government removed the superphosphate bounty completely, but no reference to that was made by the Leader of the Opposition. Very cunningly, he made no reference to it. The fact is that the present Federal Government has restored that bounty, too. The superphosphate bounty has been restored and the nitrogenous fertiliser bounty will be continued, and it will be reviewed—not withdrawn, but reviewed—next year. Who knows? It may even be increased, if the situation justifies that. Therefore, I cannot see any substance in the arguments put forward by the Leader of the Opposition. He has simply twisted things round for his own political purposes. The future of the subsidy will be decided at the appropriate time when the assistance required by various industries is accurately assessed.

Other measures have been taken by the Federal Government to assist industry not only in Queensland but also in Australia, and I think it has embarked upon an outstanding programme of assistance. The assistance given to the beef industry in Queensland is a very good example. As all honourable members know, the beef industry has been one of the hardest hit, and the State Government set up a special committee to investigate the situation. After a long period of difficulty, that committee has come up with a scheme that will provide a floor-price plan for meat. If it is accepted by the other States—and I believe it is virtually as good as accepted—that scheme will certainly provide a great deal of stability for the cattle industry in future. I am quite certain that the Federal Government will contribute to it, and I cannot see why honourable members opposite have claimed that neither the State nor the Federal Government has done anything for the cattle industry in Queensland.

I point out, too, that all the measures being taken have received the recognition of the Industries Assistance Commission. That organisation has been subjected to a great deal of criticism from time to time, particularly by the former Labor Government. It has been used as a political football, and I think it is very reassuring that the present Federal Government in Canberra recognises the value of advice from the Industries Assistance Commission and is accepting it.

The Commission also recommended that the export charge on beef should be suspended, and that has been done. Who imposed the export charge on beef? The

Whitlam Government! At the same time it reduced tariffs on imported foodstuffs to such an extent that it almost crippled some primary industries, particularly the fruit industry and the fruit-juice industry. The present Federal Government has restored the situation and ensured that there is at least a reasonable amount of fair competition between the import industries and the domestic industries.

Let me outline some of the measures that are proposed to assist primary industries in this State. There is to be the reintroduction of the superphosphate bounty and the reintroduction of an investment allowance for new plant and equipment. That is something else that was removed from all industries by the Whitlam Government, and by removing it the Whitlam Government nearly crippled all the investors in heavy industry in Australia. It is going to be a long, hard road back to stability for industries that were affected. However, that allowance has now been restored.

I have already referred to the suspension of the meat export levy. There are to be an extension of the Rural Reconstruction Scheme up to 31 December 1976, at a cost of \$10,000,000, while the Government considers the recommendations of the Industries Assistance Commission, an extension of the Dried Vine Fruit Stabilisation Scheme and assistance for the apple and pear industry. In addition there are to be loans to canneries and increased tariff protection from orange juice imports. There will also be underwriting for the 1975-76 season of the equalisation value of skim-milk powder at \$300 per tonne on a two-to-one basis with the States, as follows—

Underwriting arrangements for skim-milk powder and casein for the six-month period ending 31 December 1976; underwriting until 31 December 1976 the equalisation value for butter and cheese at \$900 and \$680 per tonne respectively.

There is provision of \$13,500,000 for adjustment assistance in the dairying industry in 1976-77; provision for \$12,000,000 to the States for 1976-77 for eradication of brucellosis and tuberculosis; \$6,500,00 for a brucellosis slaughter compensation scheme as recommended by the Industries Assistance Commission; extension of the Softwood Forestry Agreement Act for 1976-77 with a financial allocation of \$6,000,000; increase in the floor price for wool to 234c per kilo on a whole clip average for the 1976-77 selling season compared with 206c in 1975-76; provision of drought relief for affected areas under the natural disaster assistance arrangements with the States; and provision of income maintenance support by varying the eligibility criteria for unemployment benefits to include farmers suffering severe financial hardship and who have registered for employment. That is something that the Whitlam Government would not consider.

Mr. Sinclair has indicated that the Government will keep the financial situation of rural industries under constant review and further assistance will be provided as and where necessary. When we look at the facts I cannot see how the claims of the Leader of the Opposition can be given any credence. The facts are that the present Government in Canberra has grasped the nettle and taken whatever measures it feels it is able to take to curtail inflation and, at the same time, is providing whatever assistance to industry is feasible under the present Budget. I am sure that the Treasury, under the able leadership of the Honourable W. E. Knox, will co-ordinate these plans on a State basis. I certainly look forward to a much brighter future for rural industries, and indeed every industry in Queensland, in the forthcoming budgetary period.

**Mr. M. D. HOOPER** (Townsville West) (4.38 p.m.): In his opening remarks the Treasurer, naturally enough, made some reference to the recent Federal Budget introduced by Mr. Lynch, and indicated how some aspects of that Budget will affect planned Commonwealth and State Government projects. Certainly the Federal Budget was not all good news for Queensland or for most States. Quite a few speakers have referred to the fact that there was possibly a more drastic cut than expected in public expenditure. Warnings have been sounded by all States that public expenditure does not mean employment in the public sector alone. It also means employment in the private sector because many Government contracts mean the employment of private subcontractors. The employment goes right down the line and there is a snowballing effect. Quite often the private sector benefits tremendously from the public expenditure that a Federal or State Government undertakes. I do hope we see some improvement in Commonwealth and State Budgets in the next six months. Perhaps a mini Budget will be introduced early next year to provide for an escalation of public expenditure, which, in turn, would help to relieve unemployment throughout the nation.

Some severe criticism was levelled at the Federal Government because of the reduced housing finance. I quite agree with that because the housing industry is the yardstick by which the economy of the country is measured. If the housing industry is down, the whole economy is down. I hope that the policy will be altered.

I do not agree entirely with the criticism of the reduction in funds for the sewerage backlog programmes. I have always felt that, while this funding was desirable for the recipients, it was loaded in favour of the capital city and larger provincial cities, and that many local authorities could not participate. A local authority with an advanced sewerage development missed out completely and there was no other area for which it could ask for similar funds. Cities like Bundaberg and Maryborough that are about 95

per cent seweraged could not get a couple of million dollars for roads, dams or earthworks that were required. It was for sewerage and nothing else. If a shire was deficient in sewerage, it got the money, but if it was not it missed out.

Insufficient stress is given to the fact that the Commonwealth Government has increased the amount of money to be made available to local authorities through the Grants Commission. Last year Townsville received about \$300,000. If a formula similar to that for last year is applied and local authorities get an extra 75 per cent in funds, millions of dollars will be available to local authorities for small development works which will be very beneficial in providing extra employment for unskilled labour in local authority areas.

I draw the Treasurer's attention to the apparent lack of interest in providing money to overcome deficiencies in transport in country areas of Queensland. In the next few years the city of Brisbane will have its railway electrification scheme completed. Commonwealth finance was forthcoming for some years and the State is now going ahead alone. There appears to be no shortage of funds for development transport work in the capital city while the rest of the State has to wait its turn. I am concerned particularly about the lack of interest in upgrading the line from Townsville to Mt. Isa. This is one of the most profitable sections of our railway system. It has been getting hell hammered out of it in the last few years through the cartage of minerals to the coast and before long 3,000,000 tonnes of phosphate will be carted yearly from Duchess to Townsville. In the past two years a couple of dozen derailments have occurred on this line. They indicate that bridges needed replacing and the line requires much strengthening.

Another factor exercising the minds of people in North Queensland is the shocking accommodation for railway fitters and other workers in western areas. In this instance I am only too happy to refer to some statements that appeared in "The Townsville Daily Bulletin" in these terms—

"Rail men live under appalling conditions.

"They had no electricity, no form of refrigeration, leaking roofs, only wooden stoves, and water which was often dirty and stale had to be carried from outside tanks replenished only once a week,"

That statement was made by Mr. Martin Tyrrell, the Northern District secretary of the Australian Railways Union. On 21 August 1976, in the same paper, a journalist referred in these terms to the plight of a family who had been living at Duchess for eight months—

"His timber cottage has only three rooms. . . .

"The shower facilities are out in the open, exposed to the chilling western morning air.

"The hot water system consists of a 44-gallon drum of water lying on its side with a fire built underneath it.

"His wife cooks on a wooden stove in a kitchen which is only seven feet wide."

These conditions must be overcome immediately. For too long we have been content to have this railway line in Queensland transport ores to the coast without putting sufficient money back to upgrade the line.

**Mr. Marginson** interjected.

**Mr. M. D. HOOPER:** I must agree that some criticism is warranted. The Minister for Transport realises that there are problems. It is not his fault. He has visited the area and he agrees that the conditions are appalling; but, unfortunately, when he approaches Cabinet, Cabinet cries poor mouth and does nothing to improve the situation. On the other hand there is still money available for development in Brisbane.

A couple of years ago I warned the Government and I approached the Commissioner for Railways when I was Mayor of Townsville in connection with the need for a new railway bridge over Ross River to bypass the city and to provide quick access to the wharf area without going through the residential areas of Railway Estate and South Townsville. There is tremendous congestion in the railway yards in Townsville. The situation is very dangerous. Many shunters have been injured because of the congested conditions and the very limited space in which they work. Investigations have been made by the Railway Department, through its consultants, but apparently no action is being taken to construct the bridge. As I said, 3,000,000 tonnes of rock phosphate ore will be coming through the city from Duchess and, in addition, there is tremendous expansion in the sugar industry. All of these factors combined will make the situation impossible in the next 18 months or two years for the movement of railway traffic as well as pedestrian and vehicular traffic in the suburbs unless something is done very soon to provide this quick access to the wharf through the construction of a new bridge.

The conditions being suffered by the men out west have been aired in Parliament for a couple of years and the honourable member for Flinders (Mr. Bob Katter) has explained them brilliantly. I hope that some effort will be made in this year's Budget to provide better housing for workers in Western Queensland, to upgrade the railway line and to construct the new bridge. Everybody cannot be wrong. The unions are complaining, in this case responsibly. They are not being militant in that they are not calling strikes. They are pointing out what should be done for the benefit of the workers in the area and the safety and maintenance of the line. I support their efforts in this respect.

Senior railway officials admit deficiencies and have urged me to push this matter as hard as I can at State Government level to get some action taken to improve the western line. The railway workers, the officials and commercial interests are clamouring for some improvement in conditions. They cannot all be wrong.

Another matter which is interesting to North Queensland people, and also to people in other provincial areas, is the deficiencies in urban bus transport. Some concessions were made in the previous Budget, mainly to pensioners. During the past six months pensioners have been given a 50 per cent fare concession when travelling on urban buses. At the time, the State Government, in its wisdom, granted a 3 per cent subsidy to bus proprietors. It was supposed to make up for the lost income resulting from the fare concessions and also to give a little gravy to the bus proprietors who, it was acknowledged, were having bad times trying to maintain old and unprofitable bus services.

I have pointed out to the Department of Transport and to the Minister for Transport that in one particular case in Townsville—and no doubt it applies across the board to other bus proprietors—we produced figures to show that, in six months, one proprietor lost \$3,500 in cold cash. While the Government set out to give some assistance to bus proprietors and pensioners, the system has completely backfired, and the proprietors are now subsidising a scheme propounded by the Government. I hope that, in the appropriation for funds for the Department of Transport, some redress will be given to bus proprietors. I hope that an increased subsidy will be paid retrospective to 1 January last to make up for the losses incurred by so many proprietors. Obviously insufficient research was done in the first place and the 3 per cent was plucked out of the air and did not work. I have covered what concerns me mostly in transport.

I wish also to say that I was pleased to see a reduction in the Federal funds that were lavishly thrown about by the Whitlam Government on urban development or growth centre programmes. This grandiose scheme fired the imagination three years ago. Everybody thought castles of gold would rise up in our inland areas because of the so-called growth centre scheme.

I had cause to go to Albury-Wodonga to look at this project a little over a year ago. The whole scheme has been a tragedy. Millions of dollars have been squandered on it. Ridiculous fees have been paid for the resumption of land. There is enough land there to meet requirements for the next 100 years. The development corporation has applied so many harsh controls that people are no longer going to Albury but to Wagga, 30 miles away, where there is local government rather than development corporation control. I think the present Government has acted very responsibly in reducing the size of the urban and regional development vote.

If this thinking were applied across the board and similar grants were made to local authorities, I am sure that they would be spent more expertly by those bodies than they would be by development corporations.

**Mr. KATTER** (Flinders) (4.51 p.m.): I should like to make some brief observations before dealing with the main subject matter of my speech. A.L.P. members have made many strong statements about the way in which we are said to have whinged under their Government but are not whingeing now. Surely this must be an exercise in hypocrisy, especially by the Leader of the Opposition when one recalls the speech that he made today. I say that because all who are engaged in politics know better than anyone else that, once anything is removed, it is very hard to get it back. I remember the tremendous battles that were fought for the petrol subsidy. We have now seen it swept away and we know how difficult it will be to have it restored. All I can do is remember Gough Whitlam and his Government with most bitter memories.

I shall name a few of the other things that have been lost, although the petrol subsidy is probably one of the most serious. It is true that the Federal Government introduced certain benefits in respect of education for those in country areas. But what it gave with one hand it took away with the other. If the remote-area allowance, for children for whom educational facilities were not available in their towns, was taken, that income became tax assessable and the child was lost as a dependant for taxation purposes. As it worked out, one was worse off taking the assistance than not taking it. Let me therefore be spared for not thanking Mr. Whitlam for that hand-out.

On the issue of Medibank—the State had a bill for \$200,000,000 and, if the Federal Government was taking over the payment of medical expenses throughout Australia, I assumed that the State would get a cheque for \$200,000,000. But that was not so. We got \$80,000,000 to meet a bill of \$200,000,000. In other words, anyone unfortunate enough to be living in Queensland under a Labor Government had to pay twice for medical services—once through taxation and again through State levies to pay for the State system. We are therefore being short-changed. We were short-changed by the last Federal Government and—let's face it—we are still being short-changed and our chances of changing that situation are very remote. But let us not lose sight of the original cause of the problem. It was, of course, the Whitlam Government, and the loss was to the tune of nearly \$100,000,000 a year.

I move now to coal royalties. We might deny that we were going to increase coal royalties. I should like to think that we were going to increase them slightly to return a figure of about \$10,000,000 to \$20,000,000 a year. Regrettably our rights

were pre-empted by the last Federal Government and Queensland was short-changed on coal royalties to the tune of \$50,000,000. So there is an amount of \$170,000,000 that is being thieved—I use that word advisedly—from the State of Queensland by the Federal Government under initiatives of the Whitlam Government. That is why I say that the speech made by the Leader of the Opposition could be described only as an exercise in hypocrisy.

I now move to economics on which there has been much discussion today. I very much appreciated the intelligent observations of the honourable member for Toowong when he spoke about Friedman economics. The magazine "Newsweek" printed a series of graphs dealing with the economies of the various nations. One graph showed the money supply, which is the amount of money that banks were releasing into the economy, and below that was a graph showing inflation. If one looked at the two graphs for the seven or eight major trading countries, one came to realise that Friedman economics had its shortcomings, in that in a number of those countries where there was a sharp decrease in the flow of money into the economy there was no inflation, or there was no decrease in inflation, and in other countries where the money was suddenly flooded on to the market there was no sudden increase in inflation, so the inflation "marchers" were not listening to the money supply "drummers".

In other words, Milton Friedman economics, that is, the theory that controlling the money supply controls the economy, has its limitations. In some countries it was right; in others it was not. So let us not assume that simply by restraining credit in Australia and simply by restraining Government spending we can overcome the economic problems that exist. All we are talking about is deficit budgeting. I am not talking about going on a mad spending spree like the last Federal Government did, but I would not like to see us suddenly move out of deficit budgeting. We have 5 per cent unemployment, and if we further curtail the money supply we will have a lot more than 5 per cent unemployment.

There is just one other minor point I want to mention, although honourable members probably all appreciate it. The way we keep our Federal account books, capital expenditure items are recorded as expenditure items. This is rather a silly situation. If one is in a business and one makes a trading surplus of \$100,000 for the year and suddenly one spends \$1,000,000 on a new building, one can hardly be said to have suffered a loss for the year, yet that is the way the Government accounts read at the moment. So let us not be entirely scared of what is called deficit budgeting.

Let us look at what I regard as our major problem in Australia at the moment, that is, the figure of 5 per cent unemployed.

Regrettably, from my own personal experience in Charters Towers where we have a number of jobs available, even though we have 5 per cent unemployed we cannot get anyone to fill those vacancies. We have a situation where people simply will not work. I would say that what is true for Charters Towers is probably true for the rest of Australia. One of the things which Jimmy Carter, who is campaigning in the presidential elections in the United States, has said often in his campaign is that everyone in the United States has the right to a job and, if a person does not take that job, he has no right to any money. I am very disappointed that the Federal Government has not introduced this principle in Australia.

People say, "Oh, well, if you give them a job you will be taking away some trade-unionist's job, some other hard working person's job." That is not true. People also say, "Even if you give them a job, they won't work." I am not asking them to work, but I say to honourable members that if I was in charge of them, they would be standing in the sun with a shovel in their hands or they simply would not get paid. What we are talking about here is not the old carrot; we are talking about a bit of stick. If these people are not prepared to work, let them starve. Once they have gone hungry for a while, they will reach what we call maturity and understand that there are no free meals.

There is another observation which I think it is important to make on inflation. I am swinging away from unemployment here because I think we have a psychological problem with unemployment, a problem probably fostered by British migrants, some of whom have introduced their socialist, British working-class concepts into Australia. I have to say that, although with great regret, I have worked with these people and they have a concept that the world owes them a living and that they do not have to work.

But let me turn to the other problem, that of inflation. I do not care which sector of the Australian economy one looks at; the individuals in that particular sector control the price of their product. Some 90 per cent of the Australian work-force are in trade unions and they set the price of their products every year. They set down an award rate and each year it is increased, and under the Labor Government it increased at an annual rate of something like 28 per cent. It has now come down to the inflation rate of about 12 per cent. That is the first thing to take into consideration.

As for the productive sector of the economy, the manufacturing sector, one can pick up the newspaper any day of the week and find that General Motors Holden, Ford or one of the other companies has increased the price of its product, and I stress here that the same pattern exists with regard to our primary industries. The

price of virtually every commodity produced in the primary industries field, whether it be wheat, sugar, tobacco or whatever, is controlled by some board. Many of us have fought very long and hard to have this introduced into the beef cattle industry.

The reason why that industry alone, of all sectors of the Australian economy, is floundering so badly today is that it does not have any control over the price of its product. What we seek to achieve—and I hope it will be achieved very shortly—is control over price in that very important industry. We must look at inflation as a problem that is created by people, because prices are no longer set by the free-market system of supply and demand. In saying that, I am oversimplifying, because to some degree they still are. For example, if a person does not like the price being demanded for beef, he can buy fish or poultry; so there is some opportunity for substitution and there is no absolute control. However, having made that demurrer, let me stress the generalisation that every sector of the Australian economy controls the price of its product.

The only way we can do anything about inflation is by restraining the decision makers, that is, the trade union officials, manufacturing and company czars throughout Australia, professional organisations and primary industry boards. Unless we can convince those people not to increase their prices by 20 per cent next year, we simply will not control inflation in Australia.

In my opinion, one of the major factors in setting in motion the inflationary spiral in Australia was the sudden redistribution of wealth by the Labor Government. In some respects I pay that Government full credit for its redistribution of wealth. It was relatively a small thing, but it was good and it did occur. The effect of it was that profits that were being made and excess incomes that were being received were whittled away. People suddenly found that they were less able to buy what they had bought last year. Naturally, they attempted to raise their prices so that they would be able to buy next year the things that they had bought the year before. I think that was one of the major factors causing inflation in Australia.

It should be remembered that we should never have had inflation in Australia, because the price of one of the major food commodities—beef, which took something like 10 per cent of the income of the ordinary Australian—was cut in half. The price of petrol, which was the other factor fuelling inflation throughout the world, did not rise in Australia. So in two major sectors of the Australian economy—beef, which is a food, and petrol, upon which the whole of Australia moves—the price was cut in half or did not move, and therefore we should never have had inflation in Australia. Some other cause must have been operative, and I submit that the redistribution of wealth was one cause.

I might be asked, "If you say that the Labor Government did a good thing in redistributing wealth, how the hell did Labor get such a terrible caning at the last Federal election?" I submit that one has to look at how and where that Government redistributed the wealth. It has been suggested to me—rather facetiously, I think—that Junie Morosi secured some of that wealth, but I would not know about that.

Some of the major beneficiaries under the Labor Government's redistribution of wealth were university students. It should be remembered that two-thirds of the university students are in social-science-type courses, and it could be argued that these may be of great benefit to the student but of very questionable benefit to society as a whole. Workers saw being taken out of their pockets in taxes money that they had worked hard for and then saw it being spent on the wealthy, educated elite, who would be the power in society in the next 10 years, in the massive structure of wealth power that exists at St. Lucia. That is why the Australian workers turned on the Labor Party as they did and why the Labor Party is, I think, very dubious about whether it will ever win back the mass support of the Australian workers.

The Labor Party is committed to the educatic society. If one looks at the candidates in the eight plebiscites that are to take place in North Queensland, one sees that the overwhelming majority of those people are of the academic type in our society today. That is why the Labor Party will not only lose the next State election but again lose it badly.

I have discussed the concept of the carrot and stick and have said that what we should do is allow some of these people not prepared to take jobs to go hungry until they realise that someone has to work to produce food for them to eat. If we did that they would be far more mature people and far healthier citizens than they are now. But what industries are these people going to work in? Where are they going to be employed?

Let me suggest that the problem here lies with the release of credit and the availability of credit from banks and various other financial institutions in Australia. When a house or a building is to be constructed in Australia, someone has to get a loan from a bank. A bank can loan roughly only 75 per cent of the funds invested with it. A very simple mathematical operation is to lower what are known as the SRDs—statutory reserve deposits—or the LGS ratio. That would mean that banks, instead of being able to loan 75 per cent of the money they hold, could loan 80 or 90 per cent. If it was stipulated that the extra 5 per cent or 10 per cent was to go into an area that is lagging, such as housing, people without jobs would be found employment and young people would be put into houses

and, at the same time, the most hard hit sector of the Queensland economy would be assisted.

I suggest that we should look at the release of more credit. Here I am flying in the face of what is advocated by Mr. Milton Friedman. I suggest the release of more credit in problem areas such as housing, although I could suggest a whole range of other areas, but at the same time the present Federal Government should not be criticised for restraining Government spending. It is simply trying to make Governments employ fewer people and, at the same time, allow the private sector to employ more people. That is all it is trying to achieve by eradicating the deficit budgeting that has been taking place.

I should very much like to bring the Treasurer's attention to bear on what I am about to say. At the present time about \$100,000,000 of railway profits are being repatriated from Northern and Central Queensland to cover the loss made by the commuter system in Brisbane. I say without equivocation that our patience in North Queensland is wearing thin. More and more people are becoming aware of this financial situation, and more and more people are becoming unhappy about it. When I hear the Leader of the Opposition demanding a doubling of the railway lines throughout the commuter system in Brisbane, all I can say is that it is a very hard concept to sell to people in North Queensland.

I have stressed again and again the conditions of railwaymen along the line between Townsville and Mt. Isa. Those men produce the \$100,000,000 profit that is keeping the commuter system operating in Brisbane. I say to my brother who catches the train into Brisbane every day, "When you step on that train, think of the fettlers at Maxwellton. It is their work that is enabling you to travel on your train for 50c a day rather than the \$2 a day you should be paying. Thank those people and remember the appalling, hopeless, embarrassing conditions under which they are asked to work." I plead with the Treasurer to consider in his Budget deliberations the plight of the railway workers living along the Great Northern Line from Townsville to Mt. Isa. The profits repatriated from Northern and Central Queensland to cover the losses made by the commuter system in Brisbane cannot be tolerated any longer.

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer) (5.10 p.m.), in reply: As is to be expected in a debate of this nature, speakers have ranged over a fairly wide field of subjects related to the financing of the State's enterprises and services. I do not intend to deal with the matters raised by individual speakers but propose to deal with some of the issues so that they may be canvassed when the Budget is presented.

With reference to the special plea by the honourable member for Flinders—I understand his concern about the railwaymen

working and living on the Mount Isa line. This line has always presented difficulties. A considerable sum has been spent on improving conditions but more can be done. I suggest to the honourable member that he maintain his campaign. I am sure that his pleas, as in the past, will be heard.

As to the profitability of the Central Queensland and northern sections of our railway lines, I point out that if we took mining out of the Queensland railways every section of our lines would run at a considerable loss. The \$200,000,000 revenue from the railway system—which is the second biggest system in Australia and is very quickly becoming the biggest—is created very largely by the mining activities in Central Queensland and at Mount Isa. If those freights were taken out of the system the railways would run at a considerable loss. It is not just the people who provide the business for the railways. If the Mt. Isa mine did not exist at the end of the line, it would not have been upgraded as it was in the '50s. But for Mount Isa Mines being the single biggest customer of the railways until recent years, the profitability of the northern section would not have existed. The special freight rates to make these mining operations viable and, at the same time, profitable for the railways, have paid off handsomely. Because South-east Queensland does not have long bulk hauls of minerals, it does not follow that the railways do not provide an essential service for the people. It is not just the passengers in Brisbane who receive a subsidy in fares from the profitable operations of the railway lines but also passengers who travel anywhere in Queensland. The advantage is spread evenly throughout the State. This should not be looked at in terms of geography but in terms of the type of service provided by the railway system everywhere in the State.

The Opposition's part in this debate made it fairly obvious that it did not contribute many speakers, but it tried to jump on the band-wagon of my speech, and tried to take the criticism of the Federal Government's Budget further than was necessary. Indeed, a great deal of what Opposition members said was incorrect. It was quite inappropriate and incorrect to suggest that the Federal Budget was a disaster Budget. In fact, most commentators have agreed that the Federal Budget was very responsible in the light of the conditions with which the Federal Treasurer was confronted. I should not like to be presenting a Budget in this State with a deficit of about \$4,000 million hanging over the State's affairs, which is what the Federal Treasurer was faced with. Who were the people responsible for running down the finances of our nation? None other than members of the A.L.P., who regarded the production of money as something to be done capriciously! Indeed, a former Federal Treasurer in the Whitlam A.L.P. Government said that if Labor needed more money it would print it. This irresponsible attitude to

the finances of the nation has led to the present predicament facing the nation. Retrieving the situation and reducing the level of inflation to give stability and confidence back to the people are tremendous tasks which the Federal authorities have to do and which I want to support. So any suggestions by the Opposition that the Federal Budget is a disaster to the nation is, of course, out of keeping with the character of that Budget. There have been some shortcomings and they have been referred to by me and by other speakers during the course of the debate.

Let us remember what was being done. The A.L.P., when it held the Treasury Benches in this nation, endeavoured to erode the standard of living of the people. It did this as a deliberate policy so that the people would cry out for help. When the people cried out for help it would then be able to say to them that it had the panacea for their ills and there would have to be further intrusion of Government agencies into their way of life and their life style—so that the Big Brother nation would be established. That is what it was all about. It was done to try to destroy the will of the people of this nation and to force them into crying out for help, and then to provide for them socialist-type instrumentalities to assist them when they were in need. When the McMahon Government lost office, the inflation rate in this country was 4 per cent and that Government was criticised for that level of inflation. When the Whitlam Government was thrown out, inflation was getting close to 20 per cent. That is how terrible a situation it was.

I want to refer to one matter that has received some prominence in the news. It has caused concern to me and to the State. It is the question of using the Australian Loan Council for political purposes. In the past couple of days a decision was made by the Loan Council—and this State is a member and helped to make the decision—regarding the use of money to purchase ships from outside the nation. This required the approval of the Loan Council. All States except New South Wales and South Australia approved. The reason for their decision not to approve was not that the request was illegitimate but that it did not suit their politics to approve it.

This is a very dangerous precedent. Just imagine if Queensland wanted to have some special arrangements made to obtain loan funds for a special purpose—not necessarily outside the nation—to assist in some form of development in this State and members of the Loan Council voted against it on political grounds. It is a very dangerous situation. It could lead to the prejudice of minorities in this country. I hope it will not be repeated.

It seems to be the attitude of the A.L.P. to use for its own political purposes any of the institutions or any of the instruments provided for this nation. When the A.L.P. was in office federally, it had no particular

inhibition in bypassing the Loan Council altogether and seeking to obtain permission from the Governor-General to raise loans to the extent of \$4,000 million from the "funny money" people around the world. This was done on the understanding that it could advise the Governor-General that it could bypass the Loan Council because the money was for short or temporary purposes—\$4,000 million for temporary purposes to last 20 years. The A.L.P. had no qualms at all in bypassing the Loan Council altogether. I hope that this sort of practice will not be repeated in the history of this nation because the use or the lack of use of the Loan Council for political purposes, whichever way the politics goes, can be very dangerous indeed in the development of this nation. It would be a great pity if any part of the nation were prejudiced by the use of political muscle in an institution of this type.

Federal-State Government relations also were raised. I assure honourable members that relations between the Federal and State Governments are extremely good. We have our differences of opinion on how things should be done but the lines of communication are open. We are being heard and we have a great deal of rapport with our Federal colleagues.

The present position is quite unlike the situation when the A.L.P. was in office in Canberra. That Government completely ignored all our pleas and did not even bother to consult the State on matters of great importance to its people. State relations with Canberra have improved enormously and they are now much healthier than they were a year or so ago.

The matters raised concerning assistance to local government have not gone unnoticed, nor has the predicament facing the cattle industry. Several members mentioned the position of this industry and it is indeed rather serious. The Government has made some policy decisions concerning the railways for the assistance of the cattle industry, but there is, of course, nothing very much of a tangible nature that can be done until demand increases and prices rise to make the industry more viable. It appears that this is a world-wide problem of concern to all cattle-producing nations. There may be ways in which this industry in our nation can be assisted, but they will not be easy to find because, as was mentioned by the honourable member for Flinders, there are alternative forms of protein that are themselves primary products.

The honourable member for Toowong made a useful contribution dealing with the problems of inflation. I do not think that there is any doubt in anyone's mind—certainly not in the mind of the average citizen—that inflation must be reduced to a level considerably lower than the present rate. The average wage-earner knows and understands that inflation is eroding his standard of living week by week and month by month. He understands that perfectly and

he will give great praise and credit to Governments that are able to bring it under control. That is why the people of Australia, including this part of it, will support the Fraser Government in every effort it makes to reduce inflation. If it does not succeed, it will have political difficulties. If it does succeed, it will be acclaimed throughout the nation and will remain in office for many years.

If this State Government can assist the Federal Government to reduce inflation, it will be good for the average citizen and good for returning value to every dollar that the Government spends from either loan moneys or revenue. One of the greatest problems in preparing a Budget is coping with a dollar that depreciates in value almost before one's very eyes. I trust that all members will support the efforts being made to bring about responsibility and restraint in managing the finances of the State.

Motion (Mr. Knox) agreed to.

Resolution reported, received, and agreed to.

## WAYS AND MEANS

### COMMITTEE

VOTE OF CREDIT—\$732,000,000

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

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer): I move—

"(a) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1976-77, a further sum not exceeding \$305,000,000 be granted out of the Consolidated Revenue Fund of Queensland exclusive of the moneys standing to the credit of the Loan Fund Account.

"(b) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1976-77, a further sum not exceeding \$360,000,000 be granted from the Trust and Special Funds.

"(c) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1976-77, a further sum not exceeding \$67,000,000 be granted from the moneys standing to the credit of the Loan Fund Account."

Motion agreed to.

Resolutions reported, received, and agreed to.

## APPROPRIATION BILL (No. 1)

### ALL STAGES

A Bill founded on the Resolutions was introduced and passed through all its stages without amendment or debate.



PHYSIOTHERAPISTS ACT  
AMENDMENT BILL

INITIATION IN COMMITTEE

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

**Hon. L. R. EDWARDS** (Ipswich—Minister for Health) (5.32 p.m.): I move—

“That a Bill be introduced to amend the Physiotherapists Acts, 1964 to 1965 in certain particulars.”

The purpose of the Physiotherapists Act is to ensure that persons wishing to practise as physiotherapists are adequately qualified. The Act provides for the constitution of a board whose duty it is to determine whether or not those applying to be registered as physiotherapists hold qualifications which are acceptable in Queensland.

In order to facilitate the board's decisions, this Bill provides a revised section dealing with qualifications, clearly determining Queensland's requirements for registration. Schedules detailing acceptable qualifications from other Australian States and those overseas qualifications presently recognised for practice and registration in Queensland are provided.

The provision in other registration Acts concerning publication of the register has been amended to delete the requirement for the register to be published in the Government Gazette annually. This Bill provides a similar amendment, and in order to remove any misunderstandings that honourable members have concerning this matter I will elaborate.

Following payment of annual registration fees, a list of persons who are entitled to be and remain registered as physiotherapists under this Act is compiled and certified by the Registrar as correct as at the first day of May in the particular year. As the board's records of registered persons are computerised, a computer print-out can be obtained for this purpose at the appropriate date. The computer file can readily be developed into print for publication of the register and the required number of copies produced.

During the ensuing 12 months until the register is produced again, further persons' names could be added to the register or others removed. Provision is therefore made for publication of supplementary lists indicating alterations to the register as considered desirable. Any person requiring a copy of the register and/or supplementary lists could arrange to obtain same from the Registrar of the Physiotherapists Board on payment of the necessary fee.

This Bill also will enable the board to remove the name of physiotherapists from the register where it establishes that their name has been removed from a register maintained by any other registration authority.

Provision is also made for the board, where it comes to its notice that a physiotherapist may be medically unfit to practise his profession, to require that physiotherapist to appear before a committee of assessors composed of medical practitioners to determine his medical fitness to continue to practise physiotherapy. In the event that the committee of assessors furnishes a certificate that the person is medically unfit to practise or failed to appear for examination, provision is made for the board to call upon that person to show cause why his name should not be removed from the register. A revised definition of “physiotherapy” is provided, together with a non-exhaustive list of methods of treatment which the board may recognise as approved methods of physiotherapy. Provision is also made to exempt persons engaged in massage in sport or for cosmetic purposes from the operation of the Act.

The Bill also extends to the Physiotherapists Act Cabinet's decision that members of boards, committees and statutory authorities should not be appointed where they have attained the age of 70 years, or should not be so appointed beyond the date on which they attain that age.

A further provision of the Bill is to give effect to a Cabinet decision that members of a board who are officers of the Public Service of Queensland should not receive any fees for attendance at meetings of the board during their normal office hours.

I consider that the registration of physiotherapists and the other activities of the board, in respect of control of the profession, require the expertise of members of the profession. I have therefore had provision made in this Bill for at least two of the four board members nominated by the Minister to be physiotherapists. Future boards will therefore comprise at least five physiotherapists in a membership of seven.

Other amendments relate to administrative matters and increase penalties to a more realistic level.

I have found my relationship with the physiotherapists' profession to be an outstanding one. It has proved to be a most responsible body. Its assistance in the development of the amendments to the Act has been deeply appreciated. I am sure its high ethical code of the past will continue. I believe that the good relationship which exists between the physiotherapists, the board, the department and me as Minister will continue in the future. I commend the motion to the Committee.

**Mr. MELLOY** (Nudgee) (5.36 p.m.): The Minister has referred to the amending legislation as a comparatively simple Bill. It follows the line taken in relation to other paramedical bodies inasmuch as the register of names will not be published in the Government Gazette every year but will be

available as a computer print-out. This legislation follows the pattern set in other Bills.

I am pleased to see that the Minister has made provision for the appointment of more physiotherapists to the board, bringing their representation to five out of seven. This is a most desirable move, because nobody would know better than the physiotherapists themselves of the existence of anomalies in the Act. By having a majority on the board they would be in a better position to bring to the notice of the Minister anomalies as they exist or arise.

In the schedule reference is made to the registration of overseas physiotherapists. Recently the overseas professional committee of the Department of Labour and Immigration set up a body known as the Australian Examiners Council of Physiotherapists. I take it that the Bill will relate in some way to the requirements of that committee. The council screens physiotherapists who want to come into this country to practise. Those who pass the screening are given a placement at an Australian hospital for a minimum of six months up to 12 months under the supervision of the council. After that time they are again required to sit for a further examination in physiotherapy. I am advised that this amendment will enable the people who have completed all the examinations and placements to be registered in Queensland. That is in line, I presume, with the legislation of other States. The New South Wales legislation enabled this to be done by administrative arrangements, but in Queensland we have to amend the Act. As we see it there are problems relative to their placement in the various hospitals for periods of 12 or six months. It appears that during this period the patients or the hospitals are in no way protected against any negligence on the part of the people who are undergoing this training. It is to be hoped that future amendments will provide the necessary protection for patients and the hospitals.

It is also to be hoped that the screening requirements of the Australian Examiners Council of Physiotherapists and the State Physiotherapists Registration Board will ensure that everyone seeking this form of registration will be equally and capably qualified in physiotherapy. It is well known in the physiotherapy world that some medical schools of dubious quality grant certificates and diplomas. Indeed, in Canada, a 12-month course will enable anyone to become a physiotherapist in a province there, whereas in Queensland an aspirant physiotherapist must undergo rigorous training in anatomy and a variety of other subjects to complete a degree at the University of Queensland. It seems that it has been harder for a physiotherapist to become registered in Queensland than in other States. I believe that our high

standards should be preserved. We should set a standard in Queensland for all paramedical people.

The Opposition welcomes this amendment, which will maintain a degree of responsibility for physiotherapists. Until I read the Bill I content myself by assuring the Minister that on the information he has presented to us the Opposition can find nothing of a sinister or detrimental nature for the people of Queensland.

**Mr. LANE (Merthyr)** (5.43 p.m.): I am very happy to support this legislation that seeks to establish a register and a series of qualifications for physiotherapists in Queensland. I am also happy to support the remarks of the Deputy Leader of the Opposition. I see merit in having the qualifications of overseas persons recognised. Queensland has benefited greatly from migration of people from all parts of the world. It is important that such qualifications be recognised.

This measure gives me an opportunity to comment on a number of other matters which are probably within the spirit of the Bill but are not mentioned directly. I refer firstly to the payment of fees to physiotherapists. For some time I have believed that these days the private medical benefits funds and Medibank should remunerate patients for fees paid to physiotherapists. I am sure that many honourable members on both sides of the Chamber share my views. I know that physiotherapists would like their fees to be covered. Prior to the introduction of Medibank, many aged and afflicted persons who required the services of physiotherapists were able to get financial assistance from a medical benefits fund or treatment at the Outpatient Department at the hospital. Either for geographical reasons or perhaps because they preferred to go to a particular practitioner who would be covered by this legislation, they were forced to pay the fees out of their own pockets with no refund from the Government or normal welfare sources. This is something that the Commonwealth and, indeed, the private enterprise medical benefits funds could consider including in their programmes because these days we seem to be offered all sorts of promises, gifts and shopping lists by various agencies—and even Government agencies—in the hope that we will join them.

Another matter which deserves comment is the provision of massage and other body manipulation to people in certain premises in this State. I am one who has always believed that prostitution—and that includes "massage"—should be illegal, as indeed it is in Queensland. Every door belonging to a person who is practising or plying under a legitimate name, but in fact carrying out prostitution, should be closed as soon as possible. I suppose that the registrar, in the laying down of qualifications under this Act—

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

**Mr. LANE:** I do not expect the honourable member for Archerfield to support me in my opposition to prostitution. Probably he has a personal interest and, if so, I think he should declare it.

If qualifications are laid down in this legislation, some of the people who attempted a year or two ago to practise as masseurs and masseuses, without being properly registered under the legislation that pertained to them, will no doubt in time endeavour to set themselves up as physiotherapists or persons operating in this paramedical area.

Ever since Labor went out of power, the Government has made every effort to close the doors to prostitution. We know that, for graft and other reasons, the Labor Party permitted brothels, and those kinds of activity to persist for a number of years while it was in power. It was not until this responsible Government, on this side, came to power that the first efforts were made to stamp out these malpractices. These people operated successfully for a number of years and it was not until 1971 that some of the practitioners in Brisbane sought to use the title of "masseur" or "masseuse" in setting themselves up in business and trying to legitimise their activities.

In 1971, the then Minister for Police introduced a Bill to amend the Vagrants, Gaming, and Other Offences Act, which outlawed the use of massage rooms for prostitution or for soliciting for immoral purposes. In fact, it was made illegal under new section 8A, which was inserted in that legislation at that time, for such practices to take place or for such people to pretend to practise something which was a pseudo medical practice. Even today, there are still loop-holes in the law and police are having considerable difficulty in obtaining evidence to substantiate charges under the amended Vagrants, Gaming, and Other Offences Act.

The State is obliged to suppress such undertakings and to eradicate such forms of immoral and illegal practice. Some years ago it entered into an International Convention for the Suppression of Traffic in Persons and of the Exploitation of the Prostitution of Others at United Nations level.

**The CHAIRMAN:** Order! I think the honourable member is now talking more about prostitution than physiotherapy and I ask him—

**An Honourable Member** interjected.

**The CHAIRMAN:** Order! When I am speaking or giving a ruling, I will be heard in silence. I call the honourable member for Merthyr.

**Mr. LANE:** I am concerned that persons practising prostitution may attempt to use the legitimate practice of physiotherapy to legitimise their activities. I compliment the Minister on bringing down this legislation, which will close yet another door against such practices. I merely wish to commend him for such action.

**Dr. SCOTT-YOUNG** (Townsville) (5.51 p.m.): I consider this Bill to be not only a simple one, as it was described by the honourable member for Nudgee, but a very important one. It does something that should have been done many years ago. This prompts me to make the point that the best administration often comes from a department led by a Minister who knows what he is doing. That is exactly the situation of the Health Department at present. The Minister for Health must be congratulated on his approach to the Bills that he brings down, including the one now under discussion.

If one looks at the Physiotherapists Act one finds that no qualifications are prescribed. It contains no schedule. Recently right throughout the medical and paramedical professions great interest has been taken in qualifications and the training required to obtain them. It is good to see, and most important for the benefit of the community, that this trend has been extended to the profession of physiotherapy. Previously, except in certain States, anyone could set up as a physiotherapist. In New South Wales there was a rather difficult course of up to four years for the training of physiotherapists. They had to study anatomy, physiotherapy and various subjects connected with electricity before qualifying. The Queensland course was much the same. A very good course was conducted at the university and a diploma was awarded on graduation. This legislation will produce throughout Australia a uniform code of qualifications.

I hope that when overseas applicants for registration are being investigated, the ability to speak English is regarded as an essential qualification. In this country there are numerous Asian graduates who speak very little English, which means that their knowledge, if any, is extremely hard to evaluate. I hope that when the registration of overseas graduates in physiotherapy is under consideration, the language test is strict and not allowed to be pushed aside. It is most essential for the physiotherapist-patient relationship that physiotherapists speak good English.

Another interesting provision in the Bill is the setting of the maximum age of board members at 70. This is another good move because unfortunately many boards have elderly gentlemen as members and they accept the workings of the day; they are not progressive in their approach, and I consider the provision that sets an age limit to be very good.

There is another provision that I thought when the Minister mentioned it was rather dictatorial but which is in fact most essential. I refer to the calling up of people to see if they are medically fit. When one looks at it basically, I think one will see that that is essential in all provisions dealing with human beings. In the past there have been in the medical and paramedical professions people with way-out, extraordinary and unbalanced ideas of how they should treat their fellow men. Unless we keep rigid control over

these people and have the power to have them called up for assessment, we are not doing justice to our fellow men. Many years ago there was a famous German surgeon who thought he could operate on a kitchen table.

We also find that some people who set themselves up as physiotherapists have peculiar ideas of various physical treatments, and these days with the wide use of electrical machines it is most essential that there be some control of the profession. I cannot see anything in the Bill that could be detrimental to the profession as a whole. The provision for at least five members out of seven on the board to be physiotherapists I think again shows the deep interest of the Minister in the medical and paramedical professions and I commend the Bill to the Committee.

**Hon. L. R. EDWARDS** (Ipswich—Minister for Health) (5.56 p.m.), in reply: I would like to thank honourable members for their contributions to the introductory debate on what I consider to be a very important Bill which obviously has the support of the Parliament. The Deputy Leader of the Opposition mentioned that he supported an increase in the number of physiotherapists on the board. Of course, we have been very keen for all professions to have more say in all aspects of the administration of registration boards.

The Deputy Leader of the Opposition mentioned overseas qualifications. What we are trying to do in this Bill is to protect people coming from overseas and we are hopeful that the programme to which he referred will be assisted a great deal by the amendments contained in the Bill.

I might also add that I feel very strongly that the standard of physiotherapy in this State is extremely high. This fact is well recognised throughout Australia. We are very proud of the standard reached in the physiotherapy course at the University of Queensland, and certainly the standard of physiotherapy practised both in private medicine and in hospitals is very high.

The honourable member for Merthyr mentioned that there was no Medibank or medical benefits refund on the payment of fees to physiotherapists. The introduction of such refunds is something which I fully support and I know that the Queensland Government has been concerned about this for a long time. I assure him of my interest in this matter and I know very well that he will continue to press Federal members concerning this important matter because, as I indicated, it is a Commonwealth matter. I am sure he would have the support of physiotherapists, the medical profession and the community on this very valid point.

The honourable member for Townsville raised the matter of qualifications. His expert knowledge in this area over many years of practice is well appreciated. He mentioned the necessity of people coming from overseas being capable of speaking English. This

point will be covered in the Bill and I am sure the honourable member will be satisfied with the Bill when it is printed.

Motion (Dr. Edwards) agreed to.

Resolution reported.

#### FIRST READING

Bill presented and, on motion of Dr. Edwards, read a first time.

The House adjourned at 6 p.m.